

**AGREEMENT IN PRINCIPLE
RELATING TO THE SETTLEMENT OF
THE HISTORICAL CLAIMS OF TE HIKU IWI**

Being

**NGĀTI KURĪ
TE AUPOURI
NGĀI TAKOTO
NGĀTI KAHU
TE RARAWA**

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1 Background

- 1.1 The Crown has entered into terms of negotiation with Te Hiku iwi, being those iwi who are mana whenua and exercise tino rangatiratanga and kaitiakitanga in Te Hiku of Te Ika, namely –
 - 1.1.1 Ngāti Kurī; and
 - 1.1.2 Te Aupouri; and
 - 1.1.3 Ngāi Takoto; and
 - 1.1.4 Ngāti Kahu; and
 - 1.1.5 Te Rarawa.
- 1.2 Te Hui Tōpū o Te Hiku o Te Ika (Te Hiku Forum) was established by Te Hiku iwi in June 2008 to assist the iwi to address their shared interests in redress, as it has done in the manner provided by this agreement in principle.

2 Outline of this agreement in principle

- 2.1 This agreement in principle contains the nature and scope, in principle, of the following redress for Te Hiku iwi for the settlement of their historical claims –
- 2.1.1 shared cultural redress in relation to Te Oneroa a Tōhē, Te Rerenga Wairua and Te Ara Wairua;
 - 2.1.2 comprehensive financial and commercial redress for Te Hiku iwi comprising –
 - (a) \$120 million which is to be split amongst Te Hiku iwi by a mixture of cash and properties as determined by Te Hiku iwi themselves as set out in 6.2; and
 - (b) rights of first refusal exercisable by Te Hiku iwi over –
 - (i) public conservation land in the Te Hiku o Te Ika region administered by the Department of Conservation on behalf of the Crown on settlement date; and
 - (ii) other land in the Te Hiku o Te Ika region held by government departments on behalf of the Crown on settlement date;
 - (iii) any properties in schedules 5 or 6 that are not transferred on settlement date to a Te Hiku iwi; and
 - 2.1.3 a social accord entered into by the Crown and Te Hiku iwi.
- 2.2 Work will continue with Housing New Zealand Corporation to explore securing a right of first refusal over Corporation properties within the Te Hiku rohe.
- 2.3 The parties will explore extending the right of first refusal to identified properties held by Crown entities and State-owned enterprises.
- 2.4 This agreement in principle complements and in specific areas identified replaces the financial and commercial redress in the existing agreements in principle, and makes changes to the cultural redress, in particular in relation to Te Oneroa a Tōhē, Te Rerenga Wairua and Te Ara Wairua. In all other respects, the existing agreements in principle are preserved and maintained.
- 2.5 This agreement in principle is a realignment of the previous agreements following negotiations with the Te Hiku Forum and cultural redress is subject to ongoing negotiations as set out in part 5 of this agreement.
- 2.6 A Crown apology and other cultural redress for each iwi will be developed, as necessary, following the signing of this agreement in principle. In the case of Ngāti Kahu cultural redress will remain as specified in their existing agreement in principle.

- 2.7 The parties will then work together in good faith to develop, as soon as reasonably practicable, deeds of settlement for Ngāti Kurī, Te Aupouri, Ngāi Takoto, Ngāti Kahu and Te Rarawa. The deeds of settlement will be based on this agreement in principle and agreements reached on other cultural redress.
- 2.8 Each deed of settlement will include the full details of the redress to settle the historical claims of each iwi. Inclusion of redress, and entry into deeds of settlement, will be conditional on the matters set out in part 10 of this agreement in principle.

3 Crown apology

3.1 A Crown apology will be –

- 3.1.1 a component of the settlement with each Te Hiku iwi; and
- 3.1.2 incorporated in each deed of settlement with each Te Hiku iwi.

3.2 In each deed of settlement with each Te Hiku iwi –

- 3.2.1 an historical account will provide an agreed understanding, where achievable, of the historical relationship between the Crown and that iwi; and
- 3.2.2 the Crown will –
 - (a) acknowledge to iwi, on the basis of the agreed historical account, that identified acts or omissions of the Crown were in breach of Te Tiriti o Waitangi/Treaty of Waitangi and its principles; and
 - (b) apologise to that iwi for the acknowledged breaches of Te Tiriti o Waitangi/Treaty of Waitangi and its principles.

4 Cultural redress in relation to Te Oneroa a Tōhē, Te Rerenga Wairua and Te Ara Wairua

Introduction

- 4.1 This part makes provision for the cultural redress in relation to Te Oneroa a Tōhē (Ninety Mile Beach), Te Rerenga Wairua and Te Ara Wairua.

Rights unaffected

- 4.2 The Crown acknowledges that, except as provided by the deeds of settlement or settlement legislation, the provision of redress will not –

4.2.1 affect any rights of Te Hiku iwi in relation to Te Oneroa a Tōhē and Te Ara Wairua; and

4.2.2 affect, in particular, any rights Te Hiku iwi may have –

(a) in relation to aboriginal title or customary rights or any other legal or common law rights including the ability to seek fee simple title in relation to Te Oneroa a Tōhē; or

(b) under the Foreshore and Seabed Act 2004 (or any legislative or other regime that replaces or alters it).

- 4.3 However, the Crown does not acknowledge that any such rights exist.

Changes may be required

- 4.4 The parties acknowledge the redress in this part may have to be changed to reflect any legislative or other regime replacing or altering the Foreshore and Seabed Act 2004.

Te Oneroa a Tōhē

Background

- 4.5 Te Oneroa a Tōhē has for generations been for Te Hiku iwi a vital resource for food, transport, cultural and spiritual sustenance, and recreation. Specific hapū and iwi of Te Hiku o Te Ika are manawhenua.

- 4.6 The Crown, therefore, –

4.6.1 acknowledges the cultural, historical, and spiritual significance of Te Oneroa a Tōhē to Te Hiku iwi; and

4.6.2 recognises the responsibilities of Te Hiku iwi as manawhenua and as its kaitiaki; and

4.6.3 together with Te Hiku iwi, wishes to preserve the environmental and cultural integrity of Te Oneroa a Tōhē.

4.7 Te Hiku iwi acknowledge –

- 4.7.1 the Crown's role in allowing the public of New Zealand to enjoy recreational and commercial use of Te Oneroa a Tōhē;
- 4.7.2 the public of New Zealand have always been provided with reasonable access to Te Oneroa a Tōhē for recreational purposes. Te Hiku iwi do not object to access that does not violate the tikanga of the hapū and iwi;

4.8 The Crown and Te Hiku iwi have different concepts and views regarding proprietary rights in Te Oneroa a Tōhē. This agreement is not intended to resolve those differences.

Co-governance arrangement

4.9 Settlement legislation will establish a co-governance arrangement over Te Oneroa a Tōhē by establishing a statutory board that –

- 4.9.1 has an equal number of members appointed by Te Hiku iwi and by the Crown. The Crown members may include representatives of –
 - (a) Northland Regional Council (which has primary responsibility under the Resource Management Act 1991 for the sustainable management of the coastal marine area); and
 - (b) the Far North District Council; and

4.9.2 is chaired by a representative of Te Hiku iwi on a rotating basis.

4.10 The manner in which the iwi manawhenua and kaitiakitanga will be reflected and acknowledged in the co-governance arrangement will be further developed and agreed between the parties by Deed of Settlement.

4.11 The board will operate on a consensus decision-making basis and in accordance with the tikanga of Te Hiku iwi.

4.12 The board will –

- 4.12.1 develop a management plan for the areas within Te Oneroa a Tōhē identified in the map 2 in schedule 3 (the "beach management areas") being –
 - (a) the foreshore and seabed; and
 - (b) the marginal strips adjacent to the beach management areas; and
 - (c) the Ninety Mile Beach Central Conservation Area (145 hectares); and
 - (d) the Ninety Mile Beach South Conservation Area (33.9 hectares); and

(e) Clarke Road Stewardship Area (3.6 hectares); and

- 4.12.2 ensure the beach management areas are managed in accordance with the management plan; and
- 4.13 Te Hiku iwi may wish to add further adjoining Te Hiku iwi land to the beach management area. This land will be managed in accordance with the management plan. This will be negotiated between agreement in principle and deed of settlement.
- 4.14 It is envisaged the board will be responsible for key management decisions affecting the beach management areas if key management decisions are transferred or delegated to the board subject to clause 4.20.
- 4.15 However, the board –
- 4.15.1 will be guided by and act consistent with the existing statutory and regulatory frameworks; and
- 4.15.2 in particular, will not have any powers or functions in relation to the Fisheries Act 1996.
- 4.16 Existing public access rights in relation to Te Oneroa a Tōhē will be preserved. Within 6 months of the signing of this agreement in principle full disclosure will be made of all existing and proposed third party rights. Following disclosure, Te Hiku iwi and the Crown will ensure appropriate rights and encumbrances will be preserved.
- 4.17 Each party will bear its own costs and expenses in relation to the board. Once the powers and functions of the board have been agreed and the costs associated with it identified, the question of how they be met will be determined.

Payment of concession fees

- 4.18 The Crown will pay to the board the concession fees received after the settlement date from tourist bus operators for using land currently administered by the Department of Conservation for access to Te Oneroa a Tōhē on their way to and from Te Rerenga Wairua/Cape Reinga.
- 4.19 The board is to use those concession fees for projects consistent with the functions of the board.

Further details to be developed

- 4.20 The co-governance arrangement will require further –
- 4.20.1 details in relation to the board, including its functions and membership, review provisions to address any significant change in circumstances, and costs and expenses, to be developed by Te Hiku iwi and the Crown; and

- 4.20.2 consultation and, where possible, agreement with the relevant local authorities.

Regeneration of the beach

- 4.21 The Crown will also explore with Te Hiku iwi redress to assist the regeneration of toheroa and other fauna and flora in the beach management areas such as prohibiting vehicle traffic.

Vesting of adjoining land

- 4.22 Settlement legislation will vest in the governance entity of the relevant Te Hiku iwi the following lands adjacent to Te Oneroa a Tōhē as set out in map 2 in schedule 3 –

4.22.1 the Ninety Mile Beach Central Conservation Area (145 hectares);

4.22.2 the Ninety Mile Beach South Conservation Area (33.9 hectares);

4.22.3 Hukatere (10 hectares);

4.22.4 Clarke Road Stewardship Area (3.6 hectares).

- 4.23 The Crown will explore vesting in the representative entities the marginal strips adjacent to those lands.

Further recognition

- 4.24 The Crown will –

4.24.1 explore the possibility of place name changes in relation to Te Oneroa a Tōhē, including changing the name of Ninety Mile Beach to Te Oneroa a Tōhē; and

4.24.2 after the settlement date, install interpretative signs at key access points along Te Oneroa a Tōhē, acknowledging the cultural and historical importance of Te Oneroa a Tōhē to Te Hiku iwi; and

4.24.3 support the raising of pouwhenua (carved posts) at Waipapakauri to commemorate historic events across Te Oneroa a Tōhē. The Crown and Te Hiku may consider other locations for raising additional pouwhenua following this agreement in principle and in consultation with other interested parties.

Te Ara Wairua and Te Rerenga Wairua/Cape Reinga

- 4.25 The Crown acknowledges that the following are sacred places for Te Hiku iwi and other Māori –

4.25.1 Te Ara Wairua - the spiritual path; and

4.25.2 Te Rerenga Wairua/Cape Reinga

4.26 In recognition of this, the settlement legislation will –

- 4.26.1 acknowledge Te Hiku iwi as kaitiaki over Te Ara Wairua and Te Rerenga Wairua; and
- 4.26.2 allow the relevant Te Hiku to define, reflect and acknowledge the agreed kaitiaki role of each iwi in respect of 4.26.1;
- 4.26.3 Agree to vest in fee simple as an historic reserve 75 hectares at Te Rerenga Wairua/Cape Reinga in Ngāti Kurī. This vesting shall be subject to the outcome of 4.26.2. The relevant kaitiaki iwi and Minister of Conservation will develop, and the settlement legislation will provide for (if necessary), a management regime that preserves as a minimum the current standard of care.

4.27 A map of the proposed historic reserve is attached in schedule 3, map 3.

5 Other cultural redress

Introduction

- 5.1 This part makes provision for the cultural redress to be provided to each Te Hiku iwi other than the shared cultural redress in relation to Te Oneroa a Tōhē, Te Rerenga Wairua and Te Ara Wairua.

Ngāti Kurī

- 5.2 The Crown and Ngāti Kurī will, as soon as reasonably practicable, agree in principle as to the other cultural redress for Ngāti Kurī.

Te Aupouri

- 5.3 The Crown and Te Aupouri will, as soon as reasonably practicable, agree in principle as to the other cultural redress for Te Aupouri. It is anticipated this will include the Crown offer of redress provided on 5 December 2009.
- 5.4 The existing offer includes an offer to vest 59 hectares of the Aupouri Crown forest land (the Kapa block) in Te Aupouri on terms to be agreed.

Ngāi Takoto

- 5.5 The Crown and Ngāi Takoto will, as soon as reasonably practicable, agree in principle as to the other cultural redress for Ngāi Takoto.

Ngāti Kahu

- 5.6 The provisions in the existing agreement in principle with Ngāti Kahu continue to apply to the other cultural redress for Ngāti Kahu.

Te Rarawa

- 5.7 The Crown and Te Rarawa will, as soon as reasonably practicable, agree in principle as to the other cultural redress for Te Rarawa. It is anticipated this redress will be based on, or largely based on, the existing agreement in principle with Te Rarawa and the Crown written offer of cultural redress on 5 December 2009.

6 Financial and commercial redress

Introduction

6.1 This part makes provision for the financial and commercial redress to be provided to Te Hiku iwi.

Financial and commercial redress amount

6.2 The total financial and commercial redress amount for Te Hiku iwi is \$120 million. The amount will be allocated as below –

Iwi	Financial and commercial redress amount
Ngāti Kurī	\$21.04 million
Te Aupouri	\$21.04 million
Ngāi Takoto	\$21.04 million
Te Rarawa	\$33.84 million
Ngāti Kahu	\$23.04 million

Interest

6.3 Interest, as provided for in paragraphs 11.1 and 11.2, is payable on the financial and commercial redress amount. Allocation of the interest to the iwi will be as agreed between the iwi.

Application of financial and commercial redress amount

6.4 The financial and commercial redress amount of \$120 million will be provided as follows –

6.4.1 by making total on-account payments of \$24 million to the Te Hiku governance entities –

- (a) on the signing of the Te Hiku deeds of settlement; and
- (b) in the amounts specified in the table below:

Iwi	On-account payment
Ngāti Kurī	\$4.11 million
Te Aupouri	\$4.11 million
Ngāi Takoto	\$4.11 million
Te Rarawa	\$6.86 million
Ngāti Kahu	\$4.80 million

6.4.2 by deducting on the settlement date –

- (a) \$25 million, being the the total transfer values of the farms to be transferred to Te Hiku iwi on settlement date as provided by paragraph 6.6; and
- (b) the agreed transfer value of the Aupouri Crown forest land, if it is to be transferred on settlement to the Aupouri Forest entity under paragraph 6.9; and
- (c) the fair market values of any properties in schedules 5, 6 and 7 that are to be transferred on settlement date to Te Hiku iwi under paragraphs 6.15 to 6.19.

6.5 Any balance of the financial and commercial redress amount, after deducting the amounts under paragraphs 6.4.1 and 6.4.2, will be paid on the settlement date to the respective Te Hiku governance entities in the amounts or proportions specified by the deeds of settlement.

Farms

6.6 The Crown will transfer to Te Hiku iwi on the settlement date for \$25 million the farms listed in the following table. As part of the manawhenua process the interests of respective iwi in the farms will be recognised in the Deeds of Settlement notwithstanding that the commercial benefits and title to individual farms will transfer to the iwi set out below –

Farm	Current owner	Iwi	Current Transfer value (\$ millions)	Map ref
Te Paki Station	Department of Conservation	Ngāti Kurī	4.69	6
Cape View Station	Office of Treaty Settlements	Te Aupouri	1.56	7
Te Raite Station	Landcorp Farming Limited	Te Aupouri	1.15	8
Sweetwater Station	Landcorp Farming Limited	Te Rarawa and Ngāi Takoto	12.78	9
Te Karae Station	Landcorp Farming Limited	Te Rarawa on behalf of the relevant hapū	0.04	10
Rangiputa Station	Landcorp Farming Limited	Ngāti Kahu	4.10	11
Kohumaru Station	Office of Treaty Settlements	Ngāti Kahu	0.68	12
Total transfer cost			25.00	

6.7 The assignment of the current transfer value above reflects the Te Hiku iwi decisions that include adjusting for Te Aupouri and Te Rarawa's relative purchasing power at the time of signing their agreements in principle.

6.8 The Crown will transfer each farm on the settlement date –

6.8.1 to the governance entity, or governance entities, of the acquiring Te Hiku iwi, in the agreed proportions; and

6.8.2 on the terms and conditions specified by the deeds of settlement, which will include terms of transfer providing for the matters referred to in schedule 11.

Aupouri Crown forest land

6.9 If all Te Hiku iwi agree, the Crown will transfer, on the settlement date, Aupouri Crown forest land (which is identified in schedule 4) –

6.9.1 to an entity representative of all Te Hiku iwi (the "Aupouri Forest entity"); and

- 6.9.2 at agreed transfer value, valued as at the date of the deed of settlement in accordance with the process in schedule 9, which valuation process will be carried out on the basis that no New Zealand emissions units/carbon credits will transfer with Aupouri Crown forest land; and
- 6.9.3 subject to conservation and archaeological covenants that currently exist;
- 6.9.4 on other terms and conditions specified by the deed of settlement, which will –
- (a) be similar to those in recent deeds of settlement providing for similar purchases as set out in schedule 12; and
 - (b) in particular, include terms of transfer providing for the matters referred to in schedule 12.
- 6.10 Aupouri Crown forest land will be transferred on settlement date to the Aupouri Forest entity together with –
- 6.10.1 accumulated rentals in relation to the land (held by CFRT); and
- 6.10.2 any New Zealand Units in relation to the land.
- 6.11 The New Zealand Units will be allocated to the Aupouri Forest entity for nil consideration.
- 6.12 The allocation of New Zealand Units is subject to the Climate Change Response Act 2002.

Aupouri forest entity to hold forest, rentals and emission units/carbon credits in trust

- 6.13 The Aupouri forest entity –
- 6.13.1 will hold the Aupouri Crown forest land, rentals and New Zealand Units for Te Hiku iwi until ultimate ownership of that land is determined under the manawhenua process referred to in paragraph 12.4.2; and
- 6.13.2 will hold the following in trust for each Te Hiku iwi in equal shares –
- (a) accumulated rentals transferred under paragraph 6.10.1; and
 - (b) New Zealand emissions units/carbon credits transferred under paragraph 6.10.2; and
 - (c) rentals or other income; and New Zealand emission units/carbon credits, received in relation to Aupouri Crown forest land during the period from the settlement date until ultimate ownership of the land is determined under the manawhenua process.

6.13.3 Upon transfer of the ultimate ownership of the land, the annual rentals, Emission Trading units and any other income in respect of that proportion of the land will also be allocated to the relevant iwi.

6.14 Te Hiku iwi have agreed that the Aupouri forest entity will distribute the accumulated rentals in equal proportion to each of the five iwi at any time post settlement date.

Other properties which may be transferred

6.15 The Crown will transfer to Te Hiku iwi, on settlement date, any or all of the properties set out in schedule 5 and 6.

6.16 The Crown will transfer, on the settlement date, a property or properties set out in schedule 5 and 6 –

6.16.1 to the acquiring iwi's governance entity(ies) or holding body; and

6.16.2 at a fair market value, valued as at the date of the deed of settlement in accordance with the process in schedule 10; and

6.16.3 on other terms and conditions specified by the deed of settlement which will –

(a) be similar to those in recent deeds of settlement providing for similar purchases; and

(b) in particular, include terms of transfer providing for the matters referred to in schedule 11.

Otangaroa Forest

6.17 The offer to Ngāti Kahu regarding Otangaroa Crown forest land in their agreement in principle stands. That offer is still subject to the resolution of shared interests.

Lease back properties

6.18 On settlement date the Crown may transfer to the Te Hiku iwi, subject to lease back by the Te Hiku iwi to the landholding agency, any or all of the properties (land only) set out by name in schedule 7, subject to the conditions in clause 6.19.

6.19 Subject to clause 6.18 above, the properties referred to in schedule 7 may be transferred on the settlement date:

6.19.1 to the acquiring iwi governance entity (or entities) or holding body; and

6.19.2 subject to an appropriate lease, being agreed between the landholding agency and the acquiring iwi's governance entity (or entities) or holding body; and

- 6.19.3 at a fair market value, valued as at the date of the deed of settlement in accordance with a process to be agreed with each landholding agency, and deducted from the financial and commercial redress amount under clause 6.4.2; and
- 6.19.4 on other terms and conditions specified by the deed of settlement which will –
- (a) be similar to those in recent deeds of settlement providing for similar purchases; and
 - (b) in particular, but not limited to, include terms of transfer providing for the matters referred to in schedule 11.
- 6.19.5 A property listed in schedule 7 that is being used by the Crown for a public work may be made available for transfer and leaseback to the acquiring iwi only if the following requirements are satisfied –
- (a) the whole of the property is owned by the Crown or held in the name of the Crown by a department of the public service (as defined by section 2 of the State Sector Act);
 - (b) the property is not regarded by the landholding agency as a strategic property;
 - (c) the transfer and leaseback of the property will not be likely to prejudice or unduly interfere with existing property rights or interests of any third party in relation to the property;
 - (d) in the case of a department of the public service which holds the property, that department is satisfied that it is, or will be, able to meet any rent and other outgoings that is or will become payable on the transfer and leaseback of the property;
 - (e) the public work on the property, whether carried on separately or in association with another public work of the same or different type on other Crown properties, will not be unduly constrained or disrupted by reason of the transfer and leaseback of the property.
- 6.20 The Ministry of Education is unable, at this point, to agree to enter into a transfer and leaseback arrangement over Ministry of Education sites, but is willing to explore the option of providing education sites for transfer and leaseback.
- 6.21 Attachments 5, 6 and 7 of the Ngāti Kahu agreement in principle still applies if Ngāti Kahu are identified as the appropriate iwi to receive any of those properties.

RFR may relate to properties in schedules 6 or 7

6.22 If a property in schedule 6 or schedule 7 is not transferred to a Te Hiku iwi on the settlement date, it may be subject to the rights of first refusal of Te Hiku iwi referred to in part 7.

7 Right of First Refusal

Term of RFR and land to which RFR applies

- 7.1 The settlement will provide an RFR for 169 years from the settlement date over land in schedule 8 and land referred in paragraph 6.22 that on the settlement date is owned by the Crown, including public conservation land administered by the Department of Conservation on behalf of the Crown in the Te Hiku o Te Ika region.
- 7.2 Work will continue with Housing New Zealand Corporation to explore securing an RFR over Corporation properties within the Te Hiku rohe.
- 7.3 The parties will explore extending the right of first refusal to identified properties owned by Crown entities and State-owned enterprises.

Types of RFR land

- 7.4 The RFR land in clause 7.1 will be of two types, namely, –

7.4.1 exclusive RFR land being –

- (a) land in schedule 6, 7 or 8 in which it is agreed by all Te Hiku iwi (through a process to be determined) that one Te Hiku iwi has an exclusive interest; or
- (b) public conservation land in the Te Hiku o Te Ika region (as shown on the map 1 in schedule 3) in which it is agreed by all Te Hiku iwi (through a process to be determined) that one Te Hiku iwi has an exclusive interest; or

7.4.2 shared RFR land being –

- (a) land in schedule 6, 7 or 8 in which it is agreed by all Te Hiku iwi (through a process to be determined) that two or more Te Hiku iwi have interests; or
- (b) public conservation land in the Te Hiku o Te Ika region in (as shown on the map 1 in schedule 3) in which it is agreed by Te Hiku iwi (through a process to be determined) that two or more Te Hiku iwi have interests.

RFR process

- 7.5 Before RFR land may be disposed of by the Crown –

Relevant iwi has initial RFR in relation to exclusive RFR land

- 7.5.1 if it is exclusive RFR land, the governance entity of the Te Hiku iwi that has an exclusive interest in the land –
- (a) must be offered a right of first refusal in relation to the land; and

- (b) may exercise that right for 20 working days; and

Relevant iwi have initial RFR in relation to shared RFR land

7.5.2 if it is shared RFR land, the governance entities of the Te Hiku iwi that have interests in the land must be offered a right of first refusal in relation to the land that may, for 20 working days, be exercised –

- (a) by those governance entities jointly and severally; or
- (b) if permitted by those governance entities, by –
- (i) any one of them; or
- (ii) any two or more of them jointly and severally; and

All Te Hiku iwi have RFR if initial RFR not exercised

7.5.3 if, within 20 working days, the right of first refusal is not exercised under clause 7.5.1 in relation to exclusive RFR land, or under clause 7.5.2 in relation to shared RFR land, the governance entities of all Te Hiku iwi must be offered a right of first refusal in relation to the land that may, for 20 working days, be exercised –

- (a) by those governance entities jointly and severally; or
- (b) if permitted by those governance entities, by –
- (i) any one of them; or
- (ii) any two or more of them jointly and severally.

Terms of the RFR

7.6 The terms of the RFR will, –

7.6.1 in general terms, be similar to those provided in recent settlements (such as is set out in Schedule 13 attached to this agreement) but with all necessary changes to take account of the fact that the RFR has two levels, namely, that it is exercisable –

- (a) initially, by the Te Hiku iwi with exclusive or shared interests in the land; and
- (b) if not exercised, by all five Te Hiku iwi; and

7.6.2 in particular, include provisions similar but not limited to those in recent settlements (such as is set out in Schedule 13 attached to this agreement) specifying the circumstances in which disposals of RFR land are permitted to take place without the RFR applying.

Settlement legislation

7.7 The RFR will be provided in, or supported by, settlement legislation.

8 Social accord

- 8.1 The iwi of Te Hiku o Te Ika and the Crown are committed to working together to achieve their mutual, long-term, objective of transforming the social circumstances of Te Hiku whānau, hapū and iwi.
- 8.2 They intend, by the signing of a Deed of Settlement, to have entered into a 'Social Accord' which will set out the way in which they will work together and design processes to deliver better outcomes for whānau, hapū and iwi of Te Hiku o te Ika from Crown resources.
- 8.3 A series of sub-agreements within the Social Accord will provide for Te Hiku iwi input into Government priority setting and decision-making related to existing Government funding and responsibilities within particular portfolios and/or Crown providers (as appropriate), most likely to be focused on social services (health, education and housing). Crown agencies will continue to act within their legislative and regulatory frameworks.
- 8.4 The parties to the Social Accord, being Ministers of the Crown and leaders of the iwi of Ngāi Takoto, Te Aupouri, Te Rarawa, Ngāti Kurī and Ngāti Kahu, will meet annually on a date and at a venue that is convenient for all parties. The Ministers of the Crown are likely to be the Minister of Social Development, the Minister of Housing, the Minister of Education and the Minister of Health.
- 8.5 The intent of the annual meeting will be to –
- 8.5.1 set objectives for better outcomes for Te Hiku whānau, hapū and iwi; and
 - 8.5.2 confirm priority areas for iwi and Crown to work together to achieve the agreed objectives; and
 - 8.5.3 agree the means by which the parties will work together to achieve those objectives; and
 - 8.5.4 monitor whether the desired outcomes have been achieved and continually review objectives for their relevance.
- 8.6 The expectation is that Ministers will direct departments, as appropriate, to deliver on the agreed objectives.

9 Settlement

Definitions of claimants and their historical claims

9.1 For the purposes of the settlement, the provisions -

9.1.1 in the existing agreements in principle in relation to the following definitions continue to apply –

- (a) Te Aupouri and their historical claims;
- (b) Ngāti Kahu and their historical claims;
- (c) Te Rarawa and their historical claims; and

9.1.2 in the terms of negotiation will apply in relation to the definitions of –

- (a) Ngāti Kurī and their historical claims; and
- (b) Ngāi Takoto and their historical claims.

9.2 For the avoidance of doubt, the term “historical claims” does not include the contemporary aspects of the Wai 262 (Indigenous Flora and Fauna and Cultural Intellectual Property claim). Any historical claims between 10 October 1975 and 21 September 1992 are captured by the definition of “historical claims”.

Settlement terms

9.3 The settlement of the historical claims of each of the Te Hiku iwi will be on the terms set out in schedule 2 or similar terms.

10 Conditions

Conditions for the inclusion of the farms, the Aupouri Crown forest land, and commercial redress properties as redress

- 10.1 Despite any other provision of this agreement in principle, the inclusion in a Te Hiku iwi deed of settlement of the right to have transferred any of the farms, any part of the Aupouri Crown forest land, or any of the properties in schedules 5, 6 or 7 is subject to the Crown confirming in writing that –
- 10.1.1 any third party rights and obligations that may exist in relation to the property, such as those under the Public Works Act 1981, have been duly considered; and
 - 10.1.2 any other statutory provisions, which must be complied with before the property may be transferred, are able to be complied with.
- 10.2 If the Crown gives confirmation under paragraph 10.1 in relation to a property, the transfer of that property on settlement date will be subject to –
- 10.2.1 its further identification and survey; and
 - 10.2.2 rights or encumbrances in respect of the property, including rights or obligations of third parties in relation to fixtures, structures, or improvements, either –
 - (a) existing at the date of the deed of settlement; or
 - (b) which the disclosure information advises will be created; and
 - 10.2.3 the creation of marginal strips if Part 4A of the Conservation Act 1987 requires; and
 - 10.2.4 any express provisions relating to specified properties that are included in the Deed of Settlement.
- 10.3 In relation to paragraph 10.2.2 (b), disclosure is to be provided between agreement in principle and deed of settlement of proposed rights or encumbrances to be created. Following disclosure, Te Hiku iwi and the Crown will ensure appropriate rights and encumbrances will be recognised or created.

Entry into deeds of settlement conditional

- 10.4 Entry by the Crown into the deeds of settlement is subject to –

Cabinet agreement

- 10.4.1 Cabinet agreeing to the settlement with, and the redress to be provided to, each Te Hiku iwi; and

Resolution of shared interests

10.4.2 the Crown confirming that it is satisfied that the shared interests of other tribal groups in relation to the redress to be provided to each Te Hiku iwi have been resolved including, in particular, in relation to the following properties –

- (a) Otangaroa Forest;
- (b) Te Karae Station;
- (c) Kohumaru Station; and
- (d) public conservation lands.

Establishment of governance entities

10.4.3 each Te Hiku iwi establishing a governance entity prior to the signing of the Deed of Settlement that that iwi and the Crown are satisfied –

- (a) is an appropriate entity to receive that iwi's redress; and
- (b) has a structure that provides for –
 - (i) representation of that iwi; and
 - (ii) transparent decision-making and dispute resolution processes; and
 - (iii) full accountability to that iwi; and

Establishment of Aupouri Forest entity

10.4.4 Te Hiku iwi establishing an Aupouri Forest entity that iwi and the Crown are satisfied –

- (a) is an appropriate entity (as provided for in clause 12.4) to receive the redress that is to be provided to it; and
- (b) has a structure that provides for –
 - (i) appropriate representation for each iwi that has an interest in the redress; and
 - (ii) transparent decision-making and dispute resolution processes; and
 - (iii) full accountability to the iwi with an interest in the redress; and

Ratification

- 10.4.5 the Crown verifying that the members of each Te Hiku iwi have, by a ratification process agreed by that iwi's governance entity and the Crown, –
- (a) approved the settlement of the historical claims of that iwi on the terms provided in the deed of settlement; and
 - (b) in particular, approved –
 - (i) that iwi's governance entity to receive redress; and
 - (ii) the Aupouri Forest entity to receive Aupouri Crown Forest land; and
 - (c) authorised signatories to sign the deed of settlement on behalf of that iwi; and
- 10.4.6 the Crown verifying that each governance entity established by each Te Hiku iwi has validly resolved to enter the deed of settlement.

Settlement conditional on settlement legislation

- 10.5 The settlement with each Te Hiku iwi will be subject to the passing of settlement legislation to give effect to the settlement.
- 10.6 Draft settlement legislation will be attached to each deed of settlement with each Te Hiku iwi.
- 10.7 The Crown will propose the settlement legislation for introduction into the House of Representatives as soon as reasonably practicable after the deeds of settlement with Te Hiku iwi are signed.
- 10.8 Te Hiku iwi will support the passing of settlement legislation.

11 Interest and other matters

Interest

11.1 The Crown will pay interest on –

- 11.1.1 \$120 million (being the financial and commercial redress amount) from the date of this agreement in principle to, but excluding, the date on which the on-account payments of \$24 million are made to Te Hiku iwi governance entities in accordance with paragraph 6.4.1; and
- 11.1.2 \$96 million (being the financial and commercial redress amount less the on account payments of \$24 million) from the date the on account payments are made to, but excluding, the settlement date; and
- 11.1.3 \$14 million (being the financial and commercial redress amount referred to in Ngāti Kahu's agreement in principle) from the date of that agreement in principle to, but excluding, the date of this agreement in principle.

11.2 The interest –

- 11.2.1 is payable at the rate from time to time set as the official cash rate, calculated on a daily basis but not compounding; and
- 11.2.2 will be paid on the settlement date –
 - (a) in the case of the interest referred to in paragraphs 11.1.1 and 11.1.2, to the Te Hiku governance entities as mutually agreed between the Te Hiku iwi by the deeds of settlement; and
 - (b) in the case of the interest referred to in paragraph 11.1.3, to Ngāti Kahu's governance entity; and
- 11.2.3 is subject to any tax payable.

Nature of this agreement in principle

11.3 This agreement in principle –

- 11.3.1 is entered into on a without prejudice basis; and
- 11.3.2 is non-binding; and
- 11.3.3 does not create legal relations; and
- 11.3.4 may not be used as evidence in any proceedings before, or be presented to the Waitangi Tribunal, any court, or any other judicial body or tribunal.

11.3.5 complements, and in specific areas identified herein replaces, the existing agreements in principle. In all other respects the existing agreements in principle are preserved and maintained.

12 Next steps

Development of deeds of settlement

12.1 The Crown and each Te Hiku iwi will work together in good faith to develop, as soon as reasonably practicable, a deed of settlement giving full details of –

12.1.1 the settlement and the redress; and

12.1.2 all other necessary matters.

Provision of information

12.2 In order to enable the development of the deeds of settlement –

12.2.1 the Crown and Ngāti Kurī, Te Aupouri, Ngāi Takoto, and Te Rarawa will, as soon as practicable, agree in principle on the cultural redress referred to in part 5; and

12.2.2 the Crown will, as soon as reasonably practicable, provide disclosure information to Te Hiku iwi in relation to –

(a) the farms; and

(b) the Aupouri Crown forest land; and

(c) the properties in schedules 5 and 6; and

12.2.3 Te Hiku iwi will, as soon as reasonably practicable, advise the Crown –

(a) how the following are to be split between them –

(i) any balance of the financial and commercial redress amount as referred to in paragraph 6.5; and

(ii) the interest payable under paragraphs 11.1.1 and 11.1.2; and

(b) whether Aupouri Crown forest land is to be transferred on settlement to the Aupouri Forest entity; and

(c) which of the properties in schedule 5 and 6 are to be transferred to a Te Hiku iwi governance entity on settlement; and

(d) which of the properties in schedule 7, subject to 6.19 are to be transferred to a Te Hiku iwi governance entity on settlement date.

Establishment of governance entities

12.3 Each Te Hiku iwi will work towards developing, as soon as reasonably practicable, a single governance entity for that iwi.

12.4 Te Hiku will, as soon as reasonably practicable, agree on –

- 12.4.1 the structure for the Aupouri Forest entity which may be either or both of the following –
- (a) a trust;
 - (b) a company; and
- 12.4.2 a legally binding process (the “manawhenua process”) to be provided for in the deeds of settlement to determine –
- (a) the ultimate ownership of the land comprising the Aupouri Forest land (likely to be determined on the basis of the manawhenua interests of each Te Hiku iwi in relation to that land); and
 - (b) whether the Aupouri forest entity, or another entity or entities, is to continue to hold and/or manage the Aupouri Forest land.

SIGNED this day of

For and on behalf of Ngāti Kuri:

[Handwritten signature]

Koronei Pōpō
Matahihi Heke Rūpapa
Robert Wells

[Handwritten signature]
I Pitman

[Handwritten signature]

Karaka Rapa
Karekapeta Teatani

For and on behalf of Te Aupouri:

[Handwritten signature]
Kaperi Winika Brown

[Handwritten signature]

makere Norner

Michels Makena Wai
Makera Nathan

Jiriviamu Kapa

Rev. Keita. Zemoan
Karepori Karena Kaipō

For and on behalf of Ngāi Takoto:

Mokoro

P. Gordon

M. M. M.

P. L. L.

[Signature]

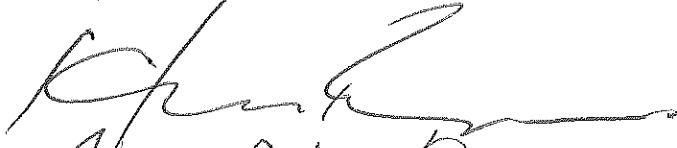
For and on behalf of Ngāti Kahu:

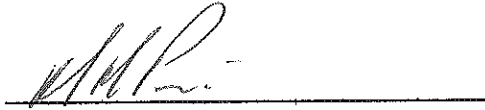
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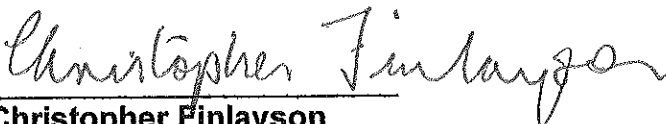
For and on behalf of Te Rarawa:


Joseph H Cooper



Ch Tipene

For and on behalf of the Crown:


Hon Christopher Finlayson
Minister for Treaty of Waitangi Negotiations


Hon Dr Pita R Sharples
Minister of Māori Affairs

SCHEDULE 1

Definitions

1.1 In this agreement in principle –

Aupouri Crown forest land means the land identified in schedule 4; and

Aupouri Forest entity has the meaning given to that term by paragraph 6.13.1; and

beach management areas has the meaning given to that term by paragraph 4.12.1; and

commercial redress properties means properties in schedules 5, 6, and 7;

deeds of settlement means the deeds of settlement with each Te Hiku iwi to be developed in accordance with paragraphs 12.1 and 12.2; and

CFRT means the Crown Forestry Rental Trust; and

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

exclusive land has the meaning given to the term by paragraph 7.4.1; and

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

existing agreements in principle means the agreements in principle between the Crown and each of the following iwi:

- (a) Te Aupouri, dated 13.9.2004;
- (b) Te Rarawa, dated 7.9.2007;
- (c) Ngāti Kahu, dated 17.9.2008; and

existing terms of negotiation means the terms of negotiation referred to in paragraph 1.1 between the Crown and each Te Hiku iwi; and

farms means the farms referred to in paragraph 6.6; and

financial and commercial redress amount means \$120 million being the amount referred to in paragraph 6.2; and

foreshore and seabed –

- (a) means the marine area that is bounded –
 - i. on the landward side by the line of mean high water springs; and

- ii. on the seaward side by the outer limits of the territorial sea; and
- (b) includes the beds of rivers that are part of the coastal marine area (within the meaning of the Resource Management Act 1991); and
- (c) includes the air space and the water space above the areas described in paragraphs (a) and (b); and
- (d) includes the subsoil, bedrock and other matters below the areas described in paragraphs (a) and (b); and

historical claims of each of the Te Hiku iwi has the meaning provided for in paragraph 9.1; and

manawhenua process has the meaning given to that term by paragraph 12.4.2; and

Māori land claims protection legislation means the following sections:

- (a) 8A to 8HJ of the Treaty of Waitangi Act 1975;
- (b) 27A to 27C of the State-Owned Enterprises Act 1986;
- (c) 211 to 213 of the Education Act 1989;
- (d) Part 3 of the Crown Forest Assets Act 1989;
- (e) Part 3 of the New Zealand Railways Corporation Restructuring Act 1990; and

marginal strip –

- (a) means any strip of land reserved or deemed to be reserved by section 24, section 24E(3), or section 24G of the Conservation Act 1987 for the purposes specified in section 24C of that Act; and
- (b) includes any part of any such strip; and

OTS means the Office of Treaty Settlements; and

public conservation land means Crown held land managed by the Department of Conservation under the Conservation Act 1987 and the Acts in the First Schedule to that Act; and

RFR means the right of first refusal referred to in paragraphs 7.4 – 7.5; and

RFR land means the land the RFR relates to being the land and properties referred to in paragraph 7.1; and

settlement date means the date that is 20 business days after the date the settlement legislation settling the historical claims of Te Hiku iwi comes into force; and

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

shared land has the meaning given to the term by paragraph 7.4.2; and

Te Hiku Forum has the meaning given to that term by paragraph 1.2; and

Te Hiku governance entity means each entity established under paragraph 12.3; and

Te Hiku iwi means each of Ngāti Kurī, Te Aupouri, Ngāi Takoto, Ngāti Kahu, and Te Rarawa; and

Te Hiku o Te Ika region means the area of interest as set out in map 1 in schedule 3;

Treaty of Waitangi/Te Tiriti o Waitangi and **Treaty** means the Treaty of Waitangi as set out in schedule 1 to the Treaty of Waitangi Act 1975.

SCHEDULE 2

Settlement terms

Background

- 2.1 Each deed of settlement with each Te Hiku iwi will include provisions in relation to the settlement -
- 2.1.1 similar to the following; and
 - 2.1.2 that have been agreed by the Crown and that iwi.

Acknowledgements

- 2.2 Each party will acknowledge that -
- 2.2.1 the settlement represents the result of intensive negotiations conducted in good faith and in the spirit of co-operation and compromise; but
 - 2.2.2 full compensation of the Te Hiku iwi is not possible; and
 - 2.2.3 the Te Hiku iwi have not received full compensation and that this is a contribution to New Zealand's development; and
 - 2.2.4 the settlement is intended to improve and enhance the ongoing relationship between the Te Hiku iwi and the Crown (in terms of the Treaty of Waitangi/Te Tiriti o Waitangi, its principles, and otherwise).
- 2.3 The Te Hiku iwi will acknowledge that, taking all matters into consideration (some of which are specified in paragraph 2.2), the settlement is fair in the circumstances.

Settlement

- 2.4 On and from the settlement date, -
- 2.4.1 the historical claims of the Te Hiku iwi will be settled; and
 - 2.4.2 the Crown will be released and discharged from all obligations and liabilities in respect of the historical claims; and
 - 2.4.3 the settlement will be final.
- 2.5 Except as provided in the deed of settlement or the settlement legislation, the settlement -
- 2.5.1 will not limit any rights or powers the Crown or Te Hiku iwi might have arising from Te Tiriti o Waitangi/the Treaty of Waitangi or the principles of Te Tiriti o Waitangi/the Treaty of Waitangi, legislation, common law

(including aboriginal title and customary law) fiduciary duty or otherwise;
and

2.5.2 does not extinguish any aboriginal title, or customary rights that Te Hiku iwi may have; and

2.5.3 does not imply an acknowledgement by the Crown that aboriginal title or any customary rights exist.

Redress

2.6 The redress, to be provided in settlement of the historical claims, –

2.6.1 will be intended to benefit the Te Hiku iwi collectively; but

2.6.2 may benefit particular members, or groups of members, of the Te Hiku iwi if the governance entity so determines in accordance with the governance entity's procedures.

Implementation

2.7 The settlement legislation for each Te Hiku iwi will (on the terms provided by it) –

2.7.1 settle the historical claims; and

2.7.2 exclude the jurisdiction of any court, tribunal, or other judicial body in relation to the historical claims and the settlement; and

2.7.3 provide that the Māori land claims protection legislation does not apply -

(a) to a settlement property

(i) each commercial redress property; and

(ii) any deferred purchase property (in the circumstances specified in the bill); and

(iii) all RFR land; or

(b) for the benefit of the Te Hiku iwi or a representative entity; and

2.7.4 require any resumptive memorials to be removed from the certificates of title to, or the computer registers for, the settlement properties (including, in the specified circumstances, from the title to any deferred purchase property); and

2.7.5 require the Secretary for Justice to make copies of this deed publicly available.

2.8 The governance entity must use its best endeavours to ensure every historical claim is formally discontinued by settlement date.

2.9 The Crown may, after the settlement date –

2.9.1 advise the Waitangi Tribunal of the settlement; and

2.9.2 cease any land bank arrangement in relation to the Te Huki iwi except to the extent necessary to comply with its obligations under the deed of settlement.

Taxation

2.10 Each deed of settlement will provide –

2.10.1 subject to obtaining the consent of the Minister of Finance, indemnities in favour of the governance entity for:

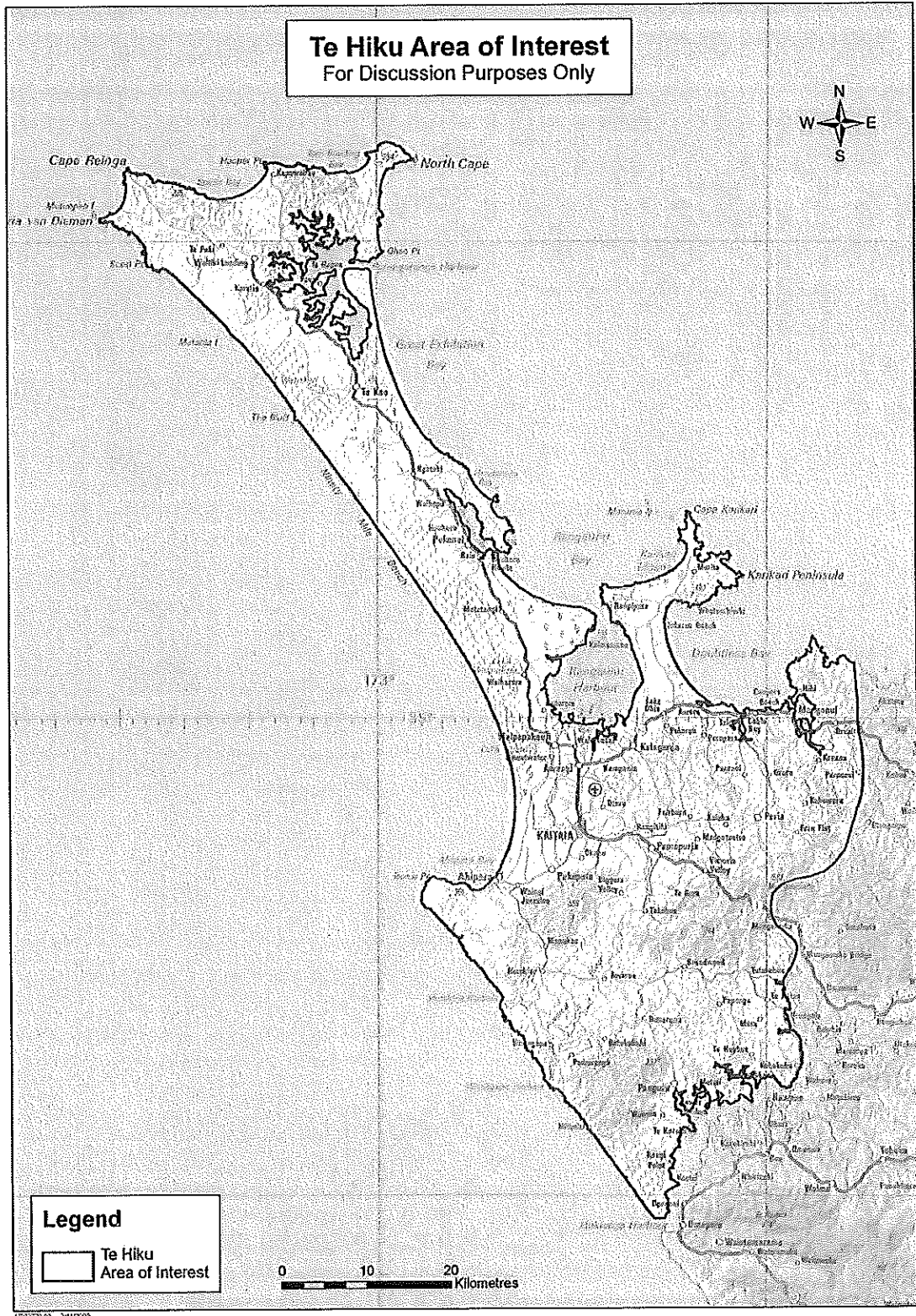
- (a) income tax and GST arising from the transferring, crediting, or payment of the financial and commercial redress by the Crown to the governance entity but such indemnity is not intended to extend to any tax liability arising in connection with the acquisition of property by the governance entity after settlement date, whether it uses its own funds or uses the financial and commercial redress for such acquisition;
- (b) income tax, GST and gift duty arising from the transfer of cultural redress by the Crown to the governance entity; but

2.10.2 in relation to the intended indemnities in 2.10.1 neither the governance entity, nor any other person, shall claim a GST input credit or tax deduction in respect of any redress provided by the Crown to the governance entity.

SCHEDULE 3**Map areas**

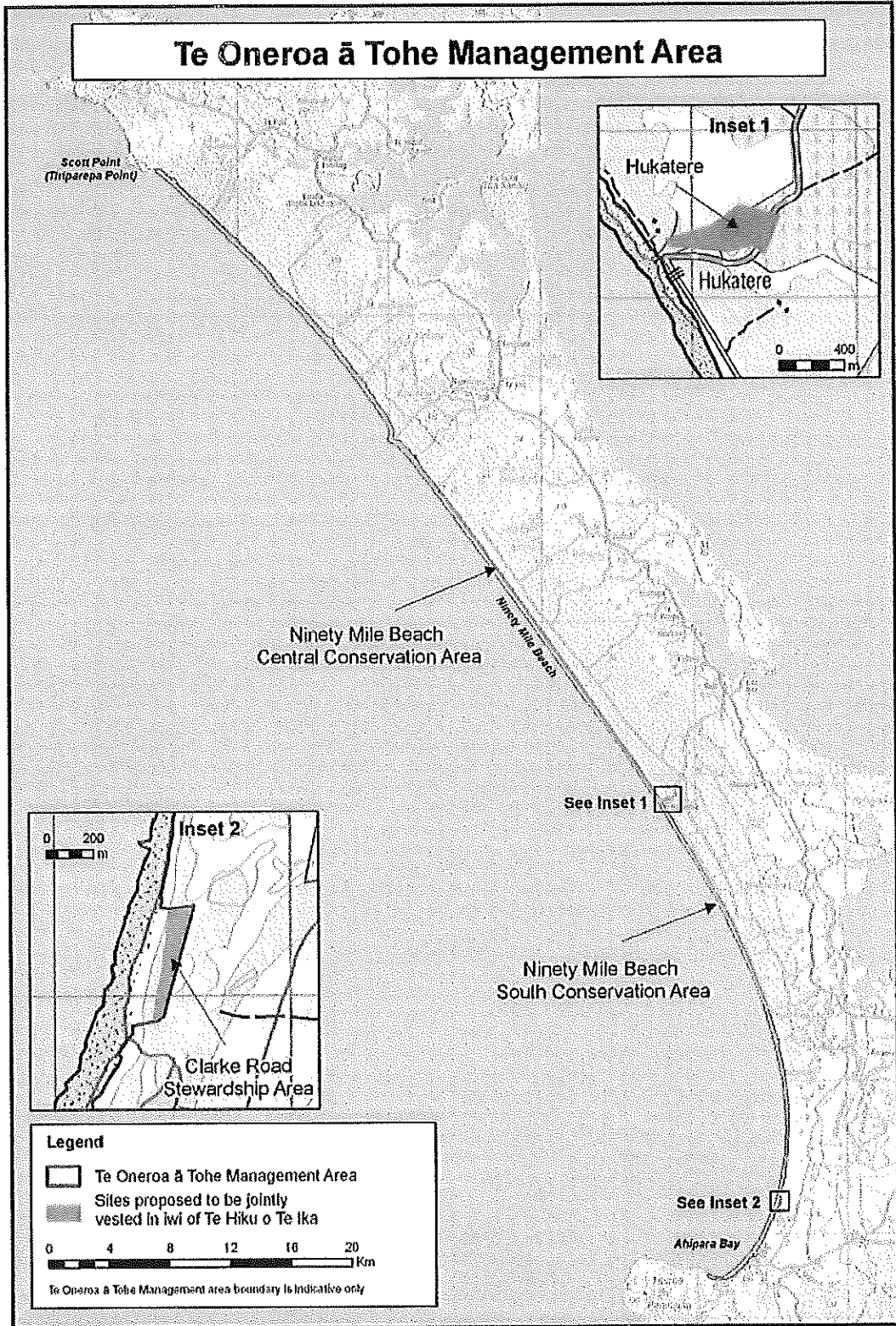
Map 1	Te Hiku Area of Interest
Map 2	Te Oneroa a Tōhē Management Area
Map 3	Cape Reinga/Te Rerenga Wairua
Map 4	Location of Farms
Map 5	Location of Crown Forest Land
Map 6	Te Paki Station
Map 7	Cape View Station
Map 8	Te Raite Station
Map 9	Sweetwater Station
Map 10	Te Karae Station
Map 11	Rangiputa Station
Map 12	Kohumaru Station

Map 1

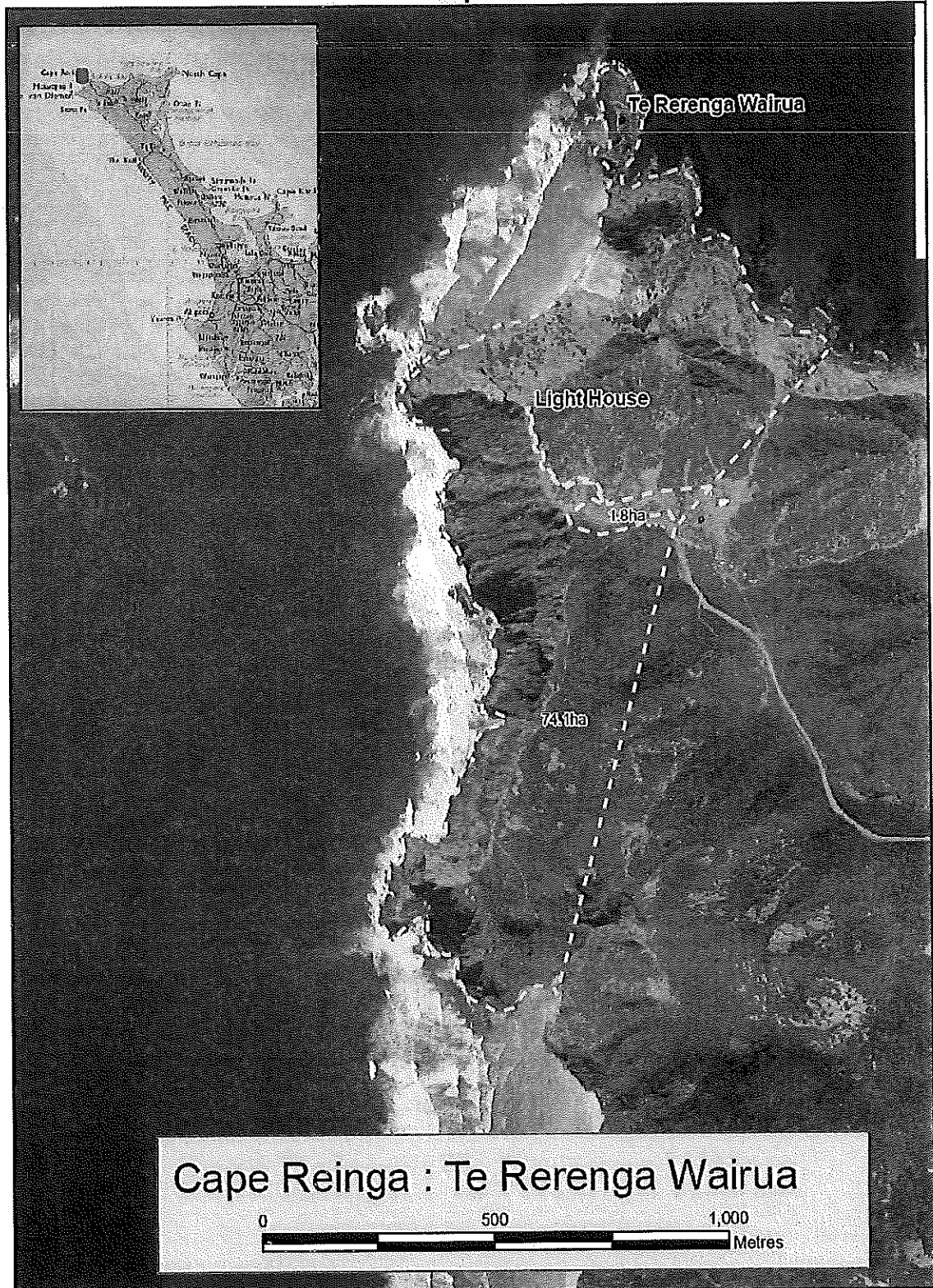


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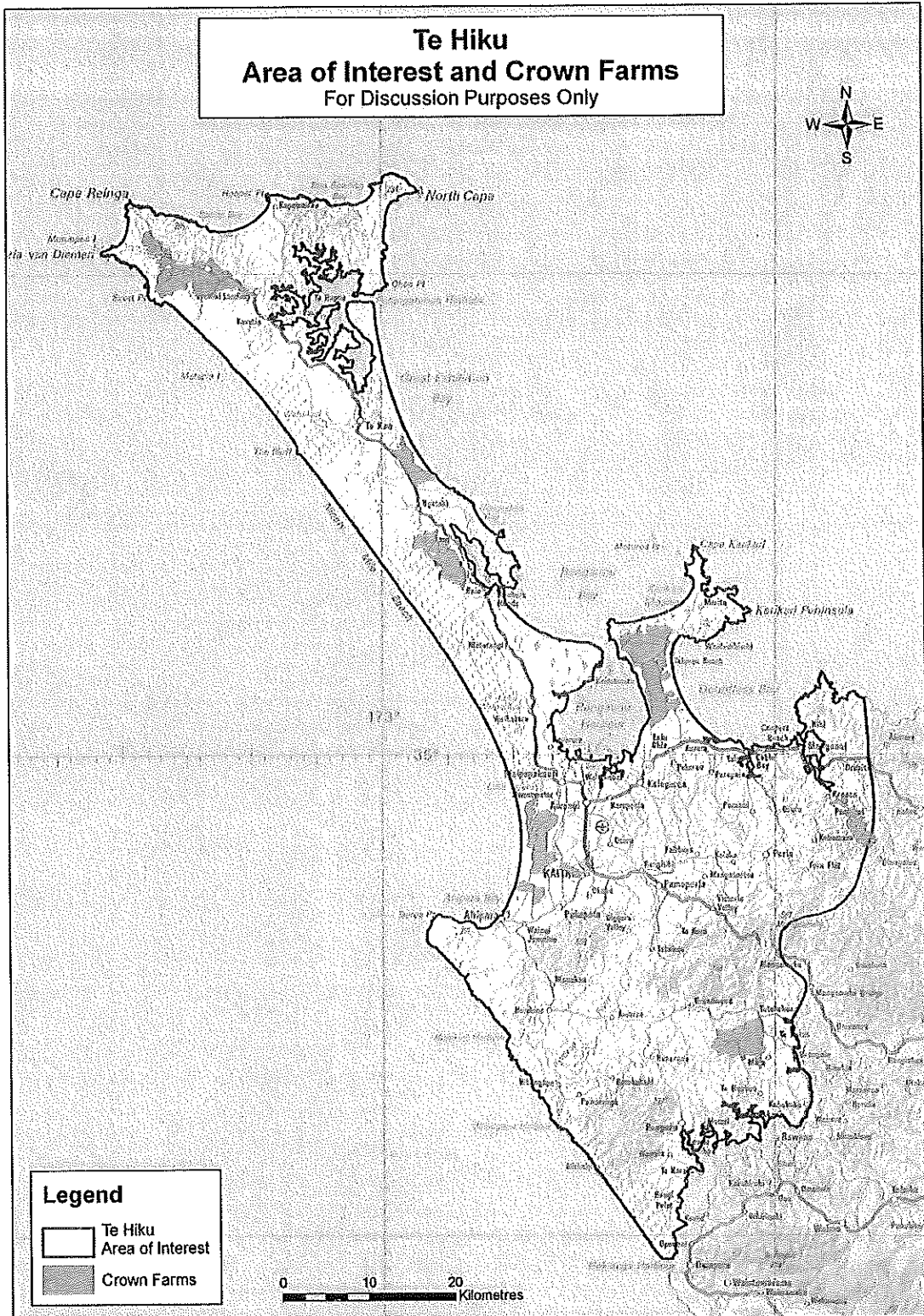
Map 2



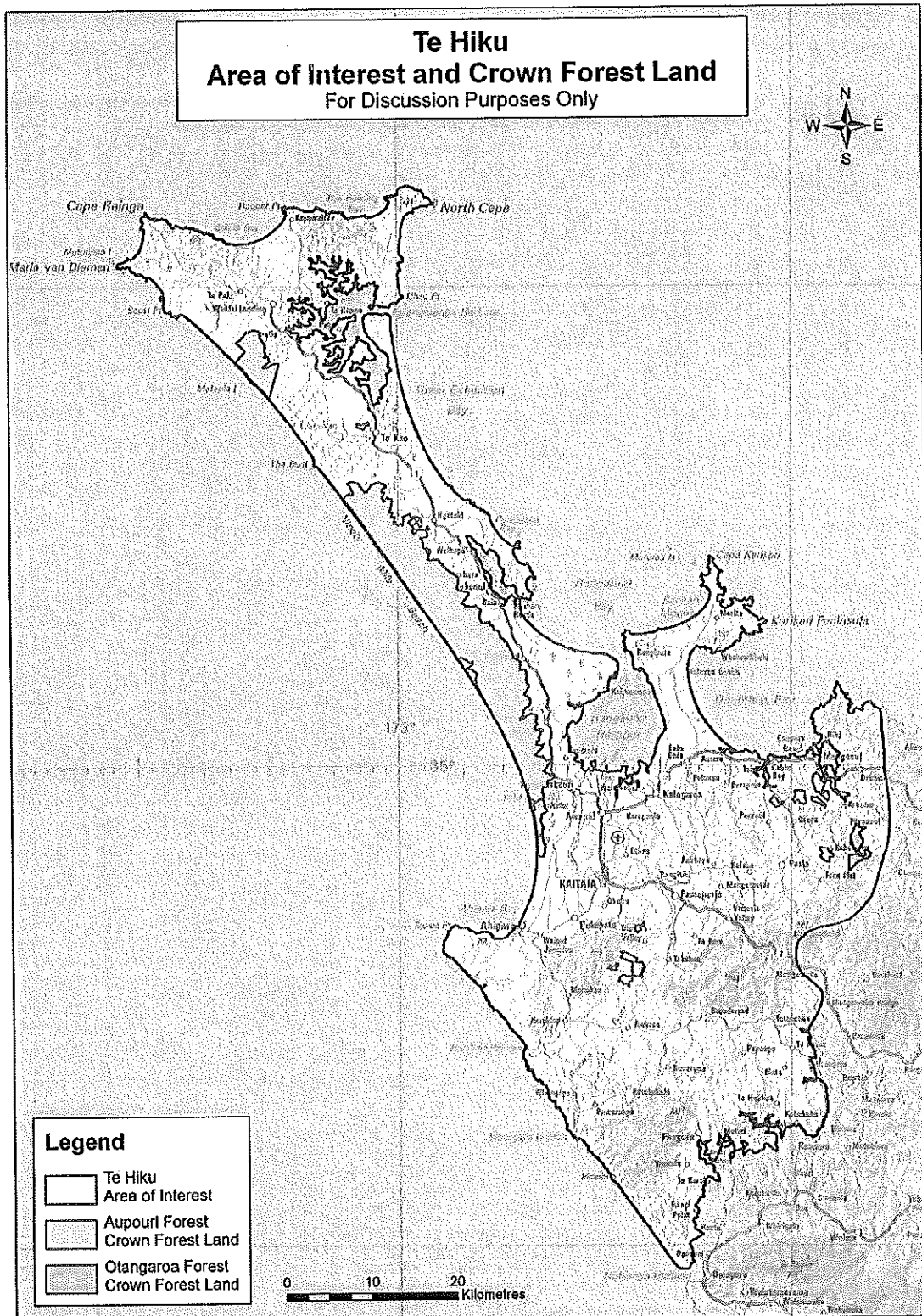
Map 3

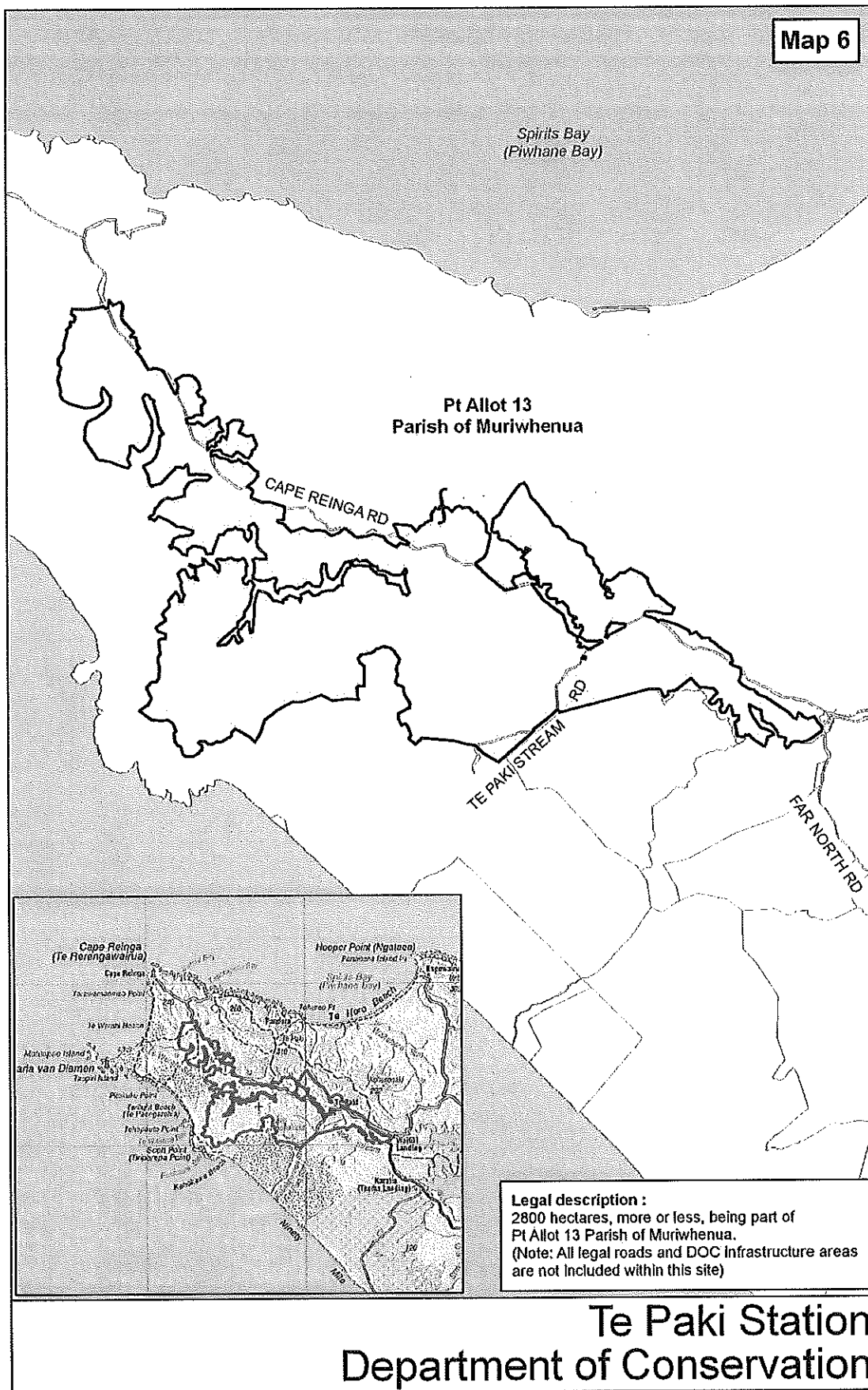


Map 4

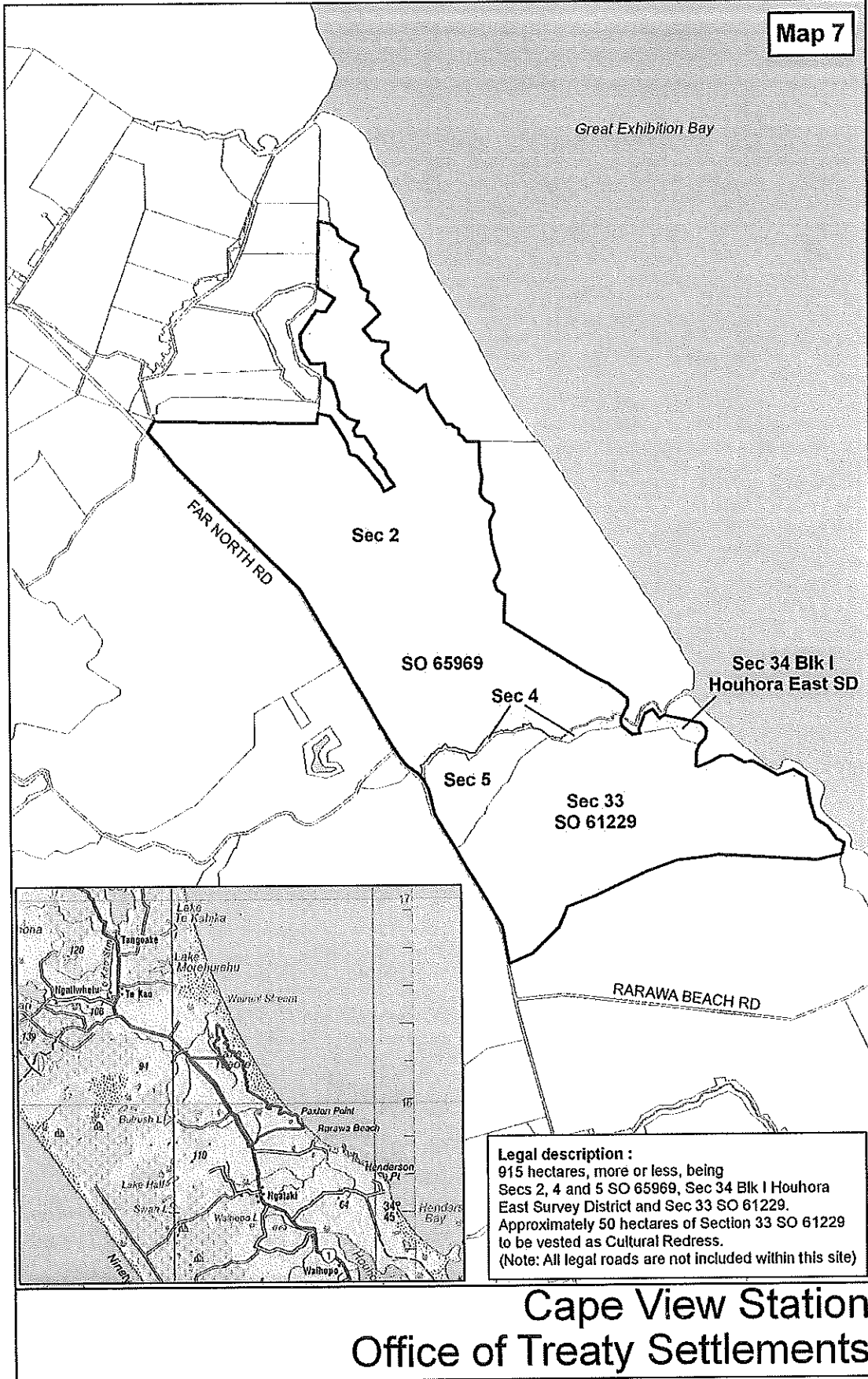


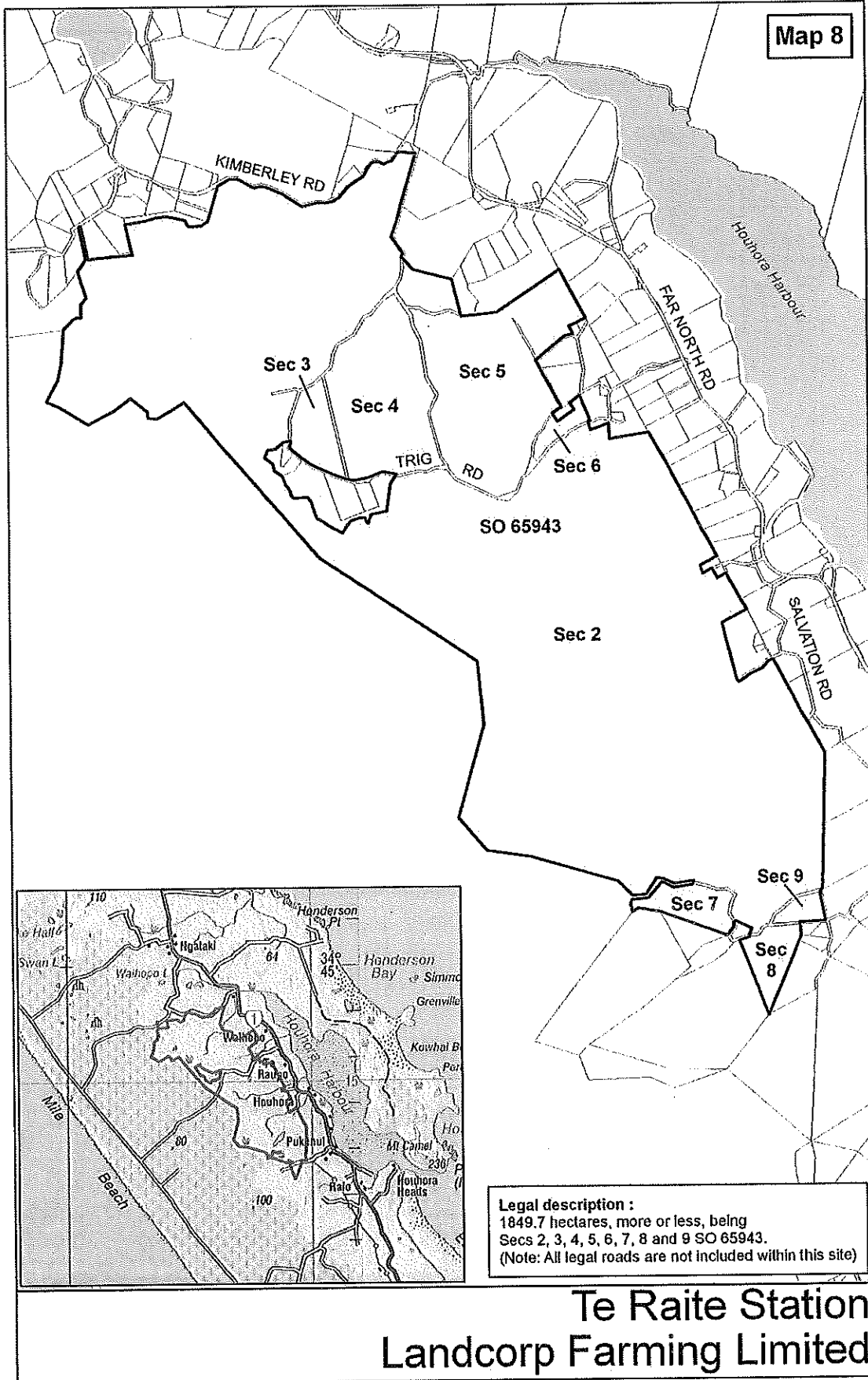
Map 5

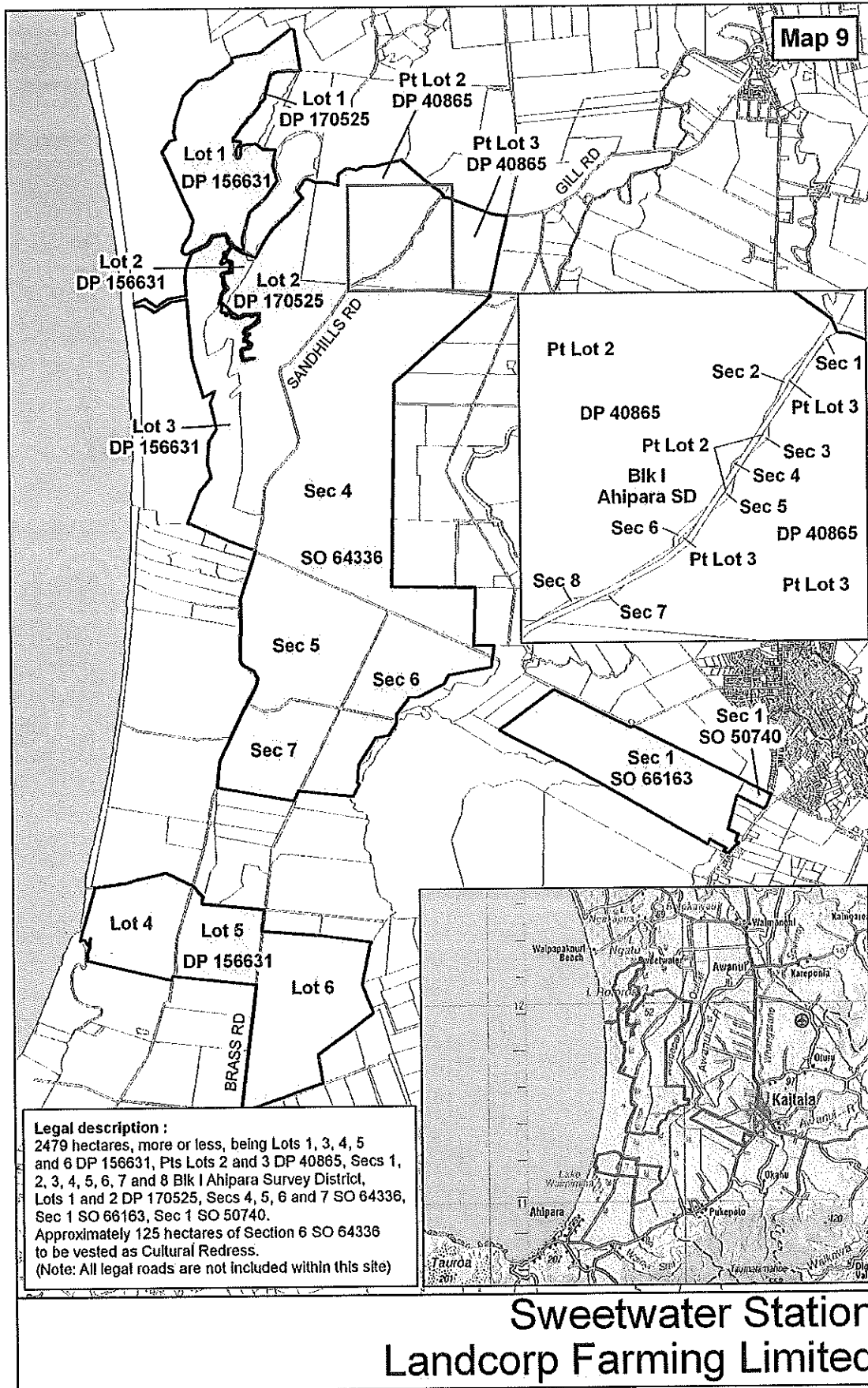


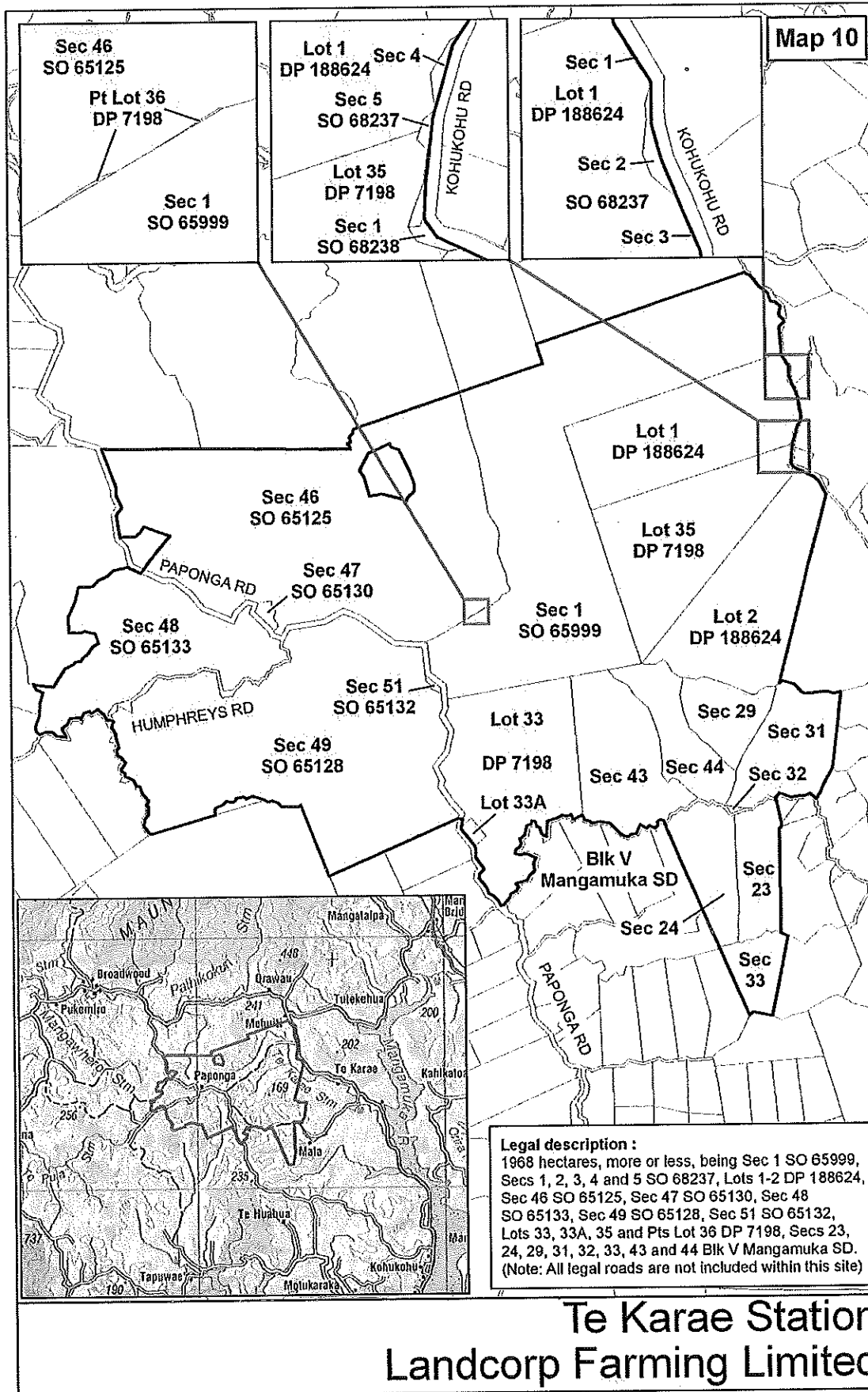


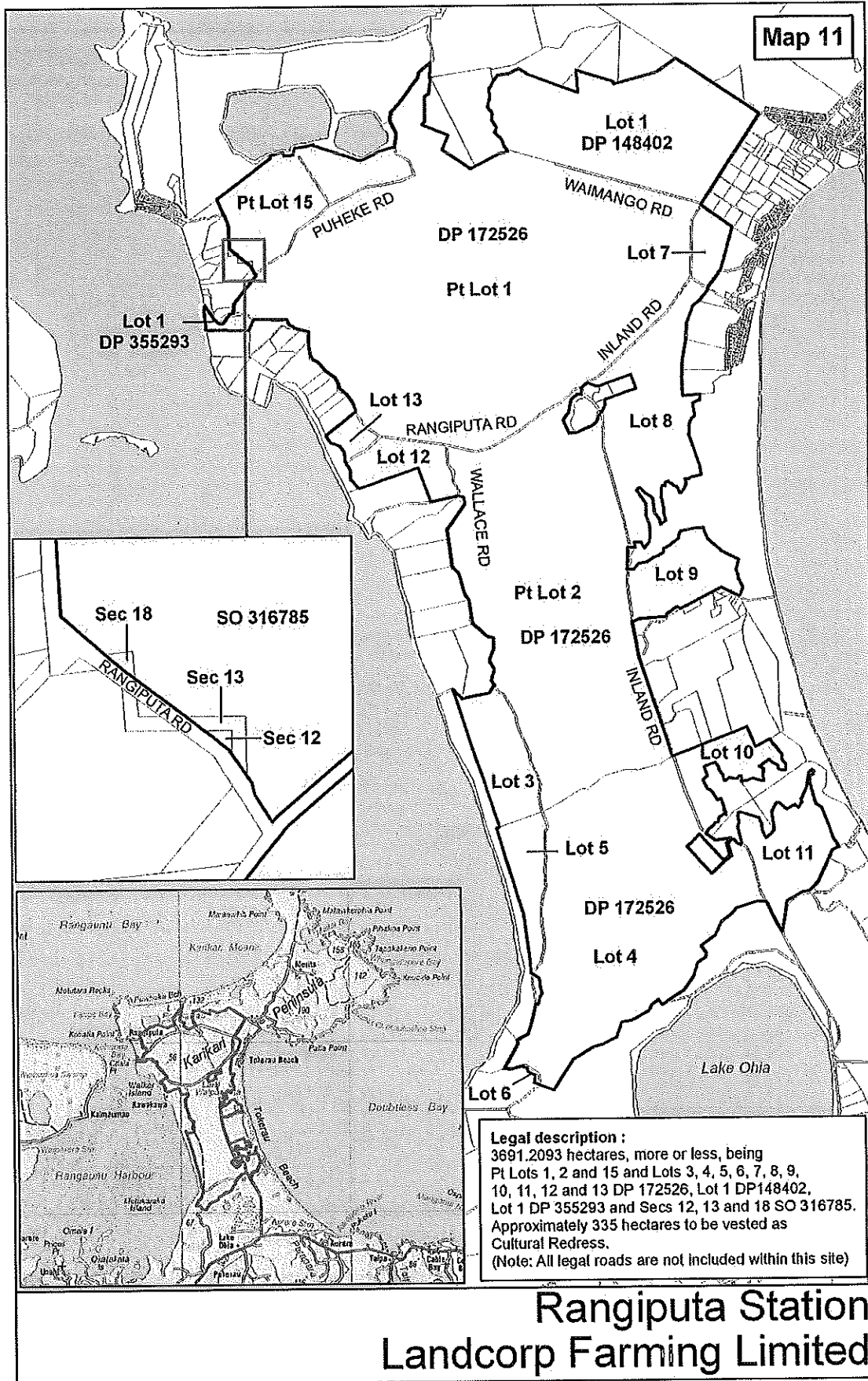
Map 7

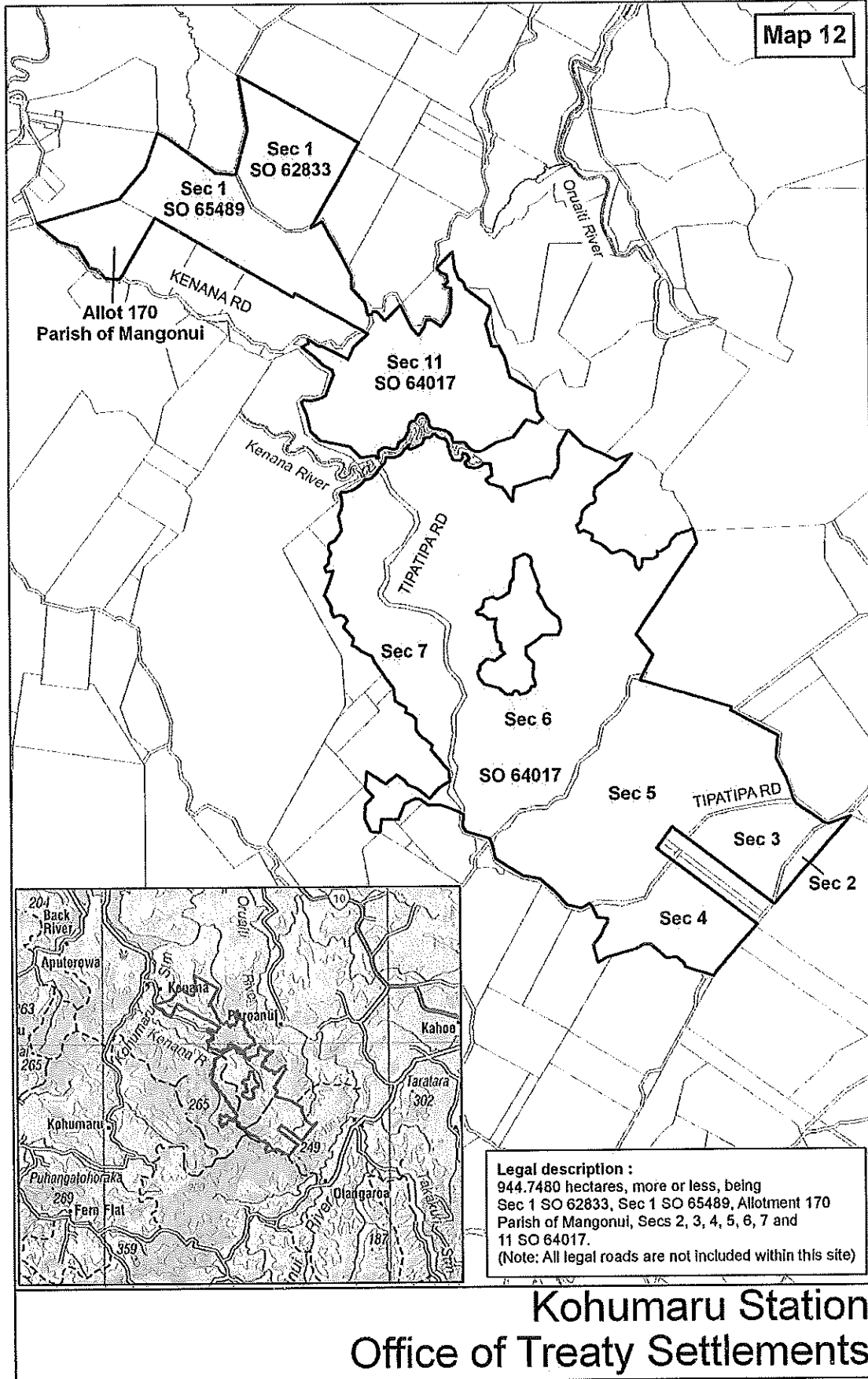












SCHEDULE 4**Aupouri Crown forest land**

	Legal Description	Hectares
Aupouri Forest (except cultural redress)	Part Lot 2 DP 63209, Lot 1 DP 80129, Lot 2 DP 105103, Lot 1 DP 136797, Lot 1 DP 136798, Lot 1 DP 136799, Lot 1 DP 136800, Lot 2 DP 136801, Lot 3 DP 136802, Lot 1 DP 136867, Lot 1 DP 136868, Lots 1-2 DP 136869, Lot 1 DP 136871, Lot 1 DP 136872, Lot 1 DP 137182, Lot 1 DP 137711, Lot 1 DP 137712, Part Lot 1 DP 137713, Lot 1 DP 137714 and Lot 1 DP 137715	22590.4655 hectares
Hukatere	Part Lot 1 DP 137713	10.0000 hectares (subject to survey)
Kapa Block	Lot 1 DP 136786	59.3370 hectares

SCHEDULE 5**OTS Landbank commercial redress properties that may be transferred**

Address or other description	Legal Description	Area (ha) Approximately	Owner
SH1, Te Kao	0.2428 hectares, more or less, being Sections 9 and 10 Block XVI Muriwhenua Survey District. All Computer Freehold Register NA121C/577.	0.2428	OTS Landbank
Off Tohanga Road, Lake Ohia	3.3386 hectares, more or less, being Section 16 Block VIII Rangaunu Survey District. All Gazette 1933 page 168.	3.3386	OTS Landbank
Off Tohanga Road, Lake Ohia	2.0461 hectares, more or less, being Section 11 Block VIII Rangaunu Survey District. All Gazette 1994 page 1071.	2.0461	OTS Landbank
23 Colonel Mould Drive, Mangonui	0.1139 hectares, more or less, being Lot 3 DP 81576. All Computer Freehold Register NA87A/278.	0.1139	OTS Landbank
State Highway 10, Mangonui	8.7946 hectares, more or less, being Part Lot 1 DP 106559. Balance GN. C.987139.2.	8.7946	OTS Landbank
SH10 and Wrathall Rd, Mangonui	0.4320 hectares, more or less, being Lot 1 DP 164400. All Computer Freehold Register NA99A/504.	0.2670	OTS Landbank
4 Wrathall Rd, Mangonui	0.2760 hectares, more or less, being Lot 2 DP 164400. All Computer Freehold Register NA99A/505.	0.4320	OTS Landbank
6 Haekaro Lane, Coopers Beach	0.1146 hectares, more or less, being Lot 4 DP 60617. All Computer Freehold Register NA17C/676.	0.1146	OTS Landbank
5975 State Highway 10, California Hill, Kareponia	0.7152 hectares, more or less, being Parts Kareponia 1B2B. Balance Computer Freehold Register NA602/173.	0.7152	OTS Landbank
80 Allen Bell Drive, Kaitaia	0.0658 hectares, more or less, being Lot 87 DP 80563. All Computer Freehold Register NA87A/265.	0.0658	OTS Landbank
76 Allen Bell Drive, Kaitaia	0.0664 hectares, more or less, being Lot 85 DP 80563. All Computer Freehold Register NA87A/264.	0.0664	OTS Landbank
21A Parkdale Cres, Kaitaia	0.1398 hectares, more or less, being Lot 49 DP 77073. All Computer Freehold Register NA111B/27.	0.1398	OTS Landbank
Cnr Puckey Ave and Taafe St, Kaitaia	0.1408 hectares, approximately, being Part Lot 289 DP 14289. Balance Computer Freehold Register NA4B/914. Subject to survey. 0.1652 hectares, more or less, being Part Lots 290 and 291 DP 14289. All Computer Freehold Register NA1696/88.	0.3058	OTS Landbank
Cnr Mathews Ave and Melba St,	0.1012 hectares, more or less, being Lot 229 DP 12724. All GN. 654671.1.	0.2021	OTS Landbank

Kaitaia	0.1009 hectares, more or less, being Lot 230 DP 12724. [All GN. D360593.2].		
42 Church Rd, Kaitaia	0.1702 hectares, more or less, being Lots 2 and 3 DP 55296. All Computer Freehold Register NA112A/730.	0.1702	OTS Landbank
Kaitaia Nurses Home, Redan Rd, Kaitaia	0.6506 hectares, more or less, being Lot 2 DP 193961. All GN. D565550.1.	0.6506	OTS Landbank
6 Summerville Ave, Kaitaia	0.0809 hectares, more or less, being Lot 2 DP 42727. All Computer Freehold Register NA90D/579.	0.0809	OTS Landbank
Kaitaia-Awaroa Road, Kaitaia	2.0230 hectares, more or less, being Section 1 SO 65376.	2.0230	OTS Landbank
Former MetService Building, Okahu Rd, Kaitaia	7.9237 hectares, more or less, being Part Lot 1 DP 50012. All Computer Freehold Register NA86D/518.	7.8237	OTS Landbank
Former Kaitaia Pound, Awaroa Road	4.0469 hectares, more or less, being Allotment 98 Parish of Ahipara. All Computer Freehold Register NA895/269.	4.0468	OTS Landbank
Waiotehue Road, Takahue	2.0588 hectares, more or less, being Section 3A Block XV Takahue Survey District.	2.0588	OTS Landbank
1102 Broadway Road, Broadwood	0.1783 hectares, more or less, being Lot 2 DP 46043. All Computer Freehold Register NA88C/977.	0.1783	OTS Landbank
Broadway Road, Broadwood	0.2023 hectares, more or less, being Part Lot 1 DP 35354. All Computer Freehold Register NA77D/455.	0.2023	OTS Landbank
18 Teachers Road, Broadwood	0.0809 hectares, more or less, being Lot 3 DP 38726. All Computer Freehold Register NA91D/368.	0.0809	OTS Landbank
14 Teachers Road, Broadwood	0.0809 hectares, more or less, being Lot 4 DP 38726. All Computer Freehold Register NA88C/891.	0.0809	OTS Landbank
227 Pukepoto Road, Kaitaia	1.2464 hectares, more or less, being Section 1 SO 39967. All Computer Freehold Register 352041. 0.1012 hectares, more or less, being Section 2 SO 39967. Part Gazette 2007 page 2133.	1.3476	OTS Landbank
Whangape Road, Whangape	0.0935 hectares, more or less, being Section 4 SO 377810.	0.0935	OTS Landbank

SCHEDULE 6**LINZ commercial redress properties that may be transferred**

Address or other description	Legal Description	Area (ha) Approximately	Owner
SH 10 Mangonui	0.7930 hectares, more or less, being Sections 1 and 2 SO 61306.	0.7930	LINZ
Cape Reinga Road, Cape Reinga	Area J SO 59671, Sec 2 SO 339247 & Pt Muriwhenua Blk	0.7300	LINZ
Far North Road (SH 1), Houhora	Pt Secs 35-37 on SO49872 Blk XV Houhora East SD	5.0000	LINZ
Far North Road (SH 1), Houhora	Pt Muriwhenua Sth Blk. Blks XV, XVI Houhora East SD	0.1875	LINZ
Camp Road, Waiharara	Pts Wharemaru Blk Blk V Opoe SD	0.3869	LINZ
Far North Road, Opoe	CL Adjoins Sec 45 & 8 Blk VII Opoe SD	0.2025	LINZ
Norton Road, Motutangi	Secs 1 & 2 SO 67296 & Pts Wharemaru SO 948	8.2400	LINZ
Cox Road, Motutangi	Pt Wharemaru Blk SO 948	1.5000	LINZ
Far North Road (SH1), Motutangi	Pt Muriwhenua Sth Blk SO 948	0.1401	LINZ
Paparore Road, Opoe	Adjoins Sec 85 Blk IV Opoe SD	1.0000	LINZ
Far North Road, Motutangi	Closed Rd SO 28253 Blk IV Opoe SD	0.0963	LINZ
Far North Road, Motutangi	Closed Rd SO 28253 Blk IV Opoe SD	0.0001	LINZ
Katavich Road, Waiharara	Pts Muriwhenua Sth Blk Blk V Opoe SD	2.4500	LINZ
11 Foreshore Road, Ahipara	Cisd Rd Areas G & H and Severance Area D, SO52175	0.1563	LINZ
Oparihi Road, Mangonui	CL Oparihi Blk V Mangonui SD	0.0600	LINZ
Puketakahia Point, Takerau Bay	CL SO 6591 Adj Lot 1 DP 183598.	0.0684	LINZ
Mangatete River	CL Pt Bed Mangatete River adj Pairatahi Kauri Gum Res Blk XI Rangaunu SD	19.0000	LINZ
16 Wrathall Road, Mangonui	CL Blk V Mangonui SD	0.0452	LINZ
Parapara Road, Rangaunu	CL SO 28509 Blk IX Rangaunu SD adj Lots 1 & 2 DP 192174	0.5792	LINZ
Russell Road, Rangaunu	Road Reserve SO6012E Blk IX Rangaunu SD	2.0000	LINZ
Mangatete Road, Rangaunu	CL Blk VII Rangaunu SD	1.3750	LINZ
Off Doel Road, Rangaunu	CL Pts OLC 6 SO46543 Blk X Rangaunu SD	0.2587	LINZ
Quarry Road, Awanui	Adjoins Allot 45 Awanui Psh Blk I Takahue SD	0.3000	LINZ
Off Paranui Road, Taipa	CL adj Hikurangi Blk Blk VIII Mangonui SD	0.1105	LINZ

Off SH10 (Waterfront Drive), Mangonui	Secs 1 & 2 SO 61306 (Adj Lot 2 DP62296 Blk V Mangonui SD)	0.7930	LINZ
Quarry Road, Awanui	Lots 1, 2, 3 DP28766	0.6626	LINZ
Quarry Road, Awanui	Parts Whangatane Spillway	1.6375	LINZ
West off Kumi Road, Awanui	Pt Old River Bed Blk X Rangaunu SD	1.1000	LINZ
Kenana Rd (Tipa Tipa Rd), Mangonui	Pt Sec 1 SO16442 Blk X Mangonui SD	0.0758	LINZ
Paranui Road, Paranui	Closed Road SO 38461 Blk VIII Mangonui SD	0.0371	LINZ
Blue Gorge Road, Kaiaka	Pts Closed Rd SO 17630 (Adj Sec 2 Blk I Maungataniwha SD)	0.6551	LINZ
Pukerau Road, Rangaunu	CL Blk XII Rangaunu SD	0.8346	LINZ
Inland Road, Tokerau Beach	Closed Road SO 41655 Blk V Rangaunu SD	1.3341	LINZ
Okahu Road, Kaitaia	Sec 1 SO 68141 (Adj Lot 1 DP 132945 & Okahu 3B2B2)	0.1163	LINZ
Clough Road, Takahue	Closed Road SO39881 Blk VI Takahue SD	0.1120	LINZ
Off Sandhills Road, Takahue	Pt OLC 159 Blk V Takahue SD	1.1862	LINZ
Gill Road, Kaitaia	Pt OLC 159 (Adj Sec 15 Blk II Ahipara SD Sth & Sec 22 Blk I Takahue SD Nth)	2.6748	LINZ
Off Stony Creek Road, Taemaro	CL Blk II Mangonui SD	0.3850	LINZ
Awaroa Road, Whagape	Closed Road SO 12099A (Adj Lots 2, 3 & 4 DP 209927)	1.5000	LINZ
Mangamuka Road, Mangamuka	Pt Lot 1 DP 7197	1.4614	LINZ
Rakautapu Road, Kohukohu	Closed Road SO17531 Blk X Mangamuka SD	0.0157	LINZ
Mangamuka Road, Mangamuka	Closed Road SO 20065 Blk II Mangamuka SD	0.3385	LINZ
Closed Road - Coast Road, Mangamuka	SO 12451 Blk X Mangamuka SD	1.1837	LINZ
Back River Road, Aputerewa	Pt Allot 103 Parish of Mangonui Blk IX Mangonui SD		LINZ
Taonga Road, Mangonui	Section 16 SO 22321 Blk VIII Rangaunu SD	3.3386	LINZ
Omatai Road, Aputerewa	Road reserve adjoining Part Allot 137 Mangonui Parish Blk IX SO 6570	4.0000	LINZ
Paponga Road, Te Huahua	Crown Land SO 44285 adj Section 71 Blk IX Mangamuka SD	0.0730	LINZ
Owhata Road, Herekino	Pt M Blk Section 17 Rawhitiroa 1 Blk III Herekino SD	6.5989	LINZ
Garton Road, Mangonui	Adj Pt Allot 2 Parish Of Oruru Blk VIII Mangonui SD	0.0835	LINZ
Ahipara Road, Kaitaia	Lot 5 DP 138309 Blk V Ahipara SD	0.0390	LINZ
Closed Road, Riley Road, Takahue	Pt Allot 48 & 49 SO 41275, Closed Road SO 41275 Blk III Takahue SD	1.1765	LINZ

Honeymoon Valley Road, Peria	Sect 1-2-3 SO 48743 Blk V Maungataniwha SD	2.5615	LINZ
Fairburn Road, Karaka	Area A on SO 68226 Pt Kaiaka Blk, Blk IV Takahue SD	0.0174	LINZ
SH1 Waimamaku	Adjoining Lot 1 & 2 and Allotment 163-166 Blk VII Takahue SD (SO 45270)	2.0779	LINZ
Haumanga Road, Broadwood	Sec 31 Blk VIII Whangape SD	1.8362	LINZ
Roma Road, Ahipara	Area F on SO 52175	0.0180	LINZ
Lake Waihopo	Bed of Lake Waihopo SO 68594 Pt MBlk Muriwhenua Sth Blk V Houhora East SD	20.1000	LINZ
Kaitaia Awaroa Road, Wainui	Closed Road SO 40799 - Adjoins Pt Allot 5 Ahipara Parish Blk V Ahipara SD	0.3215	LINZ
Mangamuka Road, Tutekahua	Lot 70A DP 7197 Blk II Mangamuka SD	1.0067	LINZ
Mansbridge Road, Whangape	Pts Sec 20 SO11883 Blk I Whangape SD	0.5513	LINZ
McManus Road/Kimberly Road	Secs 86-88 SO 61930 Blk V Houhora East SD	3.9790	LINZ
Rangi Point, Waitapu	Pt Ngatuaka Blk, Blk V Hokianga SD	0.1600	LINZ
Kitchener Road, Kaitaia	Part Lot 13 DP 39501, Lot 3 & Part Lot 10 DP 25798 (SO 44537) Blk V Takahue SD	0.8700	LINZ
Kitchener Road, Kaitaia	Riverbank reserve - DP 12724 Blk V Takahue SD	0.1189	LINZ
Closed Road - Kirkpatrick Street, Kohukohu	Adjoining Lot 32, 33, 38, 39 DP 86 Blk X Mangamuka SD	0.0243	LINZ
Closed Roads on Rakautapu Road, Kohukohu	SO 17531: 0.0212 ha (8.4p) adj Pt Sec 18 Suburbs of Kohukohu & 0.0104 ha (4.15p) adj Lot 1 DP 116432, Blk X Mangamuka SD.	0.0318	LINZ
21 Wrathall Road, Mangonui	Sec 47 SO 42677 Blk V Mangonui SD	0.0071	LINZ
Tipa Tipa Road, Mangonui	Allot 171 & 172 SO 29961 Blk X Mangonui SD	0.5210	LINZ
Whangape Road, Whangape	Sect 4 SO 377810	0.0985	LINZ
Far North Road, SH 1, Mangonui	Sec 49 Blk IV Opoe SD (SO 44713)	0.1770	LINZ
SH 10, Coopers Beach	Crown Land in Blk IV Mangonui SD	0.2062	LINZ
Munn Road, Victoria Valley	Road Reserve - adjoining Lot 1 DP 34622	0.0655	LINZ
Temahana	Section 74, Blk II, Mangonui S.D.	6.0703	LINZ
Sand Dunes - Tokerau Bay	Pt Crown Land SO 18873	10.5000	LINZ
Kaitaia Airport - Te Kura Kaupapa o Te Rangi Aniwaniwa	Pt Allot 1 PSH OF Awanui Pt Allot 4 PSH OF Awanui	2.5950	LINZ
Kaitaia Airport	Pt Allot 5 PSH OF Awanui Pt Allot 6 PSH OF Awanui Pt Allot	80.9491	LINZ

	7 PSH OF Awanui Pt Allot 9 PSH OF Awanui Pt Allot 10 PSH OF Awanui Pt Allot 13 PSH OF Awanui Closed Road Survey Office Plan 37057		
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SCHEDULE 7**Commercial properties that may be transferred and leased back (land only)**

Address or other description	Legal Description	Area (ha) Approximately	Owner
Te Hapua School	1.9868 hectares, more or less, being Pakohu 2A and Part Te Hāpua 3. Balance GN. A581504 (NZGZ 1971 page 1689). 0.1788 hectares, more or less, being Part Pakohu 2B2M2. Part <i>Gazette</i> 1985 page 1733.	2.1656	Education
Te Kao School	2.4762 hectares, more or less, being Parengarenga 5B3E. All Computer Freehold Register NA2D/999. 4.1961 hectares, more or less, being Sections 1 and 2 SO 363278. All Computer Freehold Register 298362. 1.6997 hectares, more or less being Te Kao 65B1 Block. All Computer Freehold Register NA2B/792. 0.4047 hectares, more or less, being Te Kao 1F Block. All <i>Gazette</i> 1963 page 1117.	8.7767	Education
Ngataki School	0.4586 hectares, more or less, being Section 3 Block V Houhora East Survey District. All <i>Gazette</i> 1949 page 2668. 0.8094 hectares, more or less, being Section 14 Block V Houhora East Survey District. All <i>Gazette</i> 1943 page 410. 0.8195 hectares, more or less, being Section 43 Block V Houhora East Survey District. All <i>Gazette</i> 1943 page 542.	2.0875	Education
Pukenui School	1.3191 hectares, more or less, being Section 3A Block XI Houhora East Survey District, Part Lot 3 DP 11051, Lots 39, 40, 42 and 43 DP 44000. All GN. A289422 (NZGZ 1968 page 753).	1.5129	Education

	0.1938 hectares, more or less being Lots 44 and 45 DP 44000. All GN. B712489.2 (NZGZ 1987 page 2138).		
TKKM o Rangiawhia	1.8196 hectares, more or less, being Part Parakerake Block. Part <i>Gazette</i> 1955 page 1422.	1.8196	Education
Waiharara School	1.9066 hectares, more or less, being Part Section 109 Block V Opoe Survey District. Part/Balance GN. 049008.1 (NZGZ 1973 page 1418).	1.9066	Education
Mangonui School	0.1626 hectares, more or less, being Allotment 297 Town of Mangonui. All <i>Gazette</i> 1985 page 2084. 0.7833 hectares, more or less, being Allotments 49, 50 and 51 Town of Mangonui. All GN. 0490101.1 (NZGZ 1973 page 1065). 0.4780 hectares, more or less, being Allotments 52 and 53 Town of Mangonui. All Proclamation 13739 (NZGZ 1953 page 7). 0.1810 hectares, more or less, being Allotment 54 Town of Mangonui. All GN. B.966727.1 (NZGZ 1989 page 870). 0.3136 hectares, more or less, being Allotment 48 Town of Mangonui. All GN. B.366342.1 (NZGZ 1984 page 5460).	1.9185	Education
Taipa Area School	0.4072 hectares, more or less, being Lot 2 of Section 2 Village of Taipa. Part <i>Gazette</i> 1932 page 426. 1.5477 hectares, more or less, being Allotments 3, 14, 16, 17, and 18 of Section 2 Village of Taipa. All <i>Gazette</i> 1955 page 1845. 0.0931 hectares, more or less, being Lot 17 DP 51192. All Computer Freehold Register NA82C/696. 1.3405 hectares, more or less, being Allotment 28 Parish of Taipa. All Computer Freehold	3.3885	Education

	Register NA629/181.		
Kaingaroa School (Kaitaia)	1.8082 hectares, more or less being Lots 1 and 2 DP 38912 and Section 8 Block XI Rangaunu Survey District. Part GN. A.550234 (NZGZ 1971 page 705).	1.8082	Education
Paparore School	1.7009 hectares, more or less, being Part Section 27 Block VIII Opoe Survey District. All Proclamation 12127 (NZGZ 1947 page 779).	1.7009	Education
Awanui School	2.7518 hectares, more or less, being Part Old Land Claim 6 and Part Section 6 S Awanui Settlement. Part Gazette 1970 page 716.	2.7518	Education
Totara North School	1.0479 hectares, approximately being Part Allotment 6A Parish of Tōtara. Part Gazette 1912 page 190. Subject to survey. 0.2001 hectares, more or less, being Part Allotment 8 Parish of Tōtara. All Gazette 1957 page 2.	1.2480	Education
Oturu School	0.8121 hectares, more or less, being Part Oturu 2D1, Part Oturu 2D1C and Part Oturu 2D3A. All Gazette 1937 page 2648. 0.4046 hectares, more or less, being Part Oturu 2D3A. All Gazette 1953 page 1979.	1.2167	Education
Peria School	1.8033 hectares, more or less, being Lot 1 DP 36859. All GN. 049017 (NZGZ 1973 page 1456).	1.8033	Education
Kaitaia Intermediate	1.9468 hectares, more or less, being Parts Lot 3 DP 29054 and Lot 1 DP 33128. All Proclamation 15934. 4.0997 hectares, more or less, being Parts Lot 3 DP 29054. All Proclamation 14658.	6.0465	Education
Kaitaia School	2.2658 hectares, more or less, being Part Old Land Claim 242, Part Lot 16 DP 22615, Part 16 DP 405, Part Lots 16 and 17 DP 27211. All GN. 294191.1 0.4778 hectares, more or less, being Part 10 DP 61707. All GN. 078355.1. 2.8968 hectares, more or	5.6404	Education

	less, being Part 10 DP 61707. All GN. 736393.1.		
Kaitaia College	8.0887 hectares, more or less, being Allotment 71 Parish of Ahipara. All Computer Freehold Register NA962/33. 0.1073 hectares, more or less, being Closed Road SO 52852. All GN. 579123.1. 5.2351 hectares, more or less, being Parts Old Land Claim 7. All Proclamation 19374. 0.0483 hectares, more or less, being Stopped Road SO 45142. All GN. D472616.1. 0.3500 hectares, more or less being Lot 1 DP 193961. All Computer Freehold Register NA123A/417.	13.8294	Education
Pamapurua School	2.0234 hectares, more or less, being Pamapurua B2. All Gazette 1915 page 952.	2.0234	Education
Pukepoto School	4.7981 hectares, more or less, being Part Waipapa Block. All Proclamation A5472.	4.7981	Education
Broadwood Area School	5.7243 hectares, more or less, being Part Sections 4 and 52 Block 1 Whangape Survey District. All Proclamation 14383.	5.7243	Education
Herekino School	2.8328 hectares, more or less, being Lot 1 DP 35350 and Part Section 13 Block II Herekino Survey District. All GN. A538859.	2.8328	Education
Kohukohu School	0.9613 hectares, approximately, being Part Section 81 and Section 57 Block X Mangamuka Survey District. Balance GN. 535802.1. 0.1214 hectares, approximately, being Lot 1 and Part Lot 2 DP 11609. Balance GN. 123851.1.	1.0827	Education
Te Kura Taumata O Panguru	3.7843 hectares, more or less, being Parts Panguru X1 Block. All Proclamation A113118.	3.7843	Education
Matihetihe School	1.9341 hectares, more or less, being Part Moetangi B2 2B1 and Part Matihetihe 1B2D. All Proclamation 10004.	1.9341	Education

Ahipara School	2.0234 hectares, more or less, being Allotment 19A Parish of Ahipara. All <i>Gazette</i> 1904 page 1010. 0.9409 hectares, more or less, being Allotments 82 and 83 Parish of Ahipara. All <i>Gazette</i> 1928 page 2759.	2.9643	Education
Kaitaia Courthouse	0.3792 hectares, more or less, being Lot 1 DP 177374. All Computer Freehold Register NA109B/539.	0.3792	Justice

SCHEDULE 8**Right of First Refusal Properties**

Address or other description	Legal Description	Area (ha) Approximately	Owner
Houhora Police Station, Lamb Road	0.2443 hectares, more or less, being Lot 1, 2 and 3 DP 44000. All Computer Freehold Register NA105D/620.	0.2443	Police
Mangonui Police Station	0.0885 hectares, more or less, being Part Allotment 19 Section 1 Village of Mangonui and Defined on DP 17900. All Computer Freehold Register NA402/1. 0.1580 hectares, approximately, being Part Closed Road SO 48985. Part GN. 086585.1 (NZGZ 1974 page 2644). Subject to survey.	0.2465	Police
Kaitaia Police Station, 15-17 Redan Road	0.3867 hectares, more or less, being Lot 1 DP 184490. All Computer Freehold Register NA112A/783.	0.3867	Police
Kohukohu Police Station	0.1333 hectares, more or less, being Part Lot 4 DP 11168. All Computer Freehold Register NA893/178.	0.1333	Police
2 Matilda Pl, Kaitaia	0.0663 hectares, more or less, being Lot 1 DP 72868. All Compute Freehold Register NA107B/435.	0.0663	Police
2B Matilda Pl, Kaitaia	0.0920 hectares, more or less, being Lot 3 DP 72868. All Computer Freehold Register NA40C/118.	0.0920	Police
2C Matilda Pl, Kaitaia	0.0845 hectares, more or less, being Lot 4 DP 72868. All Computer Freehold Register NA35B/822.	0.0845	Police
31 Grigg St, Kaitaia	0.0770 hectares, more or less, being Lot 52 DP 83778. All Computer Freehold NA112A/576.	0.0770	Police
Northland Polytechnic (Northtec), 21 South Rd, Kaitaia	0.3299 hectares, more or less, being Lot 1, 20 and Part Lot 21 DP 14963. All Computer Freehold Register NA89C/585.	0.3299	Education

SCHEDULE 9

Valuation process for Aupouri Crown forest land

Definitions and interpretation

In this valuation process, unless the context otherwise requires:

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 Auckland.

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

Market Value is the amount, exclusive of GST, for which 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.

Registered Valuer means a valuer registered with the Valuers Registration Board of New Zealand and with experience in the valuation of commercial forest land in New Zealand;

The Crown means the Crown acting through Land Information New Zealand;

Transfer Value means the amount determined by this valuation process;

Valuation Commencement Date means the date by which the Valuer has been appointed under paragraph 2;

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

Valuation Exchange Date means the next Business Day after the date of expiration of the period of 85 Business Days commencing on the Valuation Commencement Date; and

Valuation Report means the valuation report prepared for the Crown in accordance with this valuation process.

Valuer means any Registered Valuer appointed by the Crown under paragraph 2 to take part in the process set out in this valuation process;

Preliminary steps: disclosure, and appointment of Valuers

- 1 The Crown will within 15 Business Days of the date when this valuation process is agreed, give the Claimant all material information that relates to the Crown Forest Land, of which Land Information New Zealand is aware including 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.
- 2 No later than the next Business Day after the date of expiration of the period of 15 Business Days commencing on the date when this valuation process is agreed, the Crown and Te Hiku iwi shall:
 - (a) appoint independently their own Registered Valuers and instruct him or her to assess the Market Value of the Crown Forest Land, in accordance with this valuation process; and
 - (b) give notice to each other of the identity of the Registered Valuer.
- 3 The Valuers must, at times to be agreed between the Valuer and the Crown forestry licence holder, undertake an inspection of the Crown Forest Land. No later than 25 business days after the date that the Valuation process is agreed, the parties Valuers shall simultaneously exchange their Valuation Reports for consideration and negotiation by the parties (Valuation Exchange Date).

Valuation Report

- 4 The Valuer shall prepare a Valuation Report which includes his or her assessment of Market Value as though:
 - (a) the land will transfer subject to the Crown forestry licence; and
 - (b) the termination period of the licence will begin on 30 September following the giving of the termination notice (assumed to be 30 September 2012); and
 - (c) the Crown will be responsible for carrying out and completing any survey necessary to define the boundaries of the land; and
 - (d) a computer freehold register has been issued for each selection unit valued and is subject to and together with the encumbrances identified in the disclosure data together with any other encumbrances that may be agreed.

(e) New Zealand Units will not transfer with the land (due to the NZUs being dealt with separately from redress).

5 The parties shall deliver a copy of their respective Valuation Reports to each other no later than the Valuation Exchange Date.

Negotiations to agree market values

6 No later than 10 days following the Valuation Exchange Date, the Crown and Te Hiku iwi shall attempt to agree the Transfer Value. Where agreement is reached both Parties shall sign a statement identifying the amount which the parties have agreed is the Transfer Value.

7 Where agreement is not reached under paragraph 8 by the next Business Day after the expiration of the period of 30 Business Days commencing on the Valuation Exchange Date, the parties will consider whether their negotiations are deadlocked. If a transfer value cannot be agreed between the parties they will consider using other processes, including a binding dispute resolution process or an expert determination by an umpire.

General provisions

8 The Crown and Te Hiku iwi 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.

9 If the processes set out in this valuation process are delayed through any unplanned event or incapacity, the Crown and/or Te Hiku iwi shall use reasonable endeavours to minimise the delay.

SCHEDULE 10

Valuation process for other commercial redress properties in schedule 5, 6 and 7

High Value Properties i.e. those with an estimated value over \$300,000

1. The Crown and the claimants each commission a registered valuer (at their own cost);
2. Each party obtains a market valuation based on agreed instructions to valuers, which are then exchanged with the other party;
3. If the valuations differ, the parties are required to enter into discussion, with the aim of agreeing a transfer value;
4. If the parties are unable to reach an agreed transfer value, the parties will refer the matter to arbitration (process under the Arbitration Act 1996), which will be binding on both parties, for determination of fair market value; and
5. Each party is responsible for their own costs, and half of the cost of any arbitration process.

Low value properties i.e. those with an estimated value less than \$300,000

1. The Crown and the claimants jointly commission a registered valuer;
2. The valuer is jointly instructed to prepare a market valuation based on agreed instructions to valuers, which are binding on both parties; and
3. Each party is responsible for half the cost of the valuer.

General

1. All valuations will be based on:
 - a. instructions to valuers;
 - b. the due diligence information provided by the vendor agency;
 - c. the standard terms and conditions for transfer of commercial properties that will be attached to the Agreement in Principle;
 - d. all existing leases, licences and other encumbrances disclosed by the Crown;
 - e. all leases, licences, and other encumbrances proposed for the Deed of Settlement; and
 - f. a practical valuation date agreed by the parties.
2. In the event that a Deed of Settlement is not agreed within 12 months of the valuation date then the properties will need to be revalued.

SCHEDULE 11

Possible Terms of transfer for the purchase of the farms and the properties in schedules 5, 6 and 7

These terms are to be negotiated. The matters that the terms of transfer in the deeds of settlement will provide for in relation to the purchase, on settlement date, of the farms and any of the properties in schedule 5 and 6 will be based on, but are not limited to, those set out in this schedule. Any property purchased by a Te Hiku iwi on a transfer and leaseback basis will be subject to lease as agreed between the parties.

1. TRANSFER SUBJECT TO RELEVANT ENCUMBRANCES AND AS REDRESS

- 1.1 The Crown will transfer the fee simple estate the Commercial Redress Properties subject to and, where applicable, with the benefit of the Relevant Encumbrances.
- 1.2 Disclosure is to be provided between agreement in principle and deed of settlement of proposed rights or encumbrances to be created. Following disclosure, Te Hiku iwi and the Crown will ensure appropriate rights and encumbrances affecting the commercial properties will be recognised or created.
- 1.3 The Governance Entity must not unreasonably refuse or delay its consent to the Crown varying a Relevant Encumbrance or granting a new Encumbrance affecting the Commercial Redress Property.
- 1.4 The Commercial Redress Property will be transferred as Redress and without charge to, or consideration to be provided or paid by, the Governance Entity or any other person.
- 1.5 The Crown will pay the survey and registration costs required to transfer the fee simple estate in the Commercial Redress Property to the Governance Entity.

2. OBLIGATIONS PRIOR TO SETTLEMENT DATE

- 2.1 The Crown must maintain the Commercial Redress Property, or will ensure that property is maintained, until the Settlement Date in substantially the same condition as it is in at the Date of the Deed, fair wear and tear excepted.
- 2.2 Between the Date of the Deed and the Settlement Date the Crown must consult with, and obtain the prior consent of, the Governance Entity (which will not be unreasonably withheld or delayed) before:
 - 2.2.1 agreeing to any material variation in the terms of a Relevant Encumbrance affecting the Commercial Redress Property; or

- 2.2.2 procuring any consent, or providing any waiver, under the Resource Management Act, or other legislation, that materially affects the Commercial Redress Property.
- 2.3 The Crown must, if it carries out works, or gives specific authority in writing for works to be carried out, the Commercial Redress Property, between the Date of the Deed and the Settlement Date, for which the Crown must by law obtain a building consent or permit, comply with any obligations imposed on the Crown under the Building Act in respect of such works.
- 2.4 The Crown must pay all charges for electric power, gas, water, and other utilities that the Crown owes as owner of the Commercial Redress Property until the Settlement Date except where those charges are payable by any tenant or occupant directly to the relevant supplier.
- 2.5 Subject to the terms of any Relevant Encumbrance affecting the Commercial Redress Property, the Crown must use reasonable endeavours to obtain permission for the Governance Entity (or a person authorised by the Governance Entity), upon reasonable notice, to enter the Commercial Redress Property on one occasion before the Settlement Date to examine it.

3. POSSESSION AND SETTLEMENT

- 3.1 On the Settlement Date:
- 3.1.1 possession must be given and taken of the Commercial Redress Property subject to the Relevant Encumbrances; and
- 3.1.2 vacant possession must be given and taken of the Commercial Redress Property which is not subject to any Relevant Encumbrance.
- 3.2 Subject to paragraph 9 of this schedule, on the Settlement Date the Crown must hand to the Governance Entity:
- 3.2.1 a registrable memorandum of transfer of each Commercial Redress Property;
- 3.2.2 all other instruments in registrable form which may be required by this Part 2; and
- 3.2.3 all contracts and other documents which create unregistered rights, interests and obligations affecting the registered proprietor's interest (but not proclamations, *Gazette* notices and similar public notices) and which will continue following Settlement.
- 3.3 All outgoings and incomings (including rates, excluding insurance premiums) must be apportioned at the Settlement Date.
- 3.4 The Crown must supply a statement of apportionments to the Governance Entity before the Settlement Date. On the Settlement Date:
- 3.4.1 the Governance Entity must pay to the Crown the amount by which the outgoings (except for insurance premiums) for the Commercial Redress

Property pre-paid by the Crown in respect of a period after the Settlement Date exceed the incomings received by the Crown for that period; or

- 3.4.2 the Crown must pay to the Governance Entity the amount by which the incomings received by the Crown in respect of a period after the Settlement Date exceed the outgoings (except for insurance premiums) for the Commercial Redress Property pre-paid by the Crown for that period.
- 3.5 The Crown must make available to the Governance Entity on the Settlement Date any keys to exterior doors to, and electronic door openers (if any) and/or security codes to alarms (if any) for, the Commercial Redress Property that are in the possession of the Crown at the Settlement Date.
- 3.6 The Commercial Redress Property must be transferred inclusive of all fixtures and fittings that are owned by the Crown and are situated on the Commercial Redress Property at the Date of the Deed and those fixtures and fittings will be free from any charge.
- 3.7 No chattels situated on the Commercial Redress Property will be included in its transfer. Any issue as to the ownership of, and liability for, any such chattels, and any fixtures or fittings owned or installed by any tenant or occupant of the Commercial Redress Property, must be resolved between the Governance Entity and the tenant or occupant (without reference to the Crown).

4. RISK AND INSURANCE

- 4.1 The Commercial Redress Property will remain at the sole risk of the Crown until the Settlement Date and, from the Settlement Date, it will remain at the sole risk of the Governance Entity.
- 4.2 In the event that, prior to the Settlement Date, the Commercial Redress Property is destroyed or damaged and such destruction or damage has not been made good by the Settlement Date, then the following provisions apply:
- 4.2.1 if the Commercial Redress Property is untenable on the Settlement Date, the Governance Entity may:
- (a) complete the transfer on the condition that the Crown pay to the Governance Entity (as alternative redress) an amount equal to the amount of the diminution in the value of the Commercial Redress Property as at the Settlement Date; or
 - (b) cancel the transfer by giving the Crown notice in writing, in which case the Crown will promptly pay to the Governance Entity (as alternative redress) the Redress Value of the Commercial Redress Property; and
- 4.2.2 if the Commercial Redress Property is tenable on the Settlement Date, the Governance Entity will complete the transfer on the condition that the Crown pay to the Governance Entity (as alternative redress) an

amount equal to the amount of the diminution in the value of the Commercial Redress Property as at the Settlement Date; and

4.2.3 either Party may give the other Party notice in writing requiring that any dispute as to the application of this paragraph 4.2 be determined by an arbitrator to be appointed by the president or vice-president of the law society for the district where the Commercial Property is located, and the Party serving the notice may at any time after that refer the dispute to the arbitrator for determination under the Arbitration Act. If the dispute is not determined by the Settlement Date then the Parties' obligations relating to transfer and possession of the Commercial Property will be deferred until the fifth Business Day following the date on which the dispute is determined. The arbitrator may determine that the possession date will not be deferred or will be deferred to another day or days.

4.3 The Governance Entity will not be required to take over from the Crown any insurance policies in relation to the Commercial Redress Property.

5. REDRESS VALUE

5.1 For the purposes of establishing:

5.1.1 a diminution in value of the Commercial Redress Property under paragraphs 4.2.1(a) or 4.2.2; or

5.1.2 the amount of any damages arising out of a breach by the Crown of any of its obligations under this Part 2 in respect of the Commercial Redress Property,

the Redress Value of the Commercial Redress Property will be treated as the value of that property immediately before the relevant event or breach.

5.2 To avoid doubt, the Parties acknowledge that the Redress Value of the Commercial Redress Property will not be affected by:

5.2.1 any addition or variation to the Relevant Encumbrance agreed in writing by the Crown and the Governance Entity under paragraph 1.2; or

5.2.2 any variation to a Relevant Encumbrance agreed by the Crown and the Governance Entity under paragraph 2.2.1.

6. BOUNDARIES, TITLE, ETC

6.1 The Crown will not be bound to point out the boundaries of the Commercial Redress Property.

6.2 If the Commercial Redress Property is subject only to Relevant Encumbrances, the Governance Entity:

6.2.1 will be treated as having accepted the Crown's title to the Commercial Redress Property as at the Date of this Deed; and

6.2.2 may not make any objections to, or requisitions on, it.

- 6.3 Except as otherwise expressly set out in this Part 2 no error, omission or misdescription of the Commercial Redress Property or its title shall annul the transfer of the Commercial Redress Property.
- 6.4 The Crown will not be liable to pay for, or contribute towards, the expense of erection or maintenance of any fence between the Commercial Redress Property and any contiguous land of the Crown (unless it is the Crown that requires the fence); and
- 6.4.1 this clause will not continue for the benefit of any subsequent purchaser of the contiguous land; and
- 6.4.2 the Crown may require the inclusion of a fencing covenant to this effect in any transfer of the Commercial Redress Property.

7. OBLIGATIONS

- 7.1 If the Crown receives any notice or demand in relation to the Commercial Redress Property from the Crown, any territorial authority or any tenant after the Settlement Date, the Crown will, if not paying or complying with such notice or demand, promptly deliver it to the Governance Entity or the Governance Entity's solicitor and, if the Crown fails to do so, the Crown will be liable for any penalty incurred.
- 7.2 Immediately after the Settlement Date, the Crown will give notice of the transfer of each Commercial Redress Property to the territorial authority having jurisdiction in respect of that property.

8. DISCLOSURE INFORMATION

- 8.1 The Crown warrants to the Governance Entity that, at the Date of the Deed, the Disclosure Information in relation to the Commercial Redress Property is all the material information that relates to the Commercial Redress Property, of which the Land Holding Agency is aware, the Land Holding Agency having inspected its records but not having undertaken a physical inspection of the Commercial Redress Property or made enquiries beyond the records of the Land Holding Agency.
- 8.2 Except as provided in paragraph 8.1, the Crown gives no representation or warranty (whether express or implied) nor accepts any responsibility with respect to:
- 8.2.1 the Commercial Redress Property including as to its ownership, management, occupation, physical condition, use or compliance with:
- (a) any legislation including by-laws; or
 - (b) any enforcement or other notice, requisition or proceedings issued by any authority; or
- 8.2.2 the completeness or accuracy of the Disclosure Information in relation to the Commercial Redress Property.

8.3 Te Hiku iwi acknowledges that (although the Crown is not giving any representation or warranty in relation to any Commercial Redress Property except as provided in paragraph 8.1) Te Hiku iwi will have the opportunity prior to the Date of the Deed (in addition to being able to examine the Disclosure Information) to:

8.3.1 inspect each Commercial Redress Property; and

8.3.2 determine its state and condition.

9. DELAYED TRANSFER OF LEGAL TITLE

9.1 If all the land comprising the Commercial Redress Property is not all of the land contained in a computer freehold register or registers, the Crown covenants for the benefit of the Governance Entity that it will:

9.1.1 arrange for the creation of a computer freehold register or registers for all that Commercial Redress Property; and

9.1.2 transfer title to all the Commercial Redress Property, as soon as is reasonably practicable, but no later than five years after the the Settlement Date;

9.2 The covenant given by the Crown under paragraph 9.1 shall have effect and be enforceable, despite being positive in effect and there being no dominant tenement.

9.3 If paragraph 9.1 applies then, for the period from the Settlement Date until the date that the Crown transfers the title to that Commercial Redress Property to the Governance Entity:

9.3.1 the Governance Entity will be the beneficial owner of that property; and

9.3.2 all the other obligations and rights to be performed or arising on the Settlement Date will still be performed and arise as if full legal title had passed to the Governance Entity on the Settlement Date.

10. MISCELLANEOUS

Further Assurances

10.1 The Crown and the Governance Entity must, at the request of the other, sign and deliver any further documents or assurances and do all acts and things that the other may reasonably require to give full force and effect to the Deed and this schedule.

Non merger

10.2 On transfer of the Commercial Redress Properties to the Governance Entity, the provisions of this schedule will not merge and, to the extent any provision has not been fulfilled, will remain in force.

SCHEDULE 12

Settlement Licensed Land (Aupouri Forest) – Possible Terms of Transfer

These terms are to be negotiated. The matters that the terms of transfer in the deeds of settlement will provide for in relation to the transfer of Aupouri Crown forest land to the Aupouri Forest entity will be based on, but are not limited to, those set out in this schedule.

1 TRANSFER SUBJECT TO RELEVANT ENCUMBRANCES

- 1.1 The Crown must transfer the fee simple estate in the settlement licensed land to the governance entity on the terms set out in the deed, and in this part of the schedule, subject to and, where applicable, with the benefit of the relevant encumbrances.
- 1.2 Disclosure is to be provided between agreement in principle and deed of settlement of proposed rights or encumbrances to be created. Following disclosure, Te Hiku iwi and the Crown will ensure appropriate rights and encumbrances will be recognised or created affecting the settlement licensed land.
- 1.3 The governance entity must not unreasonably withhold or delay its consent to varying a relevant encumbrance or granting a new encumbrance affecting the settlement licensed land.
- 1.4 The settlement licensed land will be transferred:
 - 1.4.1 as redress; and
 - 1.4.2 without charge to, or consideration to be provided or paid by, the governance entity or any other person.
- 1.5 The Crown will pay the survey and registration costs required to transfer the fee simple estate in the settlement licensed land to the governance entity.

2 OBLIGATIONS PRIOR TO SETTLEMENT DATE

- 2.1 Between the date of the deed and the settlement date the Crown must consult with, and obtain the prior written consent of, the governance entity (which will not be unreasonably withheld or delayed) before:
 - 2.1.1 agreeing to any material variation in the terms of any relevant encumbrance affecting the settlement licensed land; or
 - 2.1.2 procuring any consent, or providing any waiver, under the Resource Management Act 1991, or other legislation, that materially affects the settlement licensed land.
- 2.2 The Crown must, if it carries out works, or gives specific authority in writing for works to be carried out, on the settlement licensed land, between the date

of the deed and the settlement date, for which the Crown must by law obtain a building consent or permit, comply with any obligations imposed on the Crown under the Building Act 2004 in respect of such works.

- 2.3 The Crown must pay all charges for electric power, gas, water, and other utilities that the Crown owes as owner of the settlement licensed land until the settlement date except where those charges are payable by any tenant or occupant directly to the relevant supplier.
- 2.4 Subject to the terms of any relevant encumbrance affecting the settlement licensed land, the Crown must use reasonable endeavours to obtain permission for the governance entity (or a person authorised by the governance entity), upon reasonable notice, to enter the settlement licensed land on one occasion before the settlement date to examine it.

3 POSSESSION AND SETTLEMENT

- 3.1 On the settlement date possession must be given and taken of the settlement licensed land subject to the relevant encumbrances.
- 3.2 Subject to paragraph 9 of this schedule, on the settlement date the Crown must hand to the governance entity:
- 3.2.1 a registrable memorandum of transfer for the settlement licensed land;
 - 3.2.2 all other instruments in registrable form which may be required by this part of the schedule, including those referred to in paragraph 3.3; and
 - 3.2.3 all contracts and other documents which create unregistered rights, interests and obligations affecting the registered proprietor's interest (but not proclamations, *Gazette* notices and similar public notices) and which will continue following settlement.
- 3.3 The governance entity must, within 5 business days of the settlement date or, if paragraph 9 applies, within the timeframe set out in paragraph 9, lodge the following documents for registration in the following order in relation to the settlement licensed land:
- 3.3.1 written applications for computer freehold registers in the name of the Crown for the settlement licensed land;
 - 3.3.2 the transfer to the governance entity; and
 - 3.3.3 the easement to be granted under [the relevant clause of the deed].
- 3.4 All outgoings and incomings (including rates, excluding insurance premiums) in relation to the settlement licensed land must be apportioned at the settlement date.

3.5 The Crown must supply a statement of apportionments to the governance entity before the settlement date in respect of the settlement licensed land. On the settlement date:

3.5.1 the governance entity must pay to the Crown the amount by which the outgoings (except for insurance premiums) for the settlement licensed land pre-paid by the Crown in respect of a period after the settlement date exceed the incomings received by the Crown for that period; or

3.5.2 the Crown must pay to the governance entity the amount by which the incomings received by the Crown in respect of a period after the settlement date exceed the outgoings (except for insurance premiums) for the settlement licensed land pre-paid by the Crown for that period.

3.6 The Crown must make available to the governance entity on the settlement date any keys to gates to the settlement licensed land that are in the possession of the Crown at the settlement date.

3.7 The settlement licensed land must be transferred inclusive of all fixtures and fittings that are owned by the Crown and are situated on the settlement licensed land at the date of the deed and those fixtures and fittings will be free from any charge.

3.8 No chattels situated on or about the settlement licensed land will be included in its transfer.

4 RISK AND INSURANCE

4.1 The settlement licensed land will remain at the sole risk of the Crown until the settlement date and, from the settlement date, it will remain at the sole risk of the governance entity.

4.2 In the event that, prior to the settlement date, the settlement licensed land is destroyed or damaged and such destruction or damage has not been made good by the settlement date, then the following provisions apply:

4.2.1 the governance entity must complete the transfer of the settlement licensed land at the redress value on the condition that the Crown pay to the governance entity (as alternative redress) an amount equal to the amount (if any) by which the redress value for the settlement licensed land is more than the value of the settlement licensed land as at the settlement date as a result of the destruction or damage; and

4.2.2 either party may give the other party notice in writing requiring that any dispute as to the application of this paragraph 4.2 be determined by an arbitrator to be appointed by the president or vice-president of the law society for the district where the settlement licensed land is located, and the party serving the notice may at any time after that

refer the dispute to the arbitrator for determination under the Arbitration Act 1996.

4.3 If a dispute relating to a claim by the governance entity for a diminution in value of the settlement licensed land under paragraph 4.2.1 is not determined by the settlement date, then:

4.3.1 settlement shall take place on the settlement date in accordance with this schedule as if there had been no destruction or damage; and

4.3.2 upon the determination of the dispute the Crown shall pay to the governance entity within 7 business days from such determination a sum equal to the diminution in value of the settlement licensed land (as alternative redress) and interest from settlement date to the date of that payment at the rate set out in [the relevant clause] of the deed.

4.4 The governance entity will not be required to take over from the Crown any insurance policies in relation to the settlement licensed land.

5 REDRESS VALUE

5.1 For the purposes of establishing the amount of any damages arising out of a breach by the Crown of any of its obligations under this part [of the deed schedule] in respect of the settlement licensed land, the redress value for the settlement licensed land will be treated as its value immediately before the relevant event or breach.

5.2 To avoid doubt the parties acknowledge that the redress value of the settlement licensed land will not be affected by:

5.2.1 any addition or variation to the relevant encumbrances agreed in writing by the Crown and the governance entity under paragraph 1.2; or

5.2.2 any variation to a relevant encumbrance agreed by the Crown and the governance entity under paragraph 2.1.1.

6 BOUNDARIES, TITLE, ETC

6.1 The Crown will not be bound to point out the boundaries of the settlement licensed land.

6.2 If the settlement licensed land is subject only to relevant encumbrances, the governance entity:

6.2.1 will be treated as having accepted the Crown's title to the settlement licensed land as at the date of this deed; and

6.2.2 may not make any objections to, or requisitions on, it.

- 6.3 Except as otherwise expressly set out in this part, no error, omission or misdescription of the settlement licensed land or its title shall annul the transfer of the settlement licensed land.
- 6.4 The Crown will not be liable to pay for, or contribute towards, the expense of erection or maintenance of any fence between the settlement licensed land and any contiguous land of the Crown (unless it is the Crown that requires the fence in which case the Crown shall meet all the costs of erecting the fence); and
- 6.4.1 this clause will not continue for the benefit of any subsequent purchaser of the contiguous land; and
- 6.4.2 the Crown may require the inclusion of a fencing covenant to this effect in any transfer of the settlement licensed land.

7 OBLIGATIONS AFTER SETTLEMENT

- 7.1 If the Crown receives any notice or demand in relation to the settlement licensed land from the Crown, any territorial authority or any tenant after the settlement date, the Crown will, if not paying or complying with such notice or demand, promptly deliver it to the governance entity or the governance entity's solicitor and, if the Crown fails to do so, the Crown will be liable for any penalty incurred.
- 7.2 Immediately after the settlement date, the Crown will give notice of the transfer of the settlement licensed land to the territorial authority having jurisdiction in respect of that property.

8 DISCLOSURE INFORMATION

- 8.1 The Crown warrants to the governance entity that, at the date of the deed, the disclosure information in relation to the settlement licensed land is all the material information that relates to the settlement licensed land, of which the land holding agency is aware, the land holding agency having inspected its records but not having undertaken a physical inspection of the settlement licensed land or made enquiries beyond the records of the land holding agency.
- 8.2 Except as provided in paragraph 8.1, the Crown gives no representation or warranty (whether express or implied) nor accepts any responsibility with respect to:
- 8.2.1 the settlement licensed land including as to its ownership, management, occupation, physical condition, use or compliance with:
- (a) any legislation including by-laws; or
 - (b) any enforcement or other notice, requisition or proceedings issued by any authority; or

- (c) the completeness or accuracy of the disclosure information in relation to the settlement licensed land.

8.3 [Te Hiku iwi] acknowledge that (although the Crown is not giving any representation or warranty in relation to the settlement licensed land except as provided in paragraph 8.1) [Te Hiku iwi] had the opportunity prior to the date of the deed (in addition to being able to examine the disclosure information) to:

8.3.1 inspect the settlement licensed land; and

8.3.2 determine its state and condition.

9 DELAYED TRANSFER OF LEGAL TITLE

9.1 If all the land comprising Aupouri Crown Forest is not all of the land contained in a computer freehold register, the Crown covenants for the benefit of the governance entity that it will:

9.1.1 arrange for the creation of a computer freehold register for all that land comprising each of those properties; and

9.1.2 transfer title to all that land, as soon as is reasonably practicable, but no later than five years after the settlement date.

9.2 The covenant given by the Crown under paragraph 9.1 shall have effect and be enforceable, despite being positive in effect and there being no dominant tenement.

9.3 If paragraph 9.1 applies then, for the period from the settlement date until the date that the Crown transfers the title to the relevant settlement licensed land to the governance entity:

9.3.1 the governance entity will be the beneficial owner of that property; and

9.3.2 all the other obligations and rights to be performed or arising on the settlement date will still be performed and arise as if full legal title had passed to the governance entity on the settlement date.

10 MISCELLANEOUS

Further Assurances

10.1 The Crown and the governance entity must, at the request of the other, sign and deliver any further documents or assurances and do all acts and things that the other may reasonably require to give full force and effect to [the relevant part of] the deed and this part of the schedule.

Non merger

- 10.2 On transfer of the settlement licensed land to the governance entity, the provisions of this part will not merge and, to the extent any provision has not been fulfilled, will remain in force.

SCHEDULE 13

Possible Terms of the Right of First Refusal

The matters that the Right of First Refusal in the deeds of settlement will provide for in relation to the any of the properties in schedule 7, on settlement include, but are not limited to the following. It will be modified to take into account the shared nature of the RFR under the Te Hiku Agreement in Principle and that it will be a statutory RFR.

1. NOTICE TO BE GIVEN BEFORE DISPOSING OF AN RFR PROPERTY

Crown must give RFR Notice

- 1.1 The Crown must, before Disposing of an RFR Property, give an RFR Notice to the [Governance Entity] in respect of the property. The RFR Notice must specify any encumbrances affecting the property.

Crown may withdraw RFR notice

- 1.2 The Crown may withdraw an RFR Notice at any time before the [Governance Entity] accepts under clause 2.1 the offer in that notice.
- 1.3 If the Crown withdraws an RFR Notice, the Deed still applies to the RFR Property and, in particular, the Crown must give another RFR Notice before it Disposes of the RFR Property.

2. ACCEPTANCE BY THE GOVERNANCE ENTITY

Acceptance

- 2.1 If the [Governance Entity] accepts by Notice to the Crown, by the Expiry Date, the offer set out in an RFR Notice, a contract for the Disposal of the RFR Property (an "**RFR Property Contract**") is constituted between the Crown and the [Governance Entity] at the price and on the terms and conditions set out in the RFR Notice.

Transfer

- 2.2 If an RFR Property Contract is constituted between the Crown and the [Governance Entity] under clause 2.1, the Crown will transfer the RFR Property to:
- 2.2.1 the [Governance Entity]; or
- 2.2.2 a person nominated by the [Governance Entity] (a "**Nominated Transferee**") by Notice to the Crown.
- 2.3 If the [Governance Entity] wishes to nominate a Nominated Transferee, the [Governance Entity] must:
- 2.3.1 give Notice to the Crown under clause 2.2.2 at least 10 Business Days before settlement of the relevant RFR Property Contract is due; and
- 2.3.2 include in that Notice:
- (a) the name of the Nominated Transferee; and
- (b) all other relevant details about the Nominated Transferee.

- 2.4 If the [Governance Entity] specifies a Nominated Transferee under clause 2.2.2, the [Governance Entity] remains liable for all the [Governance Entity]'s obligations under the relevant RFR Property Contract.

3. NON-ACCEPTANCE BY THE GOVERNANCE ENTITY

3.1 If:

3.1.1 the Crown gives the [Governance Entity] an RFR Notice; and

3.1.2 the [Governance Entity] does not accept the offer set out in the RFR Notice by Notice to the Crown by the Expiry Date,

the Crown:

3.1.3 may, at any time during the period of two years from the Expiry Date, Dispose of the RFR Property if the price, and the other terms and conditions of the Disposal, are not more favourable to the purchaser or lessee than the price, and other terms and conditions, set out in the RFR Notice to the [Governance Entity]; but

3.1.4 must, promptly after entering into an agreement to Dispose of the RFR Property to a purchaser or lessee:

(a) give Notice to the [Governance Entity] of that fact; and

(b) disclose the terms of that agreement; and

3.1.5 must not Dispose of the RFR Property after the end of the two year period after the Expiry Date without first giving an RFR Notice to the [Governance Entity] under clause 1.1.

4. RE-OFFER REQUIRED

4.1 If:

4.1.1 the Crown gives the [Governance Entity] an RFR Notice;

4.1.2 the [Governance Entity] does not accept the offer set out in the RFR Notice by Notice to the Crown by the Expiry Date; and

4.1.3 the Crown during the period of two years from the Expiry Date proposes to Dispose of the RFR Property but at a price, or on other terms and conditions, more favourable to the purchaser or lessee than the terms and conditions in the RFR Notice,

the Crown may do so only if it first offers the RFR Property for Disposal on those more favourable terms and conditions to the [Governance Entity] in another RFR Notice under clause 1.1.

5. TERMS OF THIS DEED NOT TO AFFECT CERTAIN RIGHTS AND RESTRICTIONS

5.1 Nothing in this Deed affects, or limits, and the rights and obligations created by this Deed are subject to:

5.1.1 the terms of any gift, endowment, or trust relating to any RFR Property existing before the Settlement Date;

5.1.2 the rights of any holders of mortgages over, or of security interests in, any RFR Property;

- 5.1.3 any requirement at common law or under legislation that:
- (a) must be complied with before any RFR Property is Disposed of to the [Governance Entity]; or
 - (b) the Crown must Dispose of an RFR Property to a third party;
- 5.1.4 any feature of the title to any RFR Property that prevents or limits the Crown's right to Dispose of the RFR Property to the [Governance Entity]; and
- 5.1.5 any legal requirement that:
- (a) prevents or limits the Crown's ability to Dispose of an RFR Property to the [Governance Entity]; and
 - (b) the Crown cannot satisfy after taking reasonable steps to do so (and, for the avoidance of doubt, reasonable steps do not include changing the law).

6. THIS DEED DOES NOT APPLY IN CERTAIN CASES

Disposal to certain persons are exempt

- 6.1 Clause 1.1 does not apply if the Crown is Disposing of an RFR Property to:
- 6.1.1 the [Governance Entity] or a Nominated Transferee;
 - 6.1.2 a person to give effect to this Deed or to the Deed of Settlement;
 - 6.1.3 a person by way of gift for charitable purposes;
 - 6.1.4 the existing tenant of a house on the RFR Property that is held on the Settlement Date for education purposes by the Crown;
 - 6.1.5 the lessee under a lease of the RFR Property if such Disposal is constituted by a grant of a new lease to the lessee under a right of, or option for, renewal, or under another right of the lessee to take a further lease under the provisions of the lease;
 - 6.1.6 a person under a Disposal arising from a legal requirement on the Crown to consent to an assignment, subletting or other parting with possession of the RFR Property (or any part of it) at the request of the lessee of the RFR Property or otherwise;
 - 6.1.7 a person who is being granted a lease of the RFR Property in accordance with a legal right created on or before the Settlement Date;
 - 6.1.8 the lessee under a lease of an RFR Property granted, on or before the Settlement Date (or granted after that date but in renewal of a lease granted on or before that date), under:
 - (a) section 66 of the Land Act 1948;
 - (b) section 67 of the Land Act 1948;
 - (c) section 93(4) of the Land Act 1948; or
 - (d) the Crown Pastoral Lands Act 1998;
 - 6.1.9 a person to whom the Crown:

- (a) must offer to sell the RFR Property under sections 40(2) or 41 of the Public Works Act 1981 (or those sections as applied by any other legislation); or
 - (b) may sell the RFR Property under section 40(4) of the Public Works Act 1981 (or that sub-section as applied by section 41 of the Public Works Act 1981 or by any other legislation);
- 6.1.10 a person under:
- (a) sections 23, 24 or 26 of the New Zealand Railways Corporation Restructuring Act 1990; or
 - (b) section 207(4) of the Education Act 1989;
- 6.1.11 a person under:
- (a) section 105(1) of the Public Works Act 1981;
 - (b) section 117(3) of the Public Works Act 1981 (other than a person to whom the land is being Disposed of under the words "may be dealt with as Crown land under the Land Act 1948" in paragraph (b) of that section); or
 - (c) section 119(2) of the Public Works Act 1981;
- 6.1.12 a person under section 355(3) of the Resource Management Act 1991;
- 6.1.13 a person under:
- (a) sections 16A or 24E of the Conservation Act 1987;
 - (b) section 15 of the Reserves Act 1977;
 - (c) sections 26 or 26A of the Reserves Act 1977, or any other legislation where a reserve is being vested, if:
 - (i) the reserve is vested in another person to hold and administer as a reserve under the Reserves Act 1977; and
 - (ii) the reserve would revert to the Crown if its status as a reserve was subsequently revoked;
 - (d) section 93(4) of the Land Act 1948; or
 - (e) legislation that:
 - (i) excludes the RFR Property from a national park within the meaning of the National Parks Act 1980; and
 - (ii) authorises the RFR Property to be Disposed of in consideration or part consideration for other land to be held or administered under the Conservation Act 1987, the National Parks Act 1980 or the Reserves Act 1977; or
- 6.1.14 a person who, immediately before the Disposal, holds a legal right created on or before the Settlement Date to:
- (a) purchase the RFR Property; or
 - (b) be offered the first opportunity to purchase the RFR Property.

Disposals to Crown Bodies exempt

6.2 Clause 1.1 does not apply to the Disposal of an RFR Property to a Crown Body, if that Crown Body takes that RFR Property subject to the terms of this Deed and enters into a deed (at the Crown's expense) in favour of the [Governance Entity].

6.3 A Crown Body to whom an RFR Property is being Disposed of under clauses 3.1, 5 or 6.1 is not required to enter into a deed under clause 6.2.

Disposals for public works exempt

6.4 Clause 1.1 does not apply to the Disposal of an RFR Property to a local authority under section 50 of the Public Works Act 1981, if that local authority takes that RFR Property subject to the terms of the Deed and enters into a deed (at the Crown's expense) in favour of the [Governance Entity] in the form set out in schedule 2.

6.5 Clause 1.1 does not apply to the Disposal of an RFR Property which:

6.5.1 immediately before the Disposal is held by the Crown for a public work (as defined in the Public Works Act 1981); and

6.5.2 after the Disposal will be held or used for the purpose or activity which, immediately before the Disposal, constituted the public work,

if the person to whom the RFR Property is Disposed of takes the RFR Property subject to the terms of the Deed and enters into a deed (at the Crown's expense) in favour of the [Governance Entity] in the form set out in schedule 3.

6.6 A local authority, or a person, to whom an RFR Property is being Disposed of under clauses 3.1, 5 or 6.1 is not required to enter into a Deed under clauses 6.4 or 6.5.

Governance Entity to consent

6.7 The [Governance Entity] must sign a deed in the form (which will be set out in the Deed of Settlement) if that deed is in accordance with clauses 6.2, 6.4 or 6.5 and is presented to the [Governance Entity] for signature.

Disposal under Public Works Act 1981

6.8 Clause 1.1 does not apply to the Disposal of an RFR Property under an order of the Maori Land Court under section 41(e) of the Public Works Act 1981 and section 134 of Te Ture Whenua Maori Act 1993.

Disposal of or by Crown Bodies

6.9 Nothing in the Deed:

6.9.1 affects or limits the right of the Crown or a Crown Body to sell or dispose of a Crown Body;

6.9.2 requires any offer to the [Governance Entity] in respect of such sale or disposal before that Crown Body is sold or disposed of.

7. NOTICE OF CERTAIN DISPOSALS

7.1 The Crown will advise the [Governance Entity]:

7.1.1 in an agreed manner of a Disposal of an RFR Property under clauses 5 or 6; and

7.1.2 as soon as reasonably practicable after Disposal of that RFR Property (or in such other time frame as may be agreed between the Crown and the [Governance Entity]).

8. TIME LIMITS

- 8.1 Time is of the essence for the time limits imposed on the Crown and the [Governance Entity] under the Deed.
- 8.2 The Crown and the [Governance Entity] may agree in writing to an extension of a time limit.

9. TERM OF RIGHT OF FIRST REFUSAL

Term of RFR

- 9.1 The obligations of the Crown set out in the Deed begin on the Settlement Date and end 169 years after that Date.

RFR ends on Disposal which complies with the Deed

- 9.2 The obligations of the Crown under the Deed end in respect of each RFR Property on a transfer of the estate in fee simple of the RFR Property in accordance with the Deed.

10. DISPOSAL OF MORE THAN ONE PROPERTY

- 10.1 An offer made by the Crown under clause 1.1 may be in respect of more than one RFR Property, but the Deed applies to that offer as if all the RFR Properties included in the offer were a single RFR Property.

11. NOTICES

- 11.1 The provisions of this clause apply to Notices under the Deed:

Notices to be signed

- 11.1.1 the Party giving a Notice must sign it;

Notice to be in writing

- 11.1.2 a Notice to a Party must be in writing addressed to that Party at that Party's address or facsimile number;

Addresses for notice

- 11.1.3 until any other address or facsimile number of a Party is given by Notice to the other Party, they are as follows:

The Crown:

The Solicitor-General
Crown Law Office
Level 10
Unisys House
56 The Terrace
(PO Box 2858)
WELLINGTON

Facsimile No: 04 473-3482;

Governance Entity:

*[Insert the name and address of
the Governance Entity]*

Delivery

11.1.4 delivery of a Notice may be made:

- (a) by hand;
- (b) by post with pre-paid postage; or
- (c) by facsimile;

Timing of delivery

11.1.5 a Notice delivered:

- (a) by hand will be treated as having been received at the time of delivery;
- (b) by pre-paid post will be treated as having been received on the second day after posting; or
- (c) by facsimile will be treated as having been received on the day of transmission; and

Deemed date of delivery

11.1.6 if a Notice is treated as having been received on a day that is not a Business Day, or after 5pm on a Business Day, that Notice will (despite clause 11.1.5) be treated as having been received the next Business Day.

12. AMENDMENT

12.1 The Deed may not be amended unless the amendment is in writing and signed by, or on behalf of, the [Governance Entity] and the Crown.

13. NO ASSIGNMENT

13.1 The [Governance Entity] may not assign its rights or obligations under the Deed.

14. DEFINITIONS AND INTERPRETATION**Definitions**

14.1 In the Deed, unless the context requires otherwise:

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 Northland;

Control, for the purposes of subclause (d) of the definition of Crown Body, means:

- (a) in relation to a company, control of the composition of the board of directors of the company; and
- (b) in relation to any other body, control of the composition of the group that would be the board of directors if the body was a company;

Crown has the meaning given to it in section 2(1) of the Public Finance Act (which, at the date of the Deed, provides that the Crown:

- (a) means the Sovereign in right of New Zealand; and
- (b) includes all Ministers of the Crown and all Departments; but
- (c) does not include:
 - (i) an Office of Parliament; or
 - (ii) a Crown entity (as defined in section 7(1) of the Crown Entities Act 2004); or
 - (iii) a State enterprise (as defined in section 2 of the State-Owned Enterprises Act 1986));

Crown Body means:

- (a) the Crown;
- (b) a Crown entity (as defined in section 7(1) of the Crown Entities Act 2004) and includes the New Zealand Railways Corporation;
- (c) a State enterprise (as defined in section 2 of the State-Owned Enterprises Act 1986); or
- (d) any company or body which is wholly-owned or Controlled by:
 - (i) the Crown, a Crown entity or a State enterprise; or
 - (ii) a combination of the Crown, a Crown entity, Crown entities, a State enterprise or State enterprises,and includes a subsidiary of, or related company to, any such company or body;

Deed means the Deed giving a right of first refusal over RFR Properties;

Deed of Settlement means the Deed of Settlement referred to in clause A of the Background to the Deed;

Dispose means:

- (a) to transfer an estate in fee simple; or
- (b) to grant a lease the term of which, including rights of renewal or of extension contained in the lease, is or could be for 50 years or longer;

Expiry Date means, in respect of an RFR Notice, the date one calendar month after the RFR Notice is received by the [Governance Entity];

Nominated Transferee has the meaning set out in clause 2.2.2;

Notice means a notice or other communication given under clause 11 and "Notify" has a corresponding meaning;

Party means the [Governance Entity] or the Crown;

RFR Notice means a written notice to the [Governance Entity] which offers to Dispose of the RFR Property to the [Governance Entity] at the price and on the terms and conditions set out in that notice;

RFR Property means each property referred to in schedule 1;

RFR Property Contract has the meaning set out in clause 2.1; and

Settlement Date has the same meaning as under the Deed of Settlement and is [*insert date*].

14.2 Interpretation

14.3 In the interpretation of the Deed, unless the context requires otherwise:

- 14.3.1 terms or expressions that are not defined in the Deed but are defined in the Deed of Settlement have the meaning in the Deed that they have in the Deed of Settlement;
- 14.3.2 headings appear as a matter of convenience and are not to affect the interpretation of the Deed;
- 14.3.3 defined terms appear in the Deed with capitalised initial letters and have the meanings given to them by the Deed;
- 14.3.4 where a word or expression is defined in the Deed, other parts of speech and grammatical forms of that word or expression have corresponding meanings;
- 14.3.5 the singular includes the plural and vice versa;
- 14.3.6 words importing one gender include the other genders;
- 14.3.7 a reference to legislation is a reference to that legislation as amended, consolidated or substituted;
- 14.3.8 a reference to any document or agreement, including the Deed, includes a reference to that document or agreement as amended, novated or replaced;
- 14.3.9 a reference to a schedule is a schedule to the Deed;
- 14.3.10 a reference to a monetary amount is to New Zealand currency;
- 14.3.11 a reference to written or in writing includes all modes of presenting or reproducing words, figures and symbols in a tangible and permanently visible form;
- 14.3.12 a reference to a person includes a corporation sole and also a body of persons, whether corporate or unincorporate;
- 14.3.13 a reference to a date on which something must be done includes any other date which may be agreed in writing between the [Governance Entity] and the Crown;
- 14.3.14 where something must be done by or on a date that is not a Business Day, that thing must be done by or on the next Business Day after that day; and
- 14.3.15 a reference to time is to New Zealand time.