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THIS LEASE is made this first day of July 2004

PARTIES:

MINISTER OF CONSERVATION, ("the Lessor") 1.

2.

("the Concessionaire")

BACKGROUND

- ormationAct The Lessor manages the Conservation Area described in Schedule 1 as the Land; A.
- Section 17Q(1) of the Conservation Act 1987 authorises the Lessor to grant a В. Concession in respect of an Activity in a Conservation Area;
- The Concessionaire wishes to carry out the Concession Activity on the Land subject to C. the terms and conditions of this Document.
- d the contract of the contract The Lessor is satisfied that the requirements of Part III B of the Conservation Act D.

OPERATIVE PARTS

TERMS AND CONDITIONS

1.0 DEFINITIONS AND INTERPRETATION

1.1 In this Document, unless the context otherwise requires:

"Activity" has the same meaning as "Activity" in section 2 of the Conservation Ac 1987.

"Background" means the matters referred to under the heading 'Background" on p2 of this Document.

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

"Concession Activity" means the use of the Land for purposes of the Activity carried out by the Concessionaire and specified in Item 2 of Schedule 1.

"Concession Fee" means the amount specified in Item 6 of Schedule 1 and charged by the Lessor for the Concessionaire's right to carry out the Concession Activity on the Land. It includes any variation in that amount following a Concession Fee Review.

"Concession Fee Payment Date" means the date specified in Item 8 of Schedule 1 on which each instalment of the Concession Fee falls due for payment.

"Concession Fee Review" means a review of the Concession Fee determined in accordance with clause 7 of this Document.

"Concession Fee Review Date" means the date specified in Item 10 of Schedule 1 on which the Concession Fee Review occurs being at 3 year intervals calculated from the date of commencement of this Document.

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

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

"Co-Site" and "Co-Siting" mean the use of the land or the Concessionaire's structures or facilities on the Land by a third party for a purpose permitted by the Lessor; and "Co-Sitee" has a corresponding meaning.

"Department" means the Department of Conservation established by section 5 of the Conservation Act 1987.

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

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

"Final Expiry Date" means the date specified in Item 5 of Schedule 1.

"Guarantor", where relevant, means the person guaranteeing this Document under clause 40.

"Land" means a Conservation Area, a Park, or a Reserve, whichever is relevant in the context of this Document, and is the area more particularly described in Item 1 of Schedule 1.

"Lease" means the Lease granted under this Document by the Lessor to the Concessionaire under either section 17Q of the Conservation Act 1987, section 59A of the Reserves Act 1977, or section 49 of the National Parks Act 1980.

"Park" means a national park constituted under the National Parks Act 1980.

"Penalty Interest Rate" means the rate specified in Item 9 of Schedule 1.

"Reserve" means a reserve vested in the Grantor under the Reserves Act 1977

"Term" means the period of time specified in Item 3 of Schedule 1 during which this Document operates. It includes, where relevant, any period of renewal of the Term.

"Working Days" means days on which the registered banks are open for general banking business in Wellington.

In this pocument unless the context otherwise requires:

a reference to a party is a reference to a party to this Document and includes that party's successors in title;

- (b) schedules and annexures form part of this Document and have effect accordingly;
- (c) words appearing in this Document which also appear in Schedule 1 mean and include the details appearing after them in that Schedule;
- (d) a provision of this Document to be performed by two or more persons binds those persons jointly and severally;

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(a)

- (e) a reference to a person includes an individual, a body corporate, an association of persons (whether corporate or not), a trust, or an agency of State or of the Crown (in each case whether or not having separate legal personality);
- (f) words in a singular number include the plural and vice versa;
- (g) words importing a gender include all other genders;
- (h) references to a statute or statutory provision, or order or regulation made under it, include that statute, provision, or regulation as amended, modified, reenacted or replaced from time to time whether before or after the date of this Document;
- (i) where the Lessor's consent or approval is expressly required under a provision of this Document, the Concessionaire must seek the consent or approval of the Lessor for each separate occasion it is required notwithstanding that the Lessor has granted consent or approval for a like purpose on a prior occasion.
- 1.3 Words used in the Background to this Document have the same meaning given to them in clause 1.1.
- 1.4 The covenants and powers contained in sections 106 and 107 of the Property Law Act 1952 are not to be implied in this Concession and are expressly negatived.

2.0 GRANT OF LEASE

2.1 In exercise of the Lessor's powers under section 17Q of the Conservation Act 1987 the Lessor **GRANTS** to the Concessionaire a **LEASE** to carry out the Concession Activity on the Land subject to the terms and conditions contained in this Document.

3.0 TERM

The Lease is for the Term specified in Item 3 of Schedule 1.

Subject to clause 3.3 the Lessor, at the Concessionaire's cost, will renew the Term for a further period specified in Item 4 of Schedule 1.

- 3.3 The renewal is to be on the same terms and conditions expressed or implied in this Document excluding a right of renewal provided the Concessionaire:
 - (a) observes the terms and conditions contained in this Document; and

- (b) has given to the Lessor written notice of the Concessionaire's intention to renew this Document at least 3 months before the end of the Term which notice is to be irrevocable.
- 3.4 The Term and all renewals, if any, will end on the Final Expiry Date specified in Item 5 of Schedule 1.

4.0 SURRENDER OF DOCUMENT

- 4.1 If the Concessionaire wishes to terminate this Document before the expiry of the Term the Concessionaire must give the Lessor 3 months' notice in writing.
- 4.2 The Lessor must accept the Concessionaire's notice of termination but in doing so may impose whatever terms and conditions the Lessor considers appropriate, including the matters referred to in clause 6.2.

5.0 CONCESSION FEE

- 5.1 The Concessionaire must pay to the Lessor in advance and in the manner directed by the Lessor the Concession Fee plus GST in the installments and on the Concession Fee Payment Dates specified in Items 6, 7 and 8 of Schedule 1.
- 5.2 If the Concessionaire defaults in payment of the Concession Fee for 14 days after a Concession Fee Payment Date the Concessionaire is to pay interest on the unpaid Concession Fee from the Concession Fee Payment Date until the date of payment at the Penalty Interest Rate specified in Item 9 of Schedule 1.

6.0 OTHER CHARGES

6.1 In addition to the Concession Fee the Concessionaire must pay the following charges ("Other Charges") on demand and in the manner directed by the Lessor:



all rates, levies, taxes, duties, assessments, charges and other outgoings which may be charged, levied or reasonably assessed or which may become payable by virtue of the Concessionaire's occupation of the Site, use of any structure or facility on the Land, or the carrying on of the Concession Activity;

- (b) all costs in relation to the supply of water, sewage, drainage and rubbish disposal which are not otherwise included in any charges or assessments made by any authority or by the Lessor;
- (c) all costs incurred by the Lessor in providing an annual building warrant of fitness to a territorial authority, including costs paid to an independent

qualified person for a report establishing or re-establishing compliance with a compliance schedule. If work is required to a structure or facility of the Lessor's on the Land in order to obtain a new building warrant of fitness, the Lessor is to pay the cost of the work subject to the Concessionaire's obligations under clause 10.

- 6.2 If the Concessionaire surrenders this Document with the consent of the Lessor, the Concessionaire will continue to be liable for and must pay to the Lessor on demand in respect of its occupation of and activity on the Land all Other Charges which may be due for the current payment period even though this period may not expire until after the date of surrender.
- 6.3 Where the Lessor or Director-General has provided a community service, benefit or facility for the benefit of the Concessionaire under section 17ZH of the Conservation Act 1987, the Concessionaire must pay the Lessor whatever contribution the Lessor determines as specified in Schedule 2.
- 6.4 The Concessionaire must pay all charges for electric power, water supply, geothermal energy, telephone rental and other utilities supplied to the Land. The Lessor will not be liable for any cost incurred in re-establishing the supply of any of these utilities in the event of any of them becoming unavailable for any reason.

7.0 CONCESSION FEE REVIEW

- 7.1 The Lessor will review the Concession Fee on the Concession Fee Review Dates in the following manner:
 - (a) the Lessor will commence the review not earlier than 3 months before a Concession Fee Review Date and no later than 9 months following the Concession Fee Review Date by giving written notice to the Concessionaire.
 - (b) subject to clause 7.1(e), the notice must specify the Concession Fee which the Lessor considers to be the market value for the Concession Activity as at the Concession Fee Review Date having regard to the matters specified in section 17Y(2) of the Conservation Act 1987.
 - if, within 28 days of receipt of the Lessor's notice, the Concessionaire gives written notice to the Lessor that the Concessionaire disputes the proposed new Concession Fee the new Concession Fee is to be determined in accordance with clause 7.2 (a) or (b).
 - (d) if the Concessionaire does not give notice to the Lessor under clause 7.1 (c) the Concessionaire will be deemed to have accepted the Concession Fee specified in the Lessor's notice.

- notwithstanding clause 7.1(b), the new Concession Fee so determined or (e) accepted must not be less than the Concession Fee payable during the year preceding the particular Concession Fee Review Date and will be the Concession Fee payable by the Concessionaire from the Concession Fee Review Date.
- until determination of the new Concession Fee, the Concession Fee payable by the Concessionaire from the Concession Fee Review Date is to be the (f) Concession Fee specified in the Lessor's notice. On determination of the new Concession Fee an adjustment is to be made and paid, either by the Lessor or by the Concessionaire, whichever is applicable.
- Immediately the Concessionaire gives notice to the Lessor under clause 7.1(c) the 7.2 parties will endeavour to agree on a new Concession Fee. If the parties are unable to reach agreement within 28 days the new Concession Fee is to be determined either:
 - by one party giving written notice to the other requiring the new Concession (a) Fee to be determined by arbitration; or, if the parties agree,
 - by registered valuers acting as experts and not as arbitrators as follows: (b)
 - each party will appoint a valuer and give written notice of the (i) appointment to the other party within 14 days of the parties agreeing to determine the new Concession Fee by this means.
 - if the party receiving a notice does not appoint a valuer within the 14 (ii) day period the valuer appointed by the other party is to determine the new Concession Fee and that valuer's determination will be binding on both parties.
- before commencing their determination the respective valuers must (iii) appoint an umpire who need not be a registered valuer. 2elease(iv)
 - the valuers are to determine the new Concession Fee which they consider to be the market value for the Concession Activity as at the Concession Fee Review Date having regard to the matters specified in section 17Y(2) of the Conservation Act 1987 but in no case is the new Concession Fee to be less than the Concession Fee payable during the year preceding the particular Concession Fee Review Date. If they fail to agree the Concession Fee is to be determined by the umpire.
 - in determining the Concession Fee the valuers or umpire are to (v) disregard the annual cost to the Concessionaire to maintain or provide Access to the Land.

- (vi) each party is to be given the opportunity to make written or verbal representations or submissions to the valuers or the umpire subject to such reasonable time and other limits as the valuers or the umpire may prescribe.
- (vii) the valuers or the umpire must have regard to any such representations but will not be bound by them.
- (c) the valuers or umpire must give written notice to the parties once they have determined the new Concession Fee. The notice is to provide how the costs of the determination are to be borne and is to be binding on the parties.
- (d) (i) if a Concession Fee Review Date is postponed because of a moratorium imposed by law the Concession Fee Review is to take place at the date the moratorium is lifted or so soon afterwards as is practicable; and
 - (ii) the Concession Fee Review will establish the market value for the Concession Activity as at that date instead of the date fixed under clause 7.1 having regard to the matters specified in section 17Y(2) of the Conservation Act 1987 but in no case is the new Concession Fee to be less than the Concession Fee payable during the year preceding the particular Concession Fee Review Date; and
 - (iii) each subsequent concession Fee Review will take place in accordance with the procedure fixed in clause 7.1.

8.0 CONCESSION ACTIVITY

- 8.1 Subject to clause 42, the Concessionaire is not to use the Land for any purpose other than the Concession Activity.
- 8.2 The concessionaire must, as a condition of this Document:

take out and maintain and pay all fees for all licences, permits, authorisations, consents (including resource consents under the provisions of the Resource Management Act 1991), and renewals ("the Permissions") as may be necessary for the proper conduct of the Concession Activity;

(b) not do or suffer to be done any act whereby these Permissions may be forfeited or suspended or refused.

9.0 COMPLIANCE

- 9.1 The Concessionaire will comply where relevant:
 - (a) with the provisions of any conservation management strategy or conservation management plan as required by section 17W(7) of the Conservation Act 1987 pursuant to Part IIIA of the Conservation Act 1987 or Part IIA of the Reserves Act 1997 or any general policy statement or management plan under section 44 or 45 of the National Parks Act 1980, whichever is appropriate to the Land, together with any amendment or review of any policy, strategy or plan whether approved before, on, or after the date on which this Document takes effect; and
 - (b) with the Conservation Act 1987, the Reserves Act 1977 the National Parks Act 1980, the Resource Management Act 1991, and any other statute, ordinance, regulation, bylaw, or other enactment (collectively the "Legislation") affecting or relating to the Land or affecting or relating to the Concession Activity, including any bylaws made under the Reserves Act 1977 or the National Parks Act 1980.
 - 9.2 The Concessionaire must comply with all conditions imposed by the Lessor in granting this Document.
 - 9.3 (a) A breach or contravention by the Concessionaire of a relevant conservation management strategy, conservation management plan, management plan or general policy statement will be deemed to be a breach of this Document.
 - (b) A breach or contravention by the Concessionaire of any Legislation affecting or relating to the Land or affecting or relating to the Concession Activity will be deemed to be a breach of this Document.
 - 9.4 If the Legislation requires the Lessor to spend money on the Lessor's own structures, facilities or land alterations on the Land, the Lessor may charge, in addition to the Concession Fee, an annual sum equal to 15% of the amount spent by the Lessor.
 - 9.5 If the Legislation requires the Lessor to spend money on structures, facilities or land alterations on the Land which the Lessor considers unreasonable, the Lessor may determine this Lease and any dispute as to whether or not the amount is unreasonable is to be determined in accordance with clause 29.

CONCESSIONAIRE'S STRUCTURES, FACILITIES AND LAND ALTERATIONS

- 10.1 The Concessionaire must not erect or bring on to the Land any structure, install any facility or alter the Land in any way without the prior written consent of the Lessor.
- 10.2 In giving approval under clause 10.1 the Lessor may, in the Lessor's sole and absolute discretion, impose any reasonable terms and conditions, including a review of the

Concession Fee, as the Lessor considers appropriate under this clause; and may also decline the grant of such approval after consideration of the relevant conservation and environmental issues.

- The Concessionaire must pay to the Lessor all costs associated with applications for 10.3 approval under this clause determined at the standard rates then applying in the Department for cost recovery of staff time and expenses.
- The Concessionaire must, upon request by the Lessor, submit written engineering or 10.4 Hormatio building plans and details to the Lessor for approval before :
 - erecting or altering any structure on the Land; (a)
 - bringing any structure on to the Land; (b)
 - installing any facilities on the Land; or (c)
 - altering the Land in any way. (d)
- The Concessionaire must not commence any work on the Land until the Lessor has 10.5 given written approval.
- When undertaking any work under this clause the Concessionaire must comply with 10.6 all statutory requirements including obtaining building consents and code compliance certificates under the Building Act, 1991.
- The Concessionaire is to keep and maintain its structures and facilities on, or 10.7 alterations to, the Land in good repair.

LESSOR'S STRUCTURES, FACILITIES AND LAND ALTERATIONS 11.0

The Concessionaire is to keep and maintain in good and substantial repair and 11.1 condition the Lessor's structures, facilities and land alterations.

At the end or earlier determination of the Term, the Concessionaire must quietly yield 11.2 up the Lessor's structures, facilities and land alterations in the same good and substantial repair and condition as they were in at the commencement of this Document.

Subject to the Lessor providing to the Concessionaire reasonable notice the Lessor and 11.3 the Lessor's employees and agents may at all reasonable times enter the Land to view its condition and the condition of the structures and facilities on it.

11.4 The Concessionaire must comply with any written notice given by the Lessor of any failure on the part of the Concessionaire to comply with any requirement of this Document.

12.0 INSURANCE OF STRUCTURES, FACILTIES AND LAND ALTERATIONS

- 12.1 The Concessionaire must insure and keep insured with an insurer approved by the Lessor all structures, facilities and land alterations on the Land in the joint names of the Lessor and Concessionaire for their respective interests to their full replacement value against loss or damage caused by fire, earthquake, fire consequent on earthquake, avalanche, flood, volcanic activity; and including indemnity insurance for the cost of demolition, removal of debris and clearance of the Land.
- 12.2 The Concessionaire must provide the Lessor with a copy certificate of currency for the policy or policies of insurance before commencing the Concession Activity and on each renewal of the policy.

13.0 CONCESSIONAIRE'S FURTHER OBLIGATIONS

- 13.1 The Concessionaire must at the Concessionaire's expense:
 - (a) take all steps necessary to control any pest, insect or rodent infestation occurring in or emanating from the Land or any structure or facility on the Land, and if required by the Lessor, engage a pest exterminator approved by the Lessor;
 - (b) comply strictly with the provisions of the Biosecurity Act 1993;
 - (c) comply with all requirements of any competent authority regarding sanitation and with all relevant bylaws and fire safety requirements;
 - (d) if required by the Lessor display a copy of the relevant current building warrant of fitness under the Building Act 1991 showing the location of the compliance schedule in a place in each building (as defined in that Act) on the Land to which users of the building have ready access;
 - keep and maintain all building systems and any structure on the Land in accordance with the requirements of any compliance schedule;
 - (f) retain and make available to any territorial authority and any other person with a right to inspect any structures on the Land under the Building Act 1991 a copy of the compliance schedule together with the written reports relating to compliance with the compliance schedule over the previous two year period.

14.0 PROTECTION OF THE ENVIRONMENT

- 14.1 Except as approved in writing by the Lessor the Concessionaire will not, whether by act or omission:
 - (a) interfere with, remove, damage, or endanger the natural features, animals, plants, or historic resources on the Land; or
 - (b) bring any plants, animals, or firearms on to the Land; or
 - (c) deposit on the Land debris, rubbish or other dangerous or unsightly matter, or contaminate any water body on the Land; or
 - (d) pile or store materials in any place on the Land where it may obstruct the public or create a nuisance; or
 - (e) conduct any noxious, noisome, dangerous or offensive activity on the Land.
- 14.2 The Concessionaire will keep the Land in a clean and tidy condition and free of weeds and all organisms specified as pests in a relevant pest management strategy.
- 14.3 The Concessionaire must make adequate provision for suitable sanitary facilities for the Land if required by the Lessor and for the disposal of all refuse material and is to comply with the reasonable directions of the Lessor in regard to these matters.
- 14.4 The Concessionaire will keep all structures, facilities and land alterations and their surroundings in a clean and tidy condition. If reasonably required by the Lessor the Concessionaire will paint all structures and facilities in colours specified in writing by the Lessor and with paints of a type approved in writing by the Lessor.
- 14.5 If, during the Term, the Concessionaire removes a structure or facility from the Land the Concessionaire will, unless the Lessor indicates otherwise in writing, repair and make good at its own expense all damage which may have been done by the removal and will leave the Land in a clean and tidy condition.

14.6 Should the Concessionaire fail to repair and restore the damage within 6 months of the removal of a structure or facility or such further time as the Lessor may approve in writing, the Lessor may undertake whatever works and operations are necessary to effect the same and may recover from the Concessionaire any costs and expenses incurred in doing it as a debt due by the Concessionaire to the Lessor.

14.7 The Concessionaire must:

- (a) take all reasonable precautions to ensure no fire hazards arise from its carrying out of the Concession Activity or from any act or neglect of its employees, contractors, invitees or agents;
- (b) not light or permit to be lit any fire on the Land without the written permission of the Lessor in which event the following provisions are to apply:
 - the Concessionaire may light or use at a campsite a fire in the open ar if the fire is an approved camp fire and is fuelled by dead wood only;
 - (ii) an approved camp fire is any fire lit for the purpose of camping, cooking, comfort or warmth;
 - (iii) an approved camp fire may not be lit:
 - (aa) within 3 metres of a tree or place underneath overhanging vegetation;
 - (bb) within 3 metres of a log or dry vegetation;
 - (cc) unless the Concessionaire clears all combustible material away from around the base of the approved camp fire before lighting it;
 - (dd) where there are notices or other advertising limiting the lighting of fires to a particular receptacle or to a particular place.
 - (ee) (during a prohibited fire season
 - (iv) for the purpose of this paragraph "open air" has the same meaning ascribed to it in the Forest and Rural Fires Act 1977;

Land without the written permission of the Lessor. In that event storage of fuels and combustible materials must be in accordance with the provisions of the Dangerous Goods Act 1974;

(d) comply with the Lessor's requirements for fire warning and safety equipment and for fire fighting equipment to be kept on the Land at all times.

- 14.8 The Concessionaire must ensure that its employees, clients and invitees do not carry out any acts prohibited under clause 14.
- 14.9 The Concessionaire must immediately report to the Lessor any act in contravention of clause 14 and wherever possible the names and addresses of any person carrying out

such acts; and must provide the Lessor with details of the circumstances surrounding such incidents.

15.0 ADVERTISING

15.1 The Concessionaire must not erect or display any signs or advertising on the Land without the prior written approval of the Lessor. At the expiry or termination of this Concession the Concessionaire must remove all signs and advertising material and make good any damage caused by the removal.

16.0 HEALTH AND SAFETY

- 16.1 The Concessionaire is to carry out the Concession Activity on the Land in a safe and reliable manner and must comply with:
 - (a) the Health and Safety in Employment Act 1992 and its regulations; and
 - (b) all other statutes, regulations and bylaws and all notices and requisitions of any competent authority relating to the conduct of the Concession Activity.
- 16.2 The Concessionaire must notify the Lessor of any natural events or activities on the Land or the surrounding area which may endanger the public or the environment.

16.3 The Concessionaire must :

- (a) take all reasonable steps to protect the safety of all persons present on the Land and must, where necessary, erect protective signposts warning the public of any dangers they may encounter as a result of the Concessionaire's operations;
- (b) take all reasonable steps to eliminate any dangers to the public and must clearly and permanently mark any that remain and of which the Concessionaire is aware.

17.0 TEMPORARY SUSPENSION

17.1 The Lessor may temporarily suspend this Document if, in the opinion of the Lessor, there is a temporary risk to public safety or the safety of the Department's staff or the safety of other Concessionaires whether arising from natural events such as earthquake, land slip, volcanic activity, or flood or whether arising in any other way including the activities of the Concessionaire, its employees, clients or invitees.

17.2 If, in the opinion of the Lessor, the activities of the Concessionaire, its employees, clients or invitees are having or may have an adverse effect on the environment and the Lessor is of the opinion that the effect can be avoided, remedied or mitigated to an extent satisfactory to the Lessor, the Lessor may suspend this Concession until the

Concessionaire remedies, avoids or mitigates the adverse impact to the satisfaction of the Lessor.

- 17.3 The Lessor may suspend this Concession while the Lessor investigates any of the circumstances contemplated in clauses 17.1 and 17.2 and also while the Lessor investigates any potential breach or possible offence by the Concessionaire whether or not related to the Concession Activity under the Conservation Act 1987 or any of the Acts mentioned in the First Schedule of that Act of which the Lessor has become aware.
- 17.4 The word "investigates" in clause 17.3 includes the laying of charges and awaiting the decision of the Court.
- 17.5 During any period of temporary suspension the Concession Fee payable by the Concessionaire is to abate in fair proportion to the loss of use by the Concessionaire of the Land.
- 17.6 The Lessor is not to be liable to the Concessionaire for any loss sustained by the Concessionaire by reason of the suspension of the Concession under clause 19 including loss of profits.

18.0 ASSIGNMENT

- 18.1 The Concessionaire is not to transfer, sublease, assign, mortgage or otherwise dispose of the Concessionaire's interest under this Document or any part of it without the prior written consent of the Lessor. The Lessor may in the Lessor's discretion decline any application for consent under this clause.
- 18.2 Sections 17P, 17S, 17T, 17U, 17W, 17X, 17ZB and 17ZC of the Conservation Act 1987 apply to applications for consent under this clause unless the Lessor, in the Lessor's discretion, decides otherwise.
- 18.3 If the Lessor gives consent under this clause the Concessionaire is to remain liable to observe and perform the terms and conditions of this Document throughout the Term and is to procure from the transferee, Concessionaire, or assignee a covenant to be bound by the terms and conditions of this Document.

The Concessionaire must pay the costs reasonably incurred by the Lessor incidental to any application for consent, whether or not such consent is granted.

18.5 Any change in the shareholding of the Concessionaire altering the effective control of the Concessionaire will be deemed to be an assignment and will require the consent of the Lessor.

19.0 DAMAGE OR DESTRUCTION OF LESSOR'S STRUCTURES OR FACILITIES

- 19.1 If the Lessor's structures or facilities or any portion of them are totally destroyed or so damaged:
 - (a) as to render them untenantable, the Term is to terminate at once; or
 - (b) as, in the reasonable opinion of the Lessor, to require demolition or reconstruction, the Lessor may, within 3 months of the date of damage or destruction, give the Concessionaire 1 month's written notice to terminate and a fair proportion of the Concession Fee and Other Charges will cease to be payable according to the nature and extent of the damage.
- 19.2 Any termination under clause 19.1 is to be without prejudice to the rights of either party against the other.
- 19.3 If the Lessor's structures or facilities or any portion of them are damaged but not so as to render the premises untenantable and:
 - (a) the Lessor's policy or policies of insurance have not been invalidated or payment of the policy monies refused in consequence of some act or default of the Concessionaire; and
 - (b) all the necessary permits and consents are obtainable; and
 - (c) the Lessor has not exercised the right to terminate under clause 20.1 or 20.2,

the Lessor must, with all reasonable speed, apply all insurance money received by the Lessor in respect of the damage towards repairing the damage or reinstating the structures or facilities; but the Lessor will not be liable to spend any sum of money greater than the amount of the insurance money received.

19.4 Any repair or reinstatement may be carried out by the Lessor using such materials and form of construction and according to such plan as the Lessor thinks fit and is to be sufficient so long as it is reasonably adequate for the Concessionaire's use of the Land for the Concession Activity.

Until the completion of the repairs or reinstatement a fair proportion of the Concession Fee and other charges is to cease to be payable according to the nature and extent of the damage.

19.6 If any necessary permit or consent is not obtainable or the insurance money received by the Lessor is inadequate for the repair or reinstatement, the Term is at once to terminate but without prejudice to the rights of either party against the other.

20.0 TERMINATION

- 20.1 The Lessor may terminate this Concession by 14 days notice in writing to the Concessionaire if:
 - (a) the Concession Fee or any other money payable to the Lessor under this Document is in arrears and unpaid for 14 days after any of the days appointed for payment whether it has been lawfully demanded or not; or
 - (b) (i) the Concessionaire breaches any terms of this Document; and
 - (ii) the Lessor has notified the Concessionaire in writing of the breach; and
 - (iii) the Concessionaire does not rectify the breach within 7 days of receiving notification; or
 - (c) the Concessionaire ceases to conduct the Concession Activity or, in the reasonable opinion of the Lessor, the services provided by the Concessionaire are manifestly inadequate; or
 - (d) the Concessionaire is convicted of an offence, whether or not related to the Concession Activity, under the Conservation Act 1987 or any of the Acts listed in the First Schedule to that Act, or the Health and Safety in Employment Act 1982; or the Building Act 1991; or the Resource Management Act 1991; or the Biosecurity Act 1993; or
 - (e) the Concessionaire or the Guarantor is dissolved; or enters into any composition with or assignment for the benefit of its creditors; or is adjudged bankrupt; or being a company, has a receiver appointed; or is put into liquidation; or is placed under statutory management; or has a petition for winding up presented against it; or is otherwise unable to pay its debts as they fail due; or the estate or interest of the Concessionaire is made subject to a Writ of Sale or charging order; or the Concessionaire ceases to function or operate; or

there is, in the opinion of the Lessor, a permanent risk to public safety or the environment whether arising from the conduct of the Concession Activity or from natural causes such as earthquake, land slip, volcanic activity, flood, or arising in any other way, whether or not from any breach of the terms of this Document on the part of the Concessionaire.

20.2 The Lessor may terminate this Concession by 12 months notice in writing to the Concessionaire pursuant to Schedule 3 Clause 2 of this lease.

- 20.3 If the Lessor terminates the Concession under this clause all rights of the Concessionaire are to cease absolutely; but the Concessionaire is not to be released from any liability to pay the Concession Fee or other monies up to the date of termination or for any breach of any term up to the date of termination.
- 20.4 The Lessor may exercise the Lessor's right under this clause to terminate the Concession notwithstanding any prior waiver or failure to take action by the Lessor or any indulgence granted by the Lessor for any matter or default.

21.0 LESSOR MAY REMEDY CONCESSIONAIRE'S DEFAULT

- 21.1 The Lessor may elect to remedy at any time without notice any default by the Concessionaire under this Concession.
- 21.2 The Concessionaire must pay to the Lessor forthwith on demand all reasonable costs and expenses incurred by the Lessor, including legal costs and expenses as between solicitor and client, in remedying such default.

22.0 DISTRAINT

22.1 The Lessor may distrain for the Concession Fee (plus GST) and any other monies otherwise payable by the Concessionaire under this Concession which are in arrears or unpaid for the space of 14 days after they have become due and payable whether demanded or not.

23.0 QUIET ENJOYMEN

23.1 The Concessionaire, while paying the Concession Fee and performing and observing the terms and conditions of this Document, is entitled peaceably to hold and enjoy the Land and any structures and facilities of the Lessor without hindrance or interruption by Lessor or by any person or persons claiming under the Lessor until the expiration or earlier determination of this Concession.

07 LESSOR'S DIRECTIONS

The Concessionaire must comply with all reasonable notices and directions of the Lessor concerning the Concession Activity on the Land or the conduct of any person on the Land under the authority of this Document.

25.0 POWERS, RIGHTS AND AUTHORITIES

25.1 All powers, rights and authorities of the Lessor under this Document and any notice required to be given by the Lessor may be exercised and given by the Director-General or any officer, employee, or agent of the Director-General.

26.0 INDEMNITIES AND INSURANCE

- 26.1 The Concessionaire will indemnify and keep indemnified the Lessor against all claims made by any person in respect of any injury, loss, or damage, including fire, caused or suffered as a result of or arising out of any acts or omissions of the Concessionaire, its employees, agents, contractors, clients or invitees or otherwise caused as a consequence of its occupation of the Land or as a result of its conduct of the Concession Activity on the Land.
- 26.2 This indemnity is to continue after the expiry or other determination of this Document in respect of those acts or omissions occurring or arising before its expiry or determination.
- 26.3 Without prejudice to or in any way limiting its liability under clause 26.1 the Concessionaire must take out and keep in force during the Term:
 - (a) a policy of public liability insurance against liability for loss, damage or injury from any one single accident or event arising out of the Concessionaire's use of the Land or its conduct of the Concession Activity on the Land and covering:
 - (i) general indemnity for a sum not less than the amount specified in Item 11 of Schedule 1; and

Forest and Rural Fires Act 1977 extension for a sum not less than the amount specified in Item 12 of Schedule 1; and

(c)

statutory liability for the amount specified in Item 13 of Schedule 1; and

- such other policy or policies of insurance against any other liability and for such other sums which the Lessor specifies in Item 14 of Schedule 1, including those matters specified in clause 13.
- 26.4 With respect to clause 26.3 the Concessionaire must provide copy certificates of currency for the policies of insurance before commencing the Concession Activity and on each renewal of them.

- 26.5 (a) Without prejudice to any other provision of this Document the Concessionaire will indemnify the Lessor against all damage or loss resulting from any act or omission on the part of the Concessionaire or the Concessionaire's employees, agents, contractors, clients, or invitees;
 - (b) The Concessionaire is to recompense the Lessor for all expenses incurred by the Lessor in making good any damage to the Land or the property of the Lessor resulting from such act or omission.
- 26.6 (a) The Lessor will not be liable and does not accept any responsibility for damage to or interference with the Concession Activity or to the structures or facilities on the Land or any other indirect or consequential damage due to any natural disaster, vandalism, sabotage, fire or exposure to the elements except where, subject to the clause 26.6(b), such damage or interference is caused by any wilful act or omission of the Lessor, the Lessor's employees, agents or contractors;
 - (b) Where the Lessor is found to be liable due to a wilful act or omission, the total extent of the Lessor's liability is limited to \$1M in respect of the Concessionaire's structures and facilities.
- 26.7 Notwithstanding anything else in clause 26 the Lessor is not liable for any indirect or consequential loss howsoever caused.

27.0 EXPIRY OF LEASE

- 27.1 If the Lessor permits the Concessionaire to remain in occupation of the Land after the expiry or earlier termination of the Term, the occupation is to be on the basis:
 - (a) of a monthly tenancy only, terminable by 1 month's written notice by either party; and

at the Concession Fee then payable; and

otherwise on the same terms and conditions, as they would apply to a monthly tenancy, as expressed or implied in this Document.

2 If, on expiry of the Term, the future occupation of, or any operation on, the Land is not authorised by the Lessor, the Concessionaire accepts that the Lessor will have no liability whatsoever for any costs incurred by the Concessionaire as a result of the expiry of this Document.

- 27.3 All structures or facilities remaining on the Land at the expiry, surrender or termination of this Document, or as otherwise approved by the Lessor, will be deemed to be fixtures and property in them will vest absolutely in the Lessor.
- 27.4 In that case the Lessor will not be liable to pay compensation to the Concessionaire for the structures and facilities and may, at the Lessor's option, remove or destroy or otherwise dispose of them, and recover the costs and expenses of their removal or destruction from the Concessionaire as a debt due to the Lessor.

28.0 FORCE MAJEURE

- 28.1 Neither party will be liable to the other party for any delay in performance, of or failure to perform, its obligations (other than a payment of money) under this Document as a result of any cause beyond its reasonable control.
- 28.2 If the delay or failure continues for at least 28 days either party will be entitled to terminate this Document by notice in writing.

29.0 DISPUTE RESOLUTION AND ARBETRATION

- 29.1 If a dispute arises between the parties in connection with this Document including without limitation the interpretation, validity, breach or termination of any of its provisions, the parties will, without prejudice to any other rights or entitlements they may have under this Document or otherwise, attempt to resolve the dispute by agreement using informal dispute resolution techniques such as negotiation, mediation, independent expert appraisal or any other alternative dispute resolution technique. The rules governing any such technique adopted are to be agreed between the parties.
- 29.2 If the dispute is not capable of resolution by agreement within 14 days of written notice by one party to the other (or such further period as the parties may agree to in writing) either party may refer the dispute to the Disputes Tribunal, where relevant or to arbitration which arbitration is to be carried out in accordance with the provisions of the Arbitration Act 1996.

All arbitration proceedings are to take place in New Zealand and to be governed by New Zealand law.

29.4 If the parties do not agree on an arbitrator within 10 working days of a party giving written notice of the requirement to appoint an arbitrator the President of the New Zealand Law Society is to appoint the arbitrator. In either case the arbitrator must not be a person who has participated in an informal dispute resolution procedure in respect of the dispute.

29.5 The arbitrator must include in the arbitration award reasons for the determination.

30.0 NOTICES

- 30.1 Any notice to be given under this Document by one party to the other is to be in writing and made by personal delivery, by pre-paid post or by facsimile addressed to the receiving party at the address or facsimile number set out in Item 16 of Schedule 1.
- 30.2 A notice given in accordance with clause 30.1 will be deemed to have been received:
 - (a) in the case of personal delivery, on the date of delivery;
 - (b) in the case of a letter, on the third working day after posting;
 - (c) in the case of facsimile, on the date of dispatch.
- 31.0 COSTS
- 31.1 The Concessionaire must pay the Lessor's legal costs and expenses of and incidental to preparing and executing this Document or any extension or variation of this Document.
- 31.2 The Concessionaire must pay in full immediately on demand all costs and fees (including but not limited to solicitors' costs and the fees of debt collecting agencies engaged by the Grantor) arising out of and associated with steps taken by the Grantor:
 - (a) to enforce or attempt to enforce the Grantor's rights and powers under this Document if the Concessionaire is in breach or default;
 - (b) to recover outstanding money owed to the Grantor.

2.0 **RELATIONSHIP OF PARTIES**

Nothing expressed or implied in this Document shall be construed as:

- (a) constituting the parties as partners or joint venturers;
- (b) preventing the Lessor from granting similar concessions to other persons.

33.0 OFFENCES

- 33.1 Where any breach of this Concession by the Concessionaire also constitutes an offence under the Conservation Act 1987 or any of the Acts listed in the First Schedule to that Act:
 - (a) no waiver or failure to act by the Lessor under this Document is to preclude the Lessor from prosecuting the Concessionaire; and
 - (b) no failure by the Lessor to prosecute the Concessionaire is to preclude the Lessor from exercising the Lessor's remedies under this Document; and
 - (c) any action of the Lessor in prosecuting the Concessionaire is not to preclude the Lessor from exercising the Lessor's remedies under this Document.

34.0 SEVERABILITY

34.1 Any illegality, or invalidity or unenforceability of any provision in this Document is not to affect the legality, validity or enforceability of any other provisions.

35.0 ENTIRE UNDERSTANDING

35.1 Except as provided by legislation, this Document and any written variation agreed by the parties contain the entire understanding between the parties with reference to the subject matter of this Document and there is no other agreement, representation or warranty whether it is expressed or implied which in any way extends, defines or otherwise relates to the provisions of this Document.

36.0 REGISTRATION

36.1 The Lesson is not required to do any act or thing to enable this Document to be registered and the Concessionaire will not register a caveat in respect of the Concessionaire's interest under this Document.

37.0 VARIATIONS

The provisions of section 17ZC of the Conservation Act 1987 apply to all variations sought by the Concessionaire and to any applications for extension of the Term.

- 37.2 The Lessor may vary any conditions of this Document if the variation is necessary:
 - (a) to deal with significant adverse effects of the Activity that were not reasonably foreseeable at the time this Lease was granted; or

- (b) because the information made available to the Lessor by the Concessionaire for the purposes of the Concessionaire's application contained inaccuracies which materially influenced the decision to grant the Lease and the effects of the Activity permitted by this Document require more appropriate conditions.
- 37.3 The Concessionaire is to be bound by every such variation.

38.0 GUARANTEE

- 38.1 If the Lessor notifies the Concessionaire in writing that the Lessor requires this Document to be guaranteed by a third party the following clauses are to apply.
- 38.2 Subject to clause 38.1 and in consideration of the Lessor entering into this Document at the Guarantor's request the Guarantor:
 - (a) guarantees payment of the Concession Fee and the performance by the Concessionaire of the covenants in this Document; and
 - (b) indemnifies the Lessor against any loss the Lessor might suffer should the Document be lawfully disclaimed or abandoned by any liquidator, receiver or other persons.
- 38.3 Subject to clause 38.1 the Guarantor covenants with the Lessor that:
 - (a) no release, delay, or other indulgence given by the Lessor to the Concessionaire to the Concessionaire's successors or assigns or any other thing whereby the Guarantor would have been released had the Guarantor been merely a surety is to release, prejudice, or affect the liability of the Guarantor as a Guarantor or as indemnifer;
 - (b) as between the Guarantor and Lessor the Guarantor may, for all purposes, be treated as the Concessionaire and the Lessor is under no obligation to take proceedings against the Concessionaire before taking proceedings against the Guarantor;

the guarantee is for the benefit of and may be enforced by any person entitled for the time being to receive the Concession Fee;

- (d) any assignment of this Document and any Concession Fee Review in accordance with this Document are not to release the Guarantor from liability;
- (e) should there be more than one Guarantor the liability of each Guarantor under this Guarantee is to be joint and several.

39.0 CO-SITING

- 39.1 (a) The Concessionaire will not allow Co-Siting without the prior written consent of the Lessor.
 - (b) The Lessor's consent must not be unreasonably withheld, but is at the Lessor's sole discretion and subject to such reasonable terms and conditions as the Lessor thinks fit, including a requirement that the Co-Sitee be liable for direct payment to the Lessor of a Concession Fee in respect of the Co-Sitee's Activity.
 - (c) The Lessor may withhold consent:
 - (i) the Co-Siting would result in a substantial change to the Concession Activity on the Land; and
 - (ii) the Lessor considers the changes to be detrimental to the environment of the land.
 - 39.2 Any contract, licence or agreement by the Concessionaire to permit a Co-Sitee, with the consent of the Lessor, to Co-Site must have annexed to it a copy of this Document, and must contain a Covenant on the part of the Co-Sitee not to cause the provisions of this Document to be breached by any act or omission of the Co-Sitee.
- 39.3 For the avoidance of doubt a Co-Sitee permitted on the Land must enter into a separate agreement with the Lessor in terms of which the Co-Sitee will be required to pay a fee to the Lessor to conduct an Activity on the Land. This separate agreement must not contain provisions which conflict with the Concessionaire's rights and obligations in relation to the Land.

ledle Signed by Cheryl Anne Colley for and on behalf of the Minister of Conservation pursuant to a written delegation almornationA in the presence of : **Steve Sharman Community Relations Officer** Dept. of Conservation Christchurch Signed by: 9(2)(a) as Concessionaire in the presence of : rer Witness full name: Witness signature: Witness occupation Address : Releas

1.	Land : Distric		a)				×
2.		ssion Activity: of land for a hut	site	(see defini	tion of Concessi	ion Activi	ty in clause 1.1.)
3.	Term:	5 years com	mencing on 1	July 2004		3	(see clause 3.1)
4.	Renew schedu	val: 3 rights of le 3 attached	f renewal for	a further :	5 years each, si	ubject to	clause 2 on (see clause 3.2)
5.	Expir	y Date if all ren	ewals are exe	rcised: 30	June 2024		(see clause 3.4)
6.	Conce	ssion Fee: \$	340 per annun	n + GST	10.		(see clause 5.1)
7.	Conce	ssion Fee Instal	ments: 6 mon	thly in adv	ance		(see clause 5.1)
8.	Conce	ssion Fee Paym	ent Date: 1 Ja	muary and	l July each year		(see clause 5.1)
9.		y Interest Rate: the Grantor's b		nighest 90 d	ay bank bill buy	v rate	(see clause 5.2)
10.	Conce	ssion Fee Review	w Date 30 Jur	ne 2007 and	every 3 years f	rom that	data
11.	Public	Liability Gener for \$ 1,000,000	ral Indemnity	Cover:	covery 5 years in		(see clause 26.3)
12.	Public	Liability Fores for \$500,000		e Act Exte	nsion:	((see clause 26.3)
13.	Statut	for \$ NIL				((see clause 26.3)
14(a)	Other	Types of Insura for \$NIL	ance:			(see cla	uses 12 & 26.3)
14(b)	Amou	ts Insured for for \$NIL	Other Types of	of Insurance	ces:	(see cla	uses 12 & 26.3)
15. Environmental Monitoring Contribution: NIL							
16.	Address for Notices:						(see clause 30)
	(a)	Lessor:					
		The Conservator	r				

(:

Department of Conservation Private Bag

Christchurch

(b) Concessionaire

Released under the official monitories of the of

Released under the Official Information Act

SPECIAL CONDITIONS

1.0 INDEMNITY

The Concessionaire will indemnify and keep indemnified the Lessor from any loss whatsoever that might result to the Concessionaire as a result of flooding of the land or other damage, whether resulting from a natural occurrence or from increased lake levels occurring due to changes in average sea level rises, or deliberate changes in management of the lake levels of Te Waihora (Lake Ellesmere)

2.0 EXPIRY

Upon Expiry of the lease or upon expiry of any renewal of the lease the Concessionaire will assess the suitability of the land contained within the lease to meet the concession activity described in the First Schedule hereto. If in the opinion of the Lessor, the land is no longer fit for this purpose the lease may be terminated by the Lessor in terms of Clause 20 of this Lease PROVIDED THAT the Lessor shall give the Concessionare 12 months notice in writing of such termination under this clause.

3.0 NO RIGHT OF FEE SIMPLE

The Lessee will have no rights of acquiring or purchasing the fee simple of the said land

4.0 HUT SITE MAY BE SUBJECT TO FLOODING

The Concessionaire enters into this lease agreement on the understanding that the hut site because of its proximity to Te Waihora (Lake Ellesmere) may be subject to flooding from time to time during the course of this lease and the provisions of Clause 1.0 above with respect to the Concessionaire indemnifying the Lessor shall apply accordingly.

5.0 CONCESSIONAIRE TO MAINTAIN HUT

The Concessionaire shall maintain the existing hut and attached structures together with any buildings, fences, gates or other structures now existing or which may be erected on the hut site in the future in good order and repair and in a neat and tidy condition to the satisfaction of the Lessor.

6.0 OCCUPANCY

The Concessionaire will use the hut site solely for the purpose of a site for a recreational hut and shall not reside there on a permanent basis PROVIDED THAT the Lessor may in its discretion authorise in writing the occupation of up to 3 (three)

LOWER SELWYN HUTS- LIMITATIONS ON USE

- 1. The land shall be used solely for the purpose of a site for a recreational hut and subject to Schedule 3 Clause 6.0 the Concessionaire shall not use the land as a permanent place of residence.
- 2. Use of the hut site and occupation of the dwelling shall be limited to:
 - (a) any weekend or public holiday and;
- (b) the Christmas holiday period being defined as a period between December 1st and February 28th inclusive and: rs consect

(c) any 3 separate periods of up to 21 days consecutively

BUILDING STANDARDS

- 1. Maximum building floor area including carparking and attached structures is not to exceed 65 square metres per site. This includes carports, decks, verandahs, conservatories and similar structures
- 2. Maximum height of huts: 4 metres to ridgeline, parallel with existing unmodified ground contour
- 3. Shape, Colour and Design
 - As a guiding principle, buildings are to retain a "bach like" appearance through the use of:
 - (a) Exterior cladding materials which should be traditional bach construction materials (eg corrugated iron (zincalume), weatherboards, cement board, stone etc)
 - (b) colours which do not exceed 37% reflectance and are in harmony with the environment. Natural shades and light tones should be used.
- 4. Separation
 - (a) minimum separation between huts: 4.0 metres
 - (b) set back from boundaries: 2.0 metres
- 5. Outbuildings maximum of 1 outbuilding not exceeding 9 square metres in floor area (not including toilets or wastewater tanks), with a maximum height of 3 metres.
- 6. Landscaping
 - (a) New fencing (including replacement fencing) will not exceed 1.0 metre in height.
 - (b) All plantings are to be of species endemic to the Te Waihora area (from the approved list of species set out in Schedule 6 attached)
- Waste disposal All huts are to have all greywater discharged into approved holding tanks (maximum 3000 litre capacity) which are to be periodically emptied by a licensed contractor. A lead in period is to be given for compliance with this requirement; all huts are to comply 30 June 2005. Building consent(s) may be required. Installation and operation shall preclude outflow discharges to the environment.
 - There is to be no discharge of effluent to the environment.
- 9. General These guidelines do not remove any requirements for consent from Environment Canterbury, or the Selwyn District Council where these might be required. Additions, alterations or replacements to all building and structures must be approved by the Lessor prior to work commencing.

APPROPRIATE PLANTS FOR SELWYN HUTS Ficial Information Act

Trees and shrubs Alectryon excelsus Titoki Coprosma crassifolia Mingimingi Coprosma propingua Mingimingi Coprosma robusta Karamu Cordyline australis Cabbage tree Dacrycarpus dacrydioides Kahikatea Ake ake Dodonaea viscosa Elaeocarpus hookerianus Pokaka Griselinia littoralis Broadleaf Hebe salicifolia Hebe Hoheria angustifolia Lowland lacebark Kunzea ericoides Kanuka Leptospermum scoparium Manuka Lophomyrtus obcordata Ramarama Myrsine australis Red matipo Myrsine divaricata Weeping matipo Melicytus ramiflorus Whitey wood Pittosporum tenuifolium Kohuhu Lowland ribbonwood Plagianthus divaricatus Podocarpus totara Lowland totara. Prumnopitys taxifolia Matai Sophora microphylla Kowhai

Grasses, sedges, rushes

Cortaderia richardi Toi toi Pukio Carex secta Carex virgata Carex maorica Carex flagellifera Juncus gregiflorus Juncus pallidus Flax rele,

Phormium tenax