

**CNI (CENTRAL NORTH ISLAND) FORESTS IWI
COLLECTIVE**

**(Ngāi Tūhoe, Ngāti Manawa, Ngāti Tūwharetoa, Ngāti
Whakaue, Ngāti Whare, Raukawa and the Affiliate Te
Arawa Iwi/Hapū)**

and

HER MAJESTY THE QUEEN

in right of New Zealand

**DEED OF SETTLEMENT OF
THE HISTORICAL CLAIMS OF
CNI (CENTRAL NORTH ISLAND) FORESTS IWI
COLLECTIVE TO THE CENTRAL NORTH ISLAND
FORESTS LAND**

25 June 2008

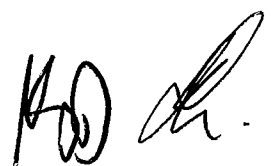
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DEED OF SETTLEMENT

THIS DEED is made

BETWEEN

NGĀI TŪHOE, NGĀTI MANAWA, NGĀTI TŪWHARETOA, NGĀTI WHAKAUE, NGĀTI WHARE, RAUKAWA AND THE AFFILIATE TE ARAWA IWI/HAPŪ (together being the "CNI (Central North Island) Forests Iwi Collective" or the "Collective")

AND

HER MAJESTY THE QUEEN in right of New Zealand acting by and through the Minister in Charge of Treaty of Waitangi Negotiations and the Minister of Māori Affairs and by and through the Associate Ministers in Charge of Treaty of Waitangi Negotiations.

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PREFACE

PREFACE

KARAKIA

He Uruuru Whenua

Tātaia te pūtake nui, te pūtake roa
Te pūtahitanga o Rangitawhito, ō Nukuroatipua
He tapu te mauri, he mauri te tapu
Heua te mana o Tanenuiārangi
He ata, he hau, he manawa te whenua
Tuia i te tūramarama ā Nuku, i a Nganga ā Rangī,
i a Tāne Matua.
Herea te Pūnihoniho o tau, nā Tāne te Hokahoka,
nā Tanga i waho, nā Rongomaraeroa.
Maranga tū te tira a Tāne ka puta te ira tangata
ki te whaiao ki te ao mārama.
Tihei mauri ora.

HE MIHI

He Maioha

E ngā mana, e ngā iwi, e ngā reo tēnā koutou katoa.
Ko tēnei whakakirimana he umupoka, he pou pepeha ki te
pūtahitanga, ki te matawhānui me te pukumahara o ngā
Rangatira i kōhi mai ki te hou whakatau mō tēnei take whenua.
He whakataenga koronga a iwi, ā hapū rā tēnei, rātau, ō
tātau mātua tīpuna i mau ngākau koihotahota kia kitea te
tika me te pono, kia whaioranga ā rātau uri e whāimuri ake nei
i tēnei kua heia.

Mauri Ora.

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BACKGROUND

BACKGROUND

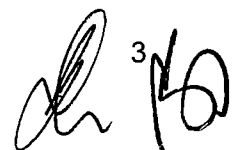
BACKGROUND TO NEGOTIATIONS AND THIS DEED

In 1989, the Government announced its intention to sell the Crown's commercial forestry assets. Māori objected that the transfer of Crown forests land out of Crown ownership would be inconsistent with the principles of the Treaty of Waitangi. In *New Zealand Māori Council v Attorney-General* [1989] 2 NZLR 142, the Court of Appeal recommended that negotiations ensue to resolve the dispute in the spirit of partnership and in accordance with the principles of the Treaty of Waitangi.

On 20 July 1989, the Crown and the New Zealand Māori Council and the Federation of Māori Authorities Incorporated entered into the 1989 Crown Forests Agreement, pursuant to which the Crown Forest Assets Act was passed and the Crown Forestry Rental Trust was established. The Agreement provided that the Crown could sell its forest assets, but would retain ownership of the land, with protection mechanisms implemented by the Crown Forest Assets Act to safeguard Māori claims to the land. The parties agreed to jointly use their best endeavours to enable the Waitangi Tribunal to identify and process all claims to Crown Forest Land and to make recommendations for the return of that land within the shortest reasonable period.

Early attempts by Māori to reach a collective multi-iwi settlement in respect of the CNI Forests Land did not succeed. In 2006, the Crown entered into a deed of settlement with the Affiliate Te Arawa Iwi/Hapū (pursuant to which the Te Pumautanga o Te Arawa Trust was established as the Governance Entity for the Affiliate Te Arawa Iwi/Hapū) which included some CNI Forests Land. The New Zealand Māori Council, the Federation of Māori Authorities Incorporated, and Dr Tumu te Heuheu, Te Ariki of Ngāti Tūwharetoa, raised concerns through proceedings heard by the High Court in April 2007 (in *New Zealand Maori Council & Ors v Attorney-General & Ors* (High Court, CIV 2007- 485-95, 4 May 2007)) that the Crown had breached the 1989 Crown Forests Agreement, the Crown Forest Assets Act and the terms of the Crown Forestry Rental Trust. The High Court found that the Te Pumautanga o Te Arawa Trust interests could not, in justice, be disturbed, but also expressed a view that if the Crown were to take for itself accumulated rental funds from the "Deferred Licensed Land" as defined in the Original TPT Deed, then the Crown would be acting inconsistently with its fiduciary duty to Māori. On appeal, in *New Zealand Maori Council & Ors v Attorney-General & Ors* [2008] 1 NZLR 318, the Court of Appeal held that the Crown had acted lawfully. In November 2007, the Supreme Court granted the New Zealand Māori Council, the Federation of Māori Authorities Incorporated, and Dr Tumu te Heuheu, Te Ariki of Ngāti Tūwharetoa leave to appeal.

In June 2007, the Waitangi Tribunal held an urgent inquiry into the impact of the Crown's Treaty of Waitangi Crown Forest Land settlement policy on Te Arawa Waka and other CNI Iwi (Waitangi Tribunal, *The Final Report on the Impacts of the Crown's Treaty Settlement Policies on Te Arawa Waka and Other Tribes* (2007)). The Waitangi Tribunal found that, by offering certain CNI Forests Land

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CNI FORESTS IWI COLLECTIVE DEED OF SETTLEMENT

BACKGROUND

to the Affiliate Te Arawa Iwi/Hapū, the Crown had prejudiced the CNI Forests Land claims of other CNI Iwi, and breached the principles of the Treaty of Waitangi through its failure to act honourably and with the utmost good faith and to actively protect the interests of all CNI Iwi. The Tribunal further found that the Crown's deeming itself to be a confirmed beneficiary of the accumulated rentals on "Deferred Licensed Land", without consultation and in disregard of its 1989 commitments, was a breach of the principles of the Treaty of Waitangi. The Tribunal considered that the Affiliate Te Arawa Iwi/Hapū deserved a settlement, but recommended that the settlement be varied and delayed pending the outcome of a forum of CNI Iwi that would consider, according to tikanga, guidelines for the allocation of CNI Forests Land. The Tribunal considered it critical that decisions on allocation of CNI Forests Land were made by CNI Iwi themselves, on their own terms, answerable to one another.

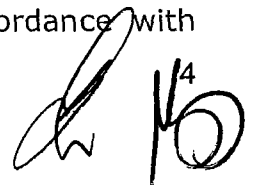
Led by Dr Tumu te Heuheu, Te Ariki of Ngāti Tūwharetoa, the Members of the Collective and Ngāti Rangitahi formed the original Collective, and proposed engaging in good faith negotiations with the Crown to reach a fair and durable settlement of all of the Historical CNI Forests Land Claims.

At a Hui a Iwi on 29 March 2008, the trustees of the Te Pūmautanga o Te Arawa Trust agreed to work with the Collective and formally join the Collective once its amended deed of settlement was ratified by the beneficiaries of the Te Pūmautanga o Te Arawa Trust. The Crown acknowledged the generosity of Te Pūmautanga o Te Arawa and the members of the Affiliate Te Arawa Iwi/Hapū in agreeing to re-negotiate their settlement and the significant contribution made by Te Pūmautanga o Te Arawa towards the resolution of the historical claims of other CNI Iwi over the CNI Forests Land.

On 21 February 2008, Terms of Agreement were signed that recorded the intention of the Collective to generate allocation proposals to achieve the settlement of all Historical CNI Forests Land Claims. The Collective was committed to designing allocation proposals that would result in CNI Iwi determining how to allocate CNI Forests Land on the basis of mana whenua and in accordance with the principles of tikanga.

The Terms of Agreement stated that the settlement proposals would provide for:

- the honouring of the principles of the Treaty of Waitangi in the execution of and outcomes arising from this settlement;
- explicit recognition of the entitlements under the 1989 Crown Forests Agreement and the resulting Crown Forest Assets Act;
- recognition of the nature and extent of historical breaches of the Treaty of Waitangi by the Crown;
- a fair allocation of CNI Forests Land and assets amongst CNI Iwi which takes account of their customary associations with the land and historical breaches of the Treaty of Waitangi by the Crown, in accordance with

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CNI FORESTS IWI COLLECTIVE DEED OF SETTLEMENT

BACKGROUND

established statutory frameworks and agreements, including the Crown Forest Assets Act and the 1989 Crown Forests Agreement, and provide for appropriate resolution provisions for dealing with overlapping claims between the Members of the Collective;

- the maximisation of long term, sustainable economic development (return) to CNI Iwi through appropriate asset and portfolio selection, including investment in effective and efficient management of the CNI Forests Land and related assets, including the road network arrangements; and
- the preservation of the value of the Affiliate Te Arawa Iwi/Hapū settlement and other settlements of CNI Iwi currently on the table, including Ngāti Manawa and Ngāti Whare.

On 4 April 2008, at Waihi Marae, Waihi, Te Ariki Dr Tumu te Heuheu presented the Collective's proposal for the settlement of CNI Forests Land to Dr Michael Cullen, Minister in Charge of Treaty of Waitangi Negotiations.

On 24 April 2008, the Collective, Ngāti Rangitihi and the Crown reached an agreement in principle (the "**Agreement in Principle**") recording:

- substantive terms of settlement agreed in principle in relation to the settlement of the Historical CNI Forests Land Claims; and
- the Parties' intention to expedite the drafting of a comprehensive deed of settlement that was consistent with the Agreement in Principle.

Following their entry into the Agreement in Principle and over the period leading up to the Date of this Deed, the Collective, Ngāti Rangitihi and the Crown negotiated and agreed the terms of this Deed of Settlement.

Also over that period, each Member of the Collective held a series of hui and other meetings with its hapū, iwi and taura here rōpū to:

- present and discuss the Agreement in Principle;
- discuss the Settlement of the Historical CNI Forests Land Claims on a basis that is consistent with the Agreement in Principle; and
- satisfy itself that it had followed its tikanga to obtain a sufficient level of support, and all authorisations that each Member of the Collective considered necessary, for the Member of the Collective to enter into this Deed of Settlement.

As a result of this process and the resolutions passed at these hui and meetings, each Member of the Collective is satisfied that it:

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CNI FORESTS IWI COLLECTIVE DEED OF SETTLEMENT

BACKGROUND

- has a sufficient level of support and all necessary authorisations for the Member of the Collective to enter into this Deed of Settlement; and
- is duly authorised to enter into this Deed of Settlement and to effect Settlement.

Ngāti Rangitahi was unable to complete its own authorisation processes by the date of this Deed of Settlement and, as a result, Part 14 has been included to provide Ngāti Rangitahi with the opportunity to still become part of the Collective.

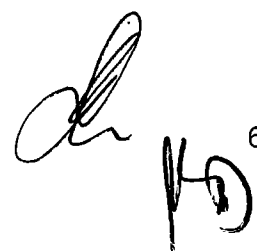
THIS DEED OF SETTLEMENT

This Deed of Settlement has been:

- negotiated between the Crown and the Collective; and
- duly authorised by each Member of the Collective, following the completion of the Authorisation Process (as described in clauses 3.1 and 3.2).

The Authorised Signatories are authorised by their respective Member of the Collective to sign this Deed of Settlement on behalf of the Member of the Collective.

Accordingly, each Member of the Collective, the Collective and the Crown wish, in a spirit of co-operation and compromise, to enter, in good faith, into this Deed of Settlement providing for the settlement of the Historical CNI Forests Land Claims (as defined in clauses 1.8 and 1.9).



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1 THE COLLECTIVE AND THE HISTORICAL CNI FORESTS LAND CLAIMS

INTRODUCTION

- 1.1 This Deed records the agreement of the Collective and the Crown to settle the Historical CNI Forests Land Claims.
- 1.2 This Part sets out definitions of the Crown, the Collective, the Historical CNI Forests Land Claims and certain related terms. These definitions apply in this Deed, unless this Deed or the context requires otherwise.
- 1.3 Definitions of other terms used in this Deed are set out in:
- 1.3.1 clauses 7.16 and 10.18; and
 - 1.3.2 Part 13; and
 - 1.3.3 the Schedules, including Schedule 1 (Claimant Definition Schedule) and Part 1 of Schedule 8 (DSP Properties).

THE CROWN

- 1.4 **The Crown** means Her Majesty the Queen in right of New Zealand and:
- 1.4.1 includes all Ministers of the Crown and all Departments; but
 - 1.4.2 does not include:
 - (a) an Office of Parliament;
 - (b) a Crown entity; or
 - (c) a State enterprise.

THE COLLECTIVE AND RELATED TERMS

- 1.5 **The Collective:**
- 1.5.1 means, together, the following seven iwi and collective groups defined by that name in Schedule 1:
 - (a) Ngāi Tūhoe;
 - (b) Ngāti Manawa;



CNI FORESTS IWI COLLECTIVE DEED OF SETTLEMENT

1: THE COLLECTIVE AND THE HISTORICAL CLAIMS

- (c) Ngāti Tūwharetoa;
- (d) Ngāti Whakaue;
- (e) Ngāti Whare;
- (f) Raukawa; and
- (g) the Affiliate Te Arawa Iwi/Hapū; and

1.5.2 includes every individual of which an iwi or collective group listed in clause 1.5.1 is composed and who is included in the definition of the iwi or collective group in Schedule 1.

1.6 **Member of the Collective** means each of the individual iwi and collective groups referred to in clause 1.5.1.

1.7 **Representative Entity** means:

1.7.1 each Governance Entity;

1.7.2 CNI Iwi Holdings Limited;


1.7.3 each of the DSP Entity, NZUs Entity and RFR Entity; and

1.7.4 a person (including trustees) acting for or on behalf of:

- (a) any one or more Members of the Collective;
- (b) any one or more individuals referred to in clause 1.5.2; and/or
- (c) any one or more of the iwi, hapu, whanau or groups of individuals of which a collective group is composed and who is included in the definition of the group in Schedule 1;

1.8 **Historical CNI Forests Land Claims** means every claim or part of a claim (whether or not the claim has arisen or been considered, researched, registered, notified or made by or on the Settlement Date) including any claims to the Waitangi Tribunal that the Collective or a Member of the Collective (or any Representative Entity) had at, or at any time before, the Settlement Date or may have at any time after the Settlement Date that relates to the CNI Forests Land, and that:

1.8.1 is, or is founded on, a right arising:



CNI FORESTS IWI COLLECTIVE DEED OF SETTLEMENT

1: THE COLLECTIVE AND THE HISTORICAL CLAIMS

- (a) from Te Tiriti o Waitangi/the Treaty of Waitangi or its principles;
- (b) under legislation;
- (c) at common law (including in relation to aboriginal title or customary law);
- (d) from a fiduciary duty; or
- (e) otherwise; and

1.8.2 arises from or relates to acts or omissions before 21 September 1992:

- (a) by or on behalf of the Crown; or
- (b) by or under legislation.

1.9 For the avoidance of doubt, the term **Historical CNI Forests Land Claims** does not include a Historical Claim or part of a Historical Claim that the Collective or a Member of the Collective (or any Representative Entity) may have that concerns matters that are not related to the CNI Forests Land.



2 THE SETTLEMENT

THE SETTLEMENT TO ENHANCE THE ONGOING RELATIONSHIP BETWEEN THE COLLECTIVE AND THE CROWN

- 2.1 The Settlement of the Historical CNI Forests Land Claims under this Deed is intended to enhance the ongoing relationship between the Collective, the Members of the Collective and the Crown (in terms of Te Tiriti o Waitangi/The Treaty of Waitangi, its principles and otherwise).

THE HISTORICAL CNI FORESTS LAND CLAIMS ARE SETTLED

- 2.2 The Collective and the Crown agree that this Deed settles the Historical CNI Forests Land Claims from the Settlement Date.
- 2.3 The Collective releases and discharges the Crown, from the Settlement Date, from all obligations and liabilities in respect of the Historical CNI Forests Land Claims. For the avoidance of doubt, this does not apply to the Crown's obligations and liabilities arising under this Deed.

THE CROWN IS TO PROVIDE REDRESS

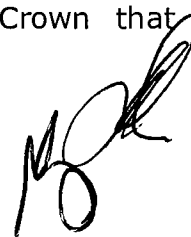
- 2.4 The Crown must provide the Redress set out in:
- 2.4.1 Part 7: Financial Redress, which is provided "on account" for the Future Comprehensive Settlements on the basis provided in clause 2.13; and
- 2.4.2 Part 8: Commercial Redress.

REDRESS IS TO BE PROVIDED TO CNI IWI HOLDINGS LIMITED

- 2.5 The Crown must provide the Redress under Parts 7 and 8 to CNI Iwi Holdings Limited (unless this Deed provides otherwise).

THE SETTLEMENT DOES NOT AFFECT CERTAIN RIGHTS OR DECISIONS

- 2.6 Subject to clause 2.2 and 2.3, nothing in this Deed:
- 2.6.1 extinguishes or limits any aboriginal title, or customary rights, that the Collective or a Member of the Collective may have other than in relation to the CNI Forests Land;
- 2.6.2 is, or implies, an acknowledgement by the Crown that any aboriginal title, or any customary right, exists;



CNI FORESTS IWI COLLECTIVE DEED OF SETTLEMENT

2: THE SETTLEMENT

- 2.6.3 (except as expressly provided in or under this Deed) affects any right that the Collective, a Member of the Collective or any Other CNI Claimant, or the Crown, may have including any right arising:
- (a) from Te Tiriti o Waitangi/the Treaty of Waitangi or its principles;
 - (b) under legislation;
 - (c) at common law (including in relation to aboriginal title or customary law);
 - (d) from a fiduciary duty; or
 - (e) otherwise; or

2.6.4 is intended to affect actions or decisions under the following:

- (a) the deed of settlement between Māori and the Crown dated 23 September 1992 in relation to Māori fishing claims; or
- (b) the Fisheries Act 1983, the Fisheries Act, the Foreshore and Seabed Act, the Māori Commercial Aquaculture Claims Settlement Act, the Māori Fisheries Act, the Marine Reserves Act, the Resource Management Act and the Treaty of Waitangi (Fisheries Claims) Settlement Act.

2.7 Without limiting clause 2.12.12, nothing in this Deed extinguishes or limits or is intended to affect any right that any Other CNI Claimant may have to CNI Forests Land.

ACKNOWLEDGEMENTS CONCERNING THE SETTLEMENT AND ITS FINALITY

2.8 The Collective acknowledges that:

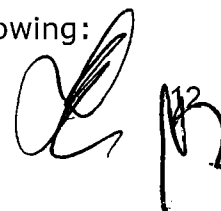
- 2.8.1 it is intended that the Settlement and the rights of the Collective and CNI Iwi Holdings Limited under or arising from this Deed:
- (a) will be for the benefit of the Collective; and
 - (b) may be for the benefit of particular individuals or a particular hapū, iwi or taura here ropū, as and to the extent permitted under the Trust Deed and Shareholders' Agreement; and

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CNI FORESTS IWI COLLECTIVE DEED OF SETTLEMENT

2: THE SETTLEMENT

- 2.8.2 the Settlement and the respective obligations of the Collective and CNI Iwi Holdings Limited under this Deed will be binding, respectively, on the Collective and CNI Iwi Holdings Limited.
- 2.9 The Collective acknowledges and agrees (and the Settlement Legislation will provide) that, with effect from the Settlement Date:
- 2.9.1 the Settlement is final in respect of the Historical CNI Forests Land Claims;
- 2.9.2 the Crown is released and discharged from all obligations and liabilities in respect of the Historical CNI Forests Land Claims. For the avoidance of doubt, this does not apply to the Crown's obligations and liabilities arising under this Deed;
- 2.9.3 the Courts and the Waitangi Tribunal do not have jurisdiction (including the jurisdiction to inquire into or to make a finding or recommendation) in respect of:
- (a) this Deed (including the Authorisation Process);
 - (b) the Settlement Legislation;
 - (c) the Historical CNI Forests Land Claims; and
 - (d) the Redress;
- 2.9.4 notwithstanding clause 2.9.3, the Courts and the Waitangi Tribunal continue to have jurisdiction in respect of:
- (a) the interpretation and implementation of:
 - (i) this Deed; and
 - (ii) the Settlement Legislation;
 - (b) any future determination of the Waitangi Tribunal for the purposes of clause 2.12.12 and which is to be subject to clause 2.9.6; and
 - (c) the steps that are necessary for the Waitangi Tribunal to:
 - (i) complete the publication of its report in relation to He Maunga Rongo: Report on Central North Island Claims (Stage 1) (Wai 1200); and
 - (ii) complete its inquiries and report on the following:



CNI FORESTS IWI COLLECTIVE DEED OF SETTLEMENT

2: THE SETTLEMENT

(I) the Tongariro National Park Inquiry (Wai 1130);
and

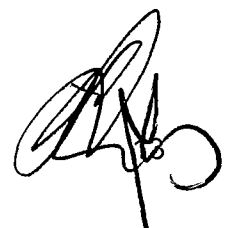
(II) the Te Urewera Inquiry (Wai 894);

2.9.5 subject to clause 2.9.6, the following legislation (the "**Land Claims Statutory Protection Legislation**") does not apply to the CNI Forests Land or the Selected DSP Properties, namely:

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

2.9.6 notwithstanding clause 2.9.5, the Waitangi Tribunal may exercise its jurisdiction to inquire into Historical Claims of Other CNI Claimants on the question of whether and, if so, which specific area or areas of CNI Forests Land comprised in all or part of the Crown Agreed Proportion should be transferred to an Other CNI Claimant (which must be in accordance with clause 9.5.1):

- (a) in accordance with sections 8HB to 8HD of the Treaty of Waitangi Act; and
- (b) on a basis that:
 - (i) this jurisdiction is limited to the extent of the Crown Agreed Proportion that the Crown holds at any given time during the Crown Initial Period;
 - (ii) any transfer of any area of CNI Forests Land to any Other CNI Claimant out of the Crown Agreed Proportion as may occur from time to time will result in a corresponding change to this jurisdiction;
 - (iii) the Crown must advise the Waitangi Tribunal of any change to the Crown Agreed Proportion in order to inform the Waitangi Tribunal of the extent of its jurisdiction;



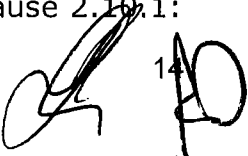
CNI FORESTS IWI COLLECTIVE DEED OF SETTLEMENT

2: THE SETTLEMENT

- (iv) any recommendation under section 8HB(1)(a) of the Treaty of Waitangi Act for the return of land to the ownership of any Other CNI Claimant must be taken to apply only to CNI Forests Land comprised in part or all of the Crown Agreed Proportion; and
 - (v) the CNI Forests Land must be treated as if it had remained Crown Forest Land and a reference to a return of land to Māori ownership must be treated as a reference to a return of land to the Other CNI Claimant; and
- 2.9.7 clause 2.9.5 in relation to a Selected DSP Property lapses if the agreement for sale and purchase to be constituted under clauses 8.7 and 8.15 is cancelled.

2.10 The Settlement Legislation will provide that:

- 2.10.1 the chief executive of LINZ must issue to the Registrar-General of Land one or more certificates that identify (by reference to the relevant legal description including any certificate of title or computer freehold register) each allotment that is:
- (a) CNI Forests Land; or
 - (b) part or all of a Selected DSP Property transferred by the Crown to the DSP Entity in accordance with the DSP; and
 - (c) contained in a certificate of title or computer freehold register that has a memorial entered under any of the Land Claims Statutory Protection Legislation;
- 2.10.2 the chief executive of LINZ must issue a certificate under clause 2.10.1:
- (a) in respect of CNI Forests Land, as soon as is reasonably practicable after the Settlement Date; and
 - (b) in respect of any Selected DSP Property transferred by the Crown to the DSP Entity in accordance with the DSP, as soon as is reasonably practicable after the relevant DSP Transfer Date;
- 2.10.3 each certificate must state the section of the Settlement Legislation that it is issued under; and
- 2.10.4 the Registrar-General of Land must, as soon as is reasonably practicable after receiving a certificate referred to in clause 2.10.1:


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CNI FORESTS IWI COLLECTIVE DEED OF SETTLEMENT

2: THE SETTLEMENT

- (a) register the certificate against each certificate of title or computer freehold register identified in the certificate; and
 - (b) cancel, in respect of each allotment identified in the certificate, the memorial that, under any of the Land Claims Statutory Protection Legislation, is entered on a certificate of title or computer freehold register in respect of that allotment.
- 2.11 The Collective acknowledges and agrees that neither the Collective nor any Representative Entity will object to the removal by Settlement Legislation of memorials entered under any of the Land Claims Statutory Protection Legislation.

ACKNOWLEDGEMENTS CONCERNING THE SETTLEMENT AND THE REDRESS

- 2.12 The Collective and the Crown acknowledge that:
- 2.12.1 their execution of this Deed and the outcomes arising from the Settlement are intended to honour the principles of Te Tiriti o Waitangi/the Treaty of Waitangi;
 - 2.12.2 they have negotiated, and are entering into, this Deed in accordance with the framework and principles of the 1989 Crown Forests Agreement and the Crown Forest Assets Act;
 - 2.12.3 the Settlement represents the result of intensive negotiations conducted in good faith and in a spirit of co-operation and compromise;
 - 2.12.4 they have acted honourably and reasonably in relation to the Settlement;
 - 2.12.5 the Crown has applied a set of general guidelines during these negotiations to ensure a fair approach to the negotiation of Historical Claims while also seeking to treat each claim including the Historical CNI Forests Land Claims on its merits;
 - 2.12.6 the Crown has to set limits on what and how much redress is available to settle Historical Claims, and this also applies to the Historical CNI Forests Land Claims;
 - 2.12.7 this Settlement is intended by the Collective to contribute to long term, sustainable economic development of:
 - (a) each Member of the Collective;



CNI FORESTS IWI COLLECTIVE DEED OF SETTLEMENT

2: THE SETTLEMENT

- (b) the Collective;
 - (c) the central North Island; and
 - (d) New Zealand, generally;
- 2.12.8 the decision of each Member of the Collective in relation to the Settlement is a decision that each Member of the Collective takes for itself alone and it does not purport to affect the position of other tribes, including the other Members of the Collective, in relation to Future Comprehensive Settlements (except as indicated in clause 2.13.2);
- 2.12.9 the Settlement is in relation to the CNI Forests Land and the Historical CNI Forests Land Claims only and is not a comprehensive settlement of all Historical Claims of the Members of the Collective;
- 2.12.10 without limiting clauses 2.12.9, 2.12.11 and 2.12.12, entry into the Settlement is a significant step towards the settlement of the Future Comprehensive Settlements of the Members of the Collective and the Crown and the Members of the Collective acknowledge their intention to work together in a co-operative manner to expedite and accord high priority to the settlement of the Future Comprehensive Settlements;
- 2.12.11 except for the Settlement of the Historical CNI Forests Land Claims, nothing in this Deed is intended to limit the Future Comprehensive Settlements of each Member of the Collective;
- 2.12.12 nothing in this Deed is intended to limit:
- (a) the settlement of the Future Comprehensive Settlements of an Other CNI Claimant (but in the case of the transfer of CNI Forests Land (including a transfer of land as CNI Forests Land Cultural Redress) such settlements will be effected through the Crown Agreed Proportion and in accordance with the Trust Deed and Shareholders' Agreement); or
 - (b) the future assessment by the Crown, or the determination by the Waitangi Tribunal in accordance with section 6(3) of the Treaty of Waitangi Act, of what may comprise a well founded Historical Claim by an Other CNI Claimant to the CNI Forests Land. It is acknowledged that:
 - (i) having a claim based on legitimate mana whenua interests is, and will be, considered by the Collective to be fundamental to such assessment or determination; and

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CNI FORESTS IWI COLLECTIVE DEED OF SETTLEMENT

2: THE SETTLEMENT

- (ii) each Member of the Collective is entitled to appear and be heard by the Waitangi Tribunal on the question of the Historical Claim of an Other CNI Claimant to the CNI Forests Land;
- 2.12.13 the Collective's desire is to secure the return to the Collective of CNI Forests Land on the principle that *i riro whenua atu me hoki whenua mai* (as land is taken, so it should be returned);
- 2.12.14 the Members of the Collective have agreed the Collective's Allocation Agreement, which is set out in Schedule 3, which provides for:
 - (a) the process for determining how CNI Forests Land will be allocated amongst the Members of the Collective; and
 - (b) this allocation to be determined, among other things, on the basis:
 - (i) of mana whenua; and
 - (ii) that the principles of tikanga Māori will inform and govern the allocation process; and
- 2.12.15 taking all matters into consideration (some of which are specified in this clause), the Settlement is fair in the circumstances.

ACKNOWLEDGEMENTS CONCERNING FUTURE COMPREHENSIVE SETTLEMENTS

- 2.13 The Collective and the Crown acknowledge that:
 - 2.13.1 as at the Date of this Deed, a number of Historical Claims of the Members of the Collective that relate to matters other than CNI Forests Land remain unsettled;
 - 2.13.2 if and when a Member of the Collective's unsettled Historical Claims are settled, the Settlement under this Deed will be taken into account in, and each Member of the Collective's share of the Financial Redress pursuant to the terms of this Deed will be "on account" for, financial redress that would have otherwise been provided for in the Future Comprehensive Settlement with that Member of the Collective;
 - 2.13.3 the Crown acknowledges and agrees that:



CNI FORESTS IWI COLLECTIVE DEED OF SETTLEMENT

2: THE SETTLEMENT

- (a) as at the Date of this Deed some of the Members of the Collective have not had the opportunity to discuss the Crown's assessment of their financial redress; and
- (b) the fact that no interest is being paid by the Crown to the Collective under the terms of this Deed will be taken into account:
 - (i) in the negotiations applying to the Future Comprehensive Settlements of the Members of the Collective, whenever they occur; and
 - (ii) the Crown will approach those negotiations on the basis that any interest to be paid by the Crown under those Future Comprehensive Settlements will be with effect from the date of this Deed;

2.13.4 nothing in this Settlement is intended to preclude:

- (a) each Member of the Collective discussing the Crown's assessment of, and agreeing on, the level of the Member of the Collective's financial redress as part of the Member of the Collective's individual negotiation of its Future Comprehensive Settlement; and
- (b) once an amount representing the level of the financial redress has been agreed, and for the purposes of the Future Comprehensive Settlement with the Member of the Collective:
 - (i) the Crown deducting from this amount the Member of the Collective's share of the Financial Redress pursuant to the terms of this Deed, through

the vesting of the CNI Forests Land in CNI Iwi Holdings Limited in accordance with Part 7; and
 - (ii) any remaining amount (after that deduction) being available to the Member of the Collective as financial redress for its Future Comprehensive Settlement;

2.13.5 subject to clauses 2.2, 2.3, 2.12.11 and 2.13.4(b)(i), nothing in this Settlement is intended to preclude the negotiation of other components of the Future Comprehensive Settlements with each Member of the Collective and the Settlement will not affect the other redress that would have otherwise been provided for in those Future Comprehensive Settlements, including:



CNI FORESTS IWI COLLECTIVE DEED OF SETTLEMENT

2: THE SETTLEMENT

- (a) an express recognition of the nature and extent of historical breaches of the Treaty of Waitangi by the Crown in respect of the Historical Claims and the Historical CNI Forests Land Claims of the Member of the Collective;
- (b) an apology to be provided by the Crown in recognition of all those historical breaches of the Treaty of Waitangi by the Crown;
- (c) any financial redress that may still be available to the Member of the Collective pursuant to clause 2.13.4;
- (d) additional commercial redress including rights of deferred selection and rights of first refusal over assets agreed in the Future Comprehensive Settlements as being available for these mechanisms; and
- (e) cultural redress including CNI Forests Land Cultural Redress (but any transfer of CNI Forests Land as CNI Forests Land Cultural Redress will be from the Crown Agreed Proportion and in accordance with the Trust Deed and Shareholders' Agreement); and

2.13.6 for the purposes of clause 2.13.5(e), in respect of Future Comprehensive Settlements between the Crown and Members of the Collective:

- (a) the Collective intends to establish and obtain each Member of the Collective's agreement to a process through which the Collective may endeavour to agree:
 - (i) the extent of all or any of the cultural and spiritual values and interests in the CNI Forests Land of a Member of the Collective; and
 - (ii) the appropriate basis upon which these could be recognised in the Future Comprehensive Settlements of each of the Members of the Collective; and
- (b) this process will only be for facilitation purposes that:
 - (i) are intended to expedite Future Comprehensive Settlements, but without binding a Member of the Collective (or, for the avoidance of doubt, the Crown) to any outcome; and
 - (ii) will not limit or restrict the basis upon which the Crown and each Member of the Collective are to agree and give



CNI FORESTS IWI COLLECTIVE DEED OF SETTLEMENT

2: THE SETTLEMENT

effect, through legislation, to the CNI Forests Land Cultural Redress to be included in the Future Comprehensive Settlements of each Member of the Collective.

ACKNOWLEDGEMENT CONCERNING PRESERVATION OF VALUE OF OTHER SETTLEMENTS

2.14 The Crown and the Collective acknowledge that, in entering into the Settlement and taking into account the application of the acknowledgements in clause 2.13 and the future entry into the Future Comprehensive Settlements, the Crown:

2.14.1 has also entered into the TPT Settlement Deed to preserve, in conjunction with the Crown's entry into this Deed, the value of the settlement between the Crown and the Affiliate Te Arawa Iwi/Hapū as set out in the Original TPT Deed of Settlement; and

2.14.2 will preserve the value of the other settlement offers made by the Crown to Members of the Collective including Ngāti Whare and Ngāti Manawa.

CROWN'S POSITION IN RELATION TO IMPLICATIONS OF VESTING

2.15 It is the Crown's position that the vesting of the CNI Forests Land in CNI Iwi Holdings Limited (as Financial Redress in accordance with Part 7 and subject to the Crown Agreed Proportion):

2.15.1 does not in any way imply that the Collective, any Member of the Collective or any Other CNI Claimant has a superior claim in respect of any CNI Forests Land that may comprise part or all of the Crown Agreed Proportion; and

2.15.2 this Deed should be interpreted accordingly.



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3: AUTHORISATION OF THE SETTLEMENT AND THE GOVERNANCE ENTITIES

3 AUTHORISATION OF THE SETTLEMENT AND THE GOVERNANCE ENTITIES

THIS DEED HAS BEEN AUTHORISED

- 3.1 Each Member of the Collective confirms to the Crown and to the other Members of the Collective that:
- 3.1.1 the Member of the Collective has appointed, or will prior to the Settlement Date appoint, a Governance Entity to act on its behalf in relation to this Settlement;
 - 3.1.2 the Governance Entity was, or will be, properly appointed and has, or will have, the authority to act on behalf of the Member of the Collective; and
 - 3.1.3 that Governance Entity will be a shareholder and beneficiary in the entities through which the Redress is to be provided and held on their behalf, being CNI Iwi Holdings Limited and the CNI Iwi Holdings Trust.
- 3.2 Each Member of the Collective confirms to the Crown and to the other Members of the Collective that this Deed and the entry into this Deed by the Member of the Collective was authorised by the following process:
- 3.2.1 prior to this Deed, the Member of the Collective held a series of hui and other meetings with its hapū, iwi and taura here ropū to:
 - (a) present and discuss the Agreement in Principle;
 - (b) discuss the Settlement of the Historical CNI Forests Land Claims on a basis that is consistent with the Agreement in Principle; and
 - (c) satisfy itself that it had followed its tikanga to obtain a sufficient level of support, and all authorisations that the Member of the Collective considered necessary, for the Member of the Collective to enter into this Deed of Settlement;
 - 3.2.2 as a result of this process and the resolutions passed at these hui and meetings, each Member of the Collective is satisfied that it has a sufficient level of support and all authorisations necessary for:
 - (a) the Agreement in Principle;



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CNI FORESTS IWI COLLECTIVE DEED OF SETTLEMENT

3: AUTHORISATION OF THE SETTLEMENT AND THE GOVERNANCE ENTITIES

- (b) the Member of the Collective to:
 - (i) be a Member of the Collective; and
 - (ii) enter into this Deed of Settlement, through its Authorised Signatories, and effect Settlement; and
- (c) the Member of the Collective's Governance Entity to act on behalf of that Member of the Collective as a shareholder in CNI Iwi Holdings Limited and a beneficiary under the CNI Iwi Holdings Trust;

3.2.3 each Member of the Collective therefore irrevocably confirms to the Crown and the other Members of the Collective, respectively, that:

- (a) the Member of the Collective is satisfied that it has followed its tikanga to obtain such sufficient level of support and authorisations; and
- (b) the other Members of the Collective and the Crown may therefore:
 - (i) safely rely on the resolutions referred to in clause 3.2.2 and the Member of the Collective's confirmations in this clause 3.2 for their entry into this Deed and for Settlement; and
 - (ii) enter into this Deed to effect Settlement; and

3.2.4 the Crown and the Collective therefore confirm, respectively, that they:

- (a) accept that each Member of the Collective is duly authorised to be a Member of the Collective and to enter into this Deed to effect Settlement;
- (b) are relying on the confirmations given by each Member of the Collective in this clause 3.2; and
- (c) accept that the Authorised Signatories of each Member of the Collective are duly authorised to enter into this Deed to effect Settlement on behalf of the Member of the Collective.

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CNI FORESTS IWI COLLECTIVE DEED OF SETTLEMENT

3: AUTHORISATION OF THE SETTLEMENT AND THE GOVERNANCE ENTITIES

REDRESS AGREED TO BY CABINET

- 3.3 The Crown confirms that the Redress to be provided under this Deed was agreed to by Cabinet on 18 June 2008.

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4 SETTLEMENT LEGISLATION

INTRODUCTION OF SETTLEMENT LEGISLATION

- 4.1 The Crown must (subject to clause 4.2) arrange for the Settlement Legislation to have its first reading in Parliament on the Date of this Deed.

CONTENT AND COMING INTO FORCE OF THE SETTLEMENT LEGISLATION

- 4.2 The Settlement Legislation proposed by the Crown for introduction must:
- 4.2.1 include all matters required by this Deed to be included in the Settlement Legislation; and
 - 4.2.2 be in the form set out in Schedule 11.

MEMBERS OF THE COLLECTIVE TO SUPPORT SETTLEMENT AND OTHER LEGISLATION

- 4.3 Each Member of the Collective and each Representative Entity must support, and will not do or permit (to the extent it is reasonably possible to do so) anything which may delay or prevent, the passage through Parliament of:
- 4.3.1 the Settlement Legislation;
 - 4.3.2 the TPT Legislation; and
 - 4.3.3 any other legislation required to:
 - (a) give effect to this Deed;
 - (b) achieve certainty in respect of the obligations to be performed by a Party in accordance with this Deed; or
 - (c) achieve a final and durable Settlement in respect of the CNI Forests Land.
- 4.4 Clause 4.3.2 is included to confirm each Member of the Collective's and each Representative Entity's support of the TPT Settlement Deed and the TPT Legislation.

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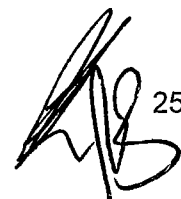
5 OTHER ACTIONS TO COMPLETE SETTLEMENT

WAITANGI TRIBUNAL

- 5.1 The Crown may, on or after the Date of this Deed:
- 5.1.1 advise the Waitangi Tribunal in writing of the Settlement and its terms, including the effect that the Settlement Legislation will have on the jurisdiction of the Waitangi Tribunal; and
 - 5.1.2 request that the Waitangi Tribunal adjourn any proceedings relating to any Historical CNI Forests Land Claims, amend its register, and adapt its procedures, to reflect the Settlement.

LAND BANK ARRANGEMENTS

- 5.2 All land bank arrangements will continue in relation to Members of the Collective (and any Representative Entity) until the settlement date of their Future Comprehensive Settlements.
- 5.3 From the Date of this Deed and pending the agreement to be reached in respect of the DSP Properties and the Collective RFR Properties under clauses 8.1 to 8.3, where the Crown wishes to sell any property that is not required for or is no longer subject to any land bank arrangement referred to in clause 5.2, or it considers is reasonably likely to be a DSP Property or Collective RFR Property (with the Crown acting consistently with the intention of this Deed), then:
- 5.3.1 the Crown must first provide the Collective with Notice that the Crown intends to sell the property, which will set out the terms and conditions (including price) at which it wishes to sell the property;
 - 5.3.2 the Collective may, within 25 Business Days from the date of the Crown's Notice, time being of the essence, provide Notice to the Crown advising that the Collective requires the property to be land banked for the purpose of clauses 8.1, 8.2 and 8.3;
 - 5.3.3 where the Crown receives such Notice from the Collective, the Crown must land bank the property for that purpose;
 - 5.3.4 where the Crown does not receive such Notice from the Collective within the 25 Business Day period, then the Crown may proceed to sell the property without further reference to the Collective, but only so long as the sale is not on terms and conditions that are more favourable to a purchaser than those notified under clause 5.3.1; and



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CNI FORESTS IWI COLLECTIVE DEED OF SETTLEMENT

5: OTHER ACTIONS TO COMPLETE SETTLEMENT

5.3.5 clauses 5.3.1 to 5.3.4 will again apply where the Crown wishes to sell the property on those more favourable terms and conditions and with all necessary modifications to ensure that the process set out in those clauses is repeated and complied with by the Crown and the Collective.

5.4 For the avoidance of doubt, the Collective acknowledges that:

5.4.1 this clause 5 is not intended to operate to limit the Future Comprehensive Settlements of each Member of the Collective (consistent with the acknowledgement provided in clause 2.12.11); and

5.4.2 where any property becomes subject to the land bank to be created and to apply pursuant to clause 5.3, this will not in any way prevent the Crown from including the property as redress in a Future Comprehensive Settlement with a Member of the Collective and nor will this in any way impact upon the discretion of any Member of the Collective to not provide the written agreement referred to in clauses 8.2.1 and 8.2.2.

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6 SUMMARY OF THE REDRESS

6.1 This Part sets out a summary of the Redress to be provided by the Crown under Part 7: Financial Redress and Part 8: Commercial Redress.

6.2 This Part:

6.2.1 sets out only a summary of the Redress to be provided;

6.2.2 is not an operative part of this Deed; and

6.2.3 does not affect the interpretation of any other provision of this Deed.

6.3 The Redress includes:

6.3.1 subject to the retention by the Crown of the Crown's Agreed Proportion, Financial Redress comprising

the transfer of all of the CNI Forests Land to CNI Iwi Holdings Limited, to be effected by the Settlement Vesting and including the transfer of the Crown's interest in the CNI Forests Land as Licensor under all current CNI Crown Forestry Licences (for the avoidance of doubt, in this Deed, including in clause 2.13.2, reference to Financial Redress does not include the effect of clause 7.3.4(e)); and

6.3.2 Commercial Redress comprising the Collective Mechanisms.

6.4 The Financial Redress referred to in clause 6.3.1 is agreed to have a monetary value of \$195.6 million, which is 86.7% of the agreed value of CNI Forests Land (being \$225.6 million).

6.5 The Financial Redress will be provided to CNI Iwi Holdings Limited in the manner provided in Part 7: Financial Redress.

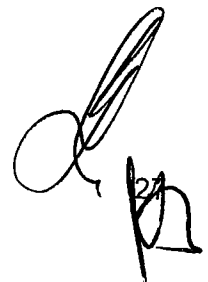
6.6 The Commercial Redress will be provided to the DSP Entity and the RFR Entity in the manner provided in Part 8: Commercial Redress.

6.7 It is acknowledged by the Collective that the Settlement Vesting:

6.7.1 is required by the Collective for:

(a) the purposes of Settlement;

(b) the CNI Iwi Holdings Trust; and



CNI FORESTS IWI COLLECTIVE DEED OF SETTLEMENT

6: SUMMARY OF THE REDRESS

(c) the Collective's Allocation Agreement; and

6.7.2 therefore provides to each Member of the Collective, for the purposes of and in accordance with clause 2.13.2, Financial Redress "on account" for financial redress that would have otherwise been provided to them, respectively, in their Future Comprehensive Settlements.

6.8 Part 9 sets out the structure of the Settlement and, among other things, provisions applying to the basis upon which CNI Iwi Holdings Limited will receive and hold the Financial Redress and the Commercial Redress.



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7 FINANCIAL REDRESS

VESTING OF CNI FORESTS LAND

- 7.1 The Financial Redress will be effected by the Settlement Legislation as provided in clause 7.3.
- 7.2 This Part 7 and the terms of vesting contained in Part 2 of Schedule 4 set out obligations of the Parties in relation to the CNI Forests Land.

SETTLEMENT LEGISLATION FOR CNI FORESTS LAND, CROWN FORESTRY LICENCES AND OTHER MATTERS

- 7.3 The Settlement Legislation must:
- 7.3.1 provide that the fee simple estate in the CNI Forests Land vests in CNI Iwi Holdings Limited on the Settlement Date;
- 7.3.2 authorise the Crown to sign any document, or do any other thing necessary, or reasonably incidental, to give effect to this Part 7;
- 7.3.3 provide that to the extent that the fee simple estate in a parcel of CNI Forests Land subject to a single CNI Crown Forestry Licence:
- (a) comprises all the land in a certificate of title or computer freehold register, the Registrar-General of Land must, on written application by an Authorised Person:
- (i) register CNI Iwi Holdings Limited as the proprietor of the parcel of CNI Forests Land;
- (ii) register any Relevant Encumbrances that are registrable, notified or notifiable and are described in that written application; and
- (iii) make those entries in the register and generally do all things necessary to give effect to this Part 7;
- (b) does not comprise all the land in a certificate of title or computer freehold register, the Registrar-General of Land must on written application by an Authorised Person and after completion of any necessary survey:
- (i) create one computer freehold register for the parcel of CNI Forests Land that is subject to the CNI Crown Forestry Licence;



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CNI FORESTS IWI COLLECTIVE DEED OF SETTLEMENT

7: FINANCIAL REDRESS

- (ii) create the register in the name of CNI Iwi Holdings Limited;
 - (iii) register any Relevant Encumbrances that are registrable, notified or notifiable and are described in that written application; and
 - (iv) make those entries in the register and generally do all things necessary to give effect to this Part 7; and
- (c) the computer freehold registers created in accordance with clause 7.3.3(b) are to exclude the Moerangi Site and the Kakapiko Site;

7.3.4 provide that:

- (a) section 11 and Part 10 of the Resource Management Act do not apply to:
 - (i) the Settlement Vesting; or
 - (ii) a matter incidental to, or required for the purpose of, the Settlement Vesting;
- (b) the Settlement Vesting:
 - (i) does not:
 - (I) limit sections 10 or 11 of the Crown Minerals Act;
 - (II) affect other rights to sub-surface minerals; or
 - (III) limit the Crown's or a Local Authority's rights and obligations in respect of geothermal energy and geothermal water (as both terms are defined in section 2(1) of the Resource Management Act) under any enactment or rule of law;
 - (ii) is a disposition for the purposes of Part 4A of the Conservation Act, but that sections 24(2A), 24A and 24AA of that Act do not apply to the disposition;
- (c) the permission of a council under section 348 of the Local Government Act is not required for laying out, forming, granting or reserving a private road, private way or right of way that may be required to fulfil the terms of this Deed in relation to the Settlement Vesting;

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CNI FORESTS IWI COLLECTIVE DEED OF SETTLEMENT

7: FINANCIAL REDRESS

- (d) the Crown is not required to comply with any other enactment that would otherwise regulate or apply to the Settlement Vesting;
- (e) with effect from the Settlement Date, CNI Iwi Holdings Limited will be a "Confirmed Beneficiary" under clause 11.1 of the Crown Forestry Rental Trust Deed (that is, CNI Iwi Holdings Limited will become entitled to "Rental Proceeds" (as defined in that trust deed) payable since the commencement of each CNI Crown Forestry Licence) and all the provisions of the Crown Forestry Rental Trust will apply accordingly;
- (f) with effect from the Settlement Date and in respect of each CNI Crown Forestry Licence, the Crown must give a notice described in section 17(4)(b) of the Crown Forest Assets Act, even though the Waitangi Tribunal has not made a recommendation under section 8HB(1)(a) of the Treaty of Waitangi Act for the return of the CNI Forests Land, and the notice will have effect as if such a recommendation had been made and had become final;
- (g) with effect from the Settlement Date, CNI Iwi Holdings Limited will be the Licensor under each CNI Crown Forestry Licence as if the CNI Forests Land had been returned to Māori ownership on the Settlement Date pursuant to section 36 of the Crown Forest Assets Act, but section 36(1)(b) of that Act does not apply to that return;
- (h) on the vesting of the CNI Forests Land in CNI Iwi Holdings Limited, the land ceases to be Crown Forest Land but, even though the CNI Forests Land does not cease to be Crown Forest Land until the vesting, neither the Crown nor any Court or Tribunal may do any thing, or omit to do any thing, which would otherwise be permitted by the Crown Forest Assets Act, if to do that thing or omit to do that thing is inconsistent with this Part;
- (i) the Crown may grant the easements referred to in clause 7.13 and that any such easement over any conservation area:
 - (i) is registrable under section 17ZA(2) of the Conservation Act, as if it were a deed to which that provision applied; and
 - (ii) is enforceable in accordance with its terms despite Part 3B of the Conservation Act; and



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CNI FORESTS IWI COLLECTIVE DEED OF SETTLEMENT

7: FINANCIAL REDRESS

- (j) provide for the matters referred to in clauses 7.22, 7.28, 7.30, and 7.36; and

7.3.5 include such other provisions as are necessary or desirable to give effect to this Part.

PROVISIONS RELATING TO THE MANAGEMENT OF CROWN FORESTRY LICENCES

7.4 From the Date of this Deed until the Settlement Date, the Crown must, subject to clause 7.5:

7.4.1 continue to manage the Licensor's interest in the CNI Forests Land prudently and having particular regard to the commercial interests of CNI Iwi Holdings Limited as Licensor from the Settlement Date;

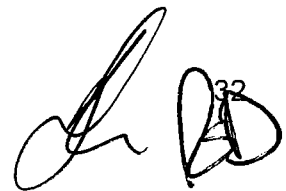
7.4.2 give the Collective, whether to CNI Iwi Holdings Limited or as otherwise required by the Collective, all material information (unless to do so would breach any obligation to keep that information confidential) relating to the obligation in clause 7.4.1 in sufficient time, where practicable, to enable the Collective, to make submissions to the Crown on its management of the Licensor's interest in the CNI Forests Land; and

7.4.3 in complying with this clause 7.4 have particular regard to any submissions made to it by or on behalf of the Collective about the management of the Licensor's interest in the CNI Forests Land and the conduct of the Licence Fee Reviews.

7.5 From the Date of this Deed until the Settlement Date, the Crown must conduct any Licence Fee Reviews in a manner that does not prejudice CNI Iwi Holdings Limited's position as a prospective proprietor under each CNI Crown Forestry Licence.

7.6 Subject to clause 7.7, the Crown will ensure that all licence fees the Crown receives from the Licensee, or from any guarantor of the Licensee, under each CNI Crown Forestry Licence, will be paid to the Crown Forestry Rental Trust as soon as practicable so that the Crown Forestry Rental Trust is able to pay those amounts to CNI Iwi Holdings Limited with effect from the Settlement Date.

7.7 The Crown will not be in breach of clause 7.6 if such payments are received too late (whether before or after the Settlement Date) for it to be practicable for the Crown to pay them to the Crown Forestry Rental Trust in time for the Crown Forestry Rental Trust to pay them to CNI Iwi Holdings Limited with effect from the Settlement Date and, in that case, the Crown will ensure those amounts are paid to CNI Iwi Holdings Limited on the Settlement Date or as soon as practicable after it.

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7: FINANCIAL REDRESS

7.8 The Crown gives no warranty or indemnity to the Collective or CNI Iwi Holdings Limited that the amounts referred to in clause 7.6 will be received by the Crown, but the Crown:

7.8.1 acknowledges that clause 7.4 applies to the collection of those amounts from the Licensee under each CNI Crown Forestry Licence; and

7.8.2 will, accordingly, until the Settlement Date, take all reasonable steps to enforce payment by the Licensees.

7.9 To the extent that clause 7.3 does not achieve the same effect, the Crown assigns to CNI Iwi Holdings Limited all the Crown's rights as Licensor under the CNI Crown Forestry Licences, including the right to pursue remedies against the Licensee in respect of breaches by the Licensee occurring before the Settlement Date but without limiting or affecting the Crown's rights:

7.9.1 relating to any failure by the Licensee to pay rates in respect of a period prior to the Settlement Date; and

7.9.2 to take Court proceedings against, or defend Court proceedings by, the Licensee where:

(a) the proceedings relate to a loss or potential loss to, or Court order against, the Crown; or

(b) the proceedings relate to a clause in the CNI Crown Forestry Licence (or a replacement licence) where reference to the "Crown" or the "Crown's" is not replaced by a reference to the "Proprietor" or the "Proprietor's" in accordance with the terms of the CNI Crown Forestry Licence.

7.10 From the Settlement Date, CNI Iwi Holdings Limited will be responsible for all the Licensor's obligations under each CNI Crown Forestry Licence insofar as they relate to the CNI Forests Land, including, the obligation to pay any overpayment to the Licensee (and interest on it) on completion of a Licence Fee Review in respect of a period prior to the Settlement Date.

EASEMENTS TO BE GRANTED

"Type A" Easements

7.11 The Collective will procure CNI Iwi Holdings Limited to grant to the Crown:

7.11.1 right of way easements:



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- (a) on the terms and conditions set out as "Type A" in Part 1 of Schedule 6 (subject to any variations arising pursuant to clause 7.41); and
- (b) to give effect to those descriptions of easements in the second column of the table in Schedule 5 in respect of which the third column refers to this clause 7.11; and

7.11.2 with effect from the Settlement Vesting.

"Type B" Easements

7.12 The Collective will procure CNI Iwi Holdings Limited to grant to the Crown:

7.12.1 right of way easements:

- (a) on the terms and conditions set out as "Type B" in Part 2 of Schedule 6 (subject to any variations arising pursuant to clause 7.41); and
- (b) to give effect to those descriptions of easements in the second column of the table in Schedule 5 in respect of which the third column refers to this clause 7.12; and

7.12.2 with effect from the Settlement Vesting;

and at any time until the registration of an easement to be granted under clause 7.11, the Crown may give Notice to CNI Iwi Holdings Limited that the easement is to be on the terms and conditions set out as these "Type B" easements (subject to any variations arising pursuant to clause 7.41), in which case clause 7.11 will apply to the easement as if "Type A" were replaced by "Type B".

"Type C" Easements

7.13 The Crown will grant to CNI Iwi Holdings Limited:

7.13.1 right of way easements:

- (a) on the terms and conditions set out as "Type C" in Part 3 of Schedule 6 (subject to any variations arising pursuant to clause 7.41); and
- (b) over land held under the Conservation Act to give effect to those descriptions of easements in the second column of the table in Schedule 5 in respect of which the third column refers to this clause 7.13; and



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7.13.2 with effect from the Settlement Vesting.

DOC Management Easements

7.14 Without limiting clauses 7.11 to 7.13, with effect from the Settlement Vesting, the Collective will procure CNI Iwi Holdings Limited to grant to the Crown the following right of way easements in gross for Department of Conservation management purposes:

7.14.1 a right of way easement over the Kokomoka Land on the terms and conditions set out in Part 4 of Schedule 6 ("**Kokomoka Easement**");

7.14.2 a right of way easement over the Lake Tarawera Reserve Land on the terms and conditions set out in Part 5 of Schedule 6 ("**Lake Tarawera Reserve Easement**"); and

7.14.3 a right of way easement over the Northern Whirinaki Forest Park Land on the terms and conditions set out in Part 6 of Schedule 6 ("**Northern Whirinaki Forest Park Easement**"),

(together the "**DOC Management Easements**").

7.15 Each of the DOC Management Easements will be:

7.15.1 on the terms and conditions referred to in clauses 7.14.1 to 7.14.3 above, subject to any variations arising pursuant to clause 7.41; and

7.15.2 with effect from the Settlement Vesting.

Definitions

7.16 In clause 7.14:

7.16.1 "**Kokomoka Land**" means part of the CNI Forests Land comprised in the CNI Crown Forestry Licence known as "Kaingaroa Matea" and more particularly defined in clause 2.1 of the Kokomoka Easement;

7.16.2 "**Lake Tarawera Reserve Land**" means part of the CNI Forests Land comprised in the CNI Crown Forestry Licence known as "Whakarewarewa Highlands" and more particularly defined in clause 2.1 of the Lake Tarawera Reserve Easement; and

7.16.3 "**Northern Whirinaki Forest Park Land**" means part of the CNI Forests Land comprised in the CNI Crown Forestry Licence known

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as "Kaingaroa Whirinaki" and more particularly defined in clause 2.1 of the Northern Whirinaki Forest Park Easement.

EXISTING ACCESS

Acknowledgement that existing access rights remain

- 7.17 The Crown and the Collective acknowledge that all existing access rights to any third party in relation to the CNI Forests Land will remain, according to the nature of the right and the provisions of this Deed, and the CNI Forests Land will be vested under this Part subject to the existing and other access rights referred to in clauses 7.18 to 7.29.

PUBLIC RIGHT OF WAY EASEMENTS

Public recreational access on foot and additional access

- 7.18 The Collective acknowledges that:
- 7.18.1 pursuant to clause 6.2 of the CNI Crown Forestry Licences and while the Crown is Licensor, the public at all times during the term of the CNI Crown Forestry Licence have the right to enter and use the CNI Forests Land for recreational purposes;
 - 7.18.2 such entry, unless the Licensee expressly permits otherwise, is limited:
 - (a) in the case of the CNI Forests Land that is subject to the CNI Crown Forestry Licences over the Whakarewarewa Forest/Whaka Block and the Whakarewarewa Forest/Tokorangi Block, to access on foot, on bicycle or on horseback; and
 - (b) in the case of all other CNI Forests Land, to access on foot; and
 - 7.18.3 the Licensee has the discretion to control such entry and use only for reasons relating to the safety of the public or of those working on the CNI Forests Land or for the protection of trees, buildings, plant, equipment and related items.
- 7.19 The Collective further acknowledges that pursuant to clause 6.2 of the CNI Crown Forestry Licences, Licensees have from time to time permitted additional public access for recreational purposes, beyond the nature of the access described in clause 7.18.2, and that this may continue during the term of the CNI Crown Forestry Licences at the Licensees' discretion after the Settlement Vesting and in accordance with the CNI Crown Forestry



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Licences and despite the Crown no longer being the Licensor after the Settlement Vesting.

Crown to create public right of way easements

7.20 The following will apply to public right of way easements:

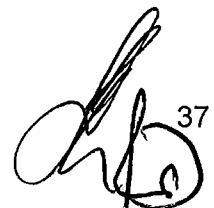
7.20.1 no later than 10 Business Days prior to the Settlement Date, the Crown will prepare at its cost and execute as transferor and transferee:

- (a) an easement in gross in respect of each block of the CNI Forests Land listed in column 1 of Schedule 4, but excluding the CNI Forests Land that is subject to the easements described in 7.20.1(b) and (c), on the terms and conditions set out in Part 7 of Schedule 6 (the "**Public Right of Way Easements**") (subject to any variations in form necessary only to ensure its registration);
- (b) an easement in gross on the terms and conditions set out in Part 8 of Schedule 6 (the "**Tokorangi Easement**") (subject to any variations in form necessary only to ensure its registration) over the land described in the Tokorangi Easement;
- (c) an easement in gross on the terms and conditions set out in Part 9 of Schedule 6 (the "**Whaka Easement**") (subject to any variations in form necessary only to ensure its registration) over the land described in the Whaka Easement;
- (d) an easement in gross on the terms and conditions set out in Part 10 of Schedule 6 (the "**Matea Easement**") (subject to any variations arising pursuant to clause 7.41) over the land described in the Matea Easement; and
- (e) an easement in gross on the terms and conditions set out in Part 11 of Schedule 6 (the "**Whirinaki Easement**") (subject to any variations arising pursuant to clause 7.41) over the land described in the Whirinaki Easement,

(together the "**Public Easements**"); and

7.20.2 the access rights granted under:

- (a) the Public Right of Way Easements;
- (b) the Tokorangi Easement; and



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(c) the Whaka Easement,

cannot be exercised in respect of any part of the CNI Forests Land subject to the relevant easement until the end of a CNI Crown Forestry Licence (whether by expiry, cancellation or termination or any other reason) in relation to that part of the CNI Forests Land;

7.20.3 the Crown and the Collective acknowledge that:

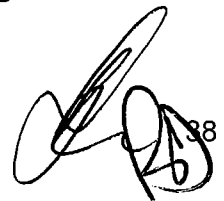
- (a) prior to this Deed, discussions were held between the Crown, the Collective and Rotorua District Council about the Whakarewarewa Forest/Tokorangi Block and the Whakarewarewa Forest/Whaka Block;
- (b) as a result of those discussions, the Crown and the Collective have agreed certain principles which are to guide further discussions between the Collective and Rotorua District Council after the date of this Deed and in relation to the Whakarewarewa Forest/Tokorangi Block and the Whakarewarewa Forest/Whaka Block; and
- (c) Ngāti Whakaue and Te Pumautanga o Te Arawa Trust will have a special role and interest in those discussions;

7.20.4 the principles are:

- (a) the preservation of the visual backdrop to Rotorua and retention of some mixed species forestry; and
- (b) continuation of the recreational amenity value of the Whakarewarewa Forest/Tokorangi Block and the Whakarewarewa Forest/Whaka Block;

7.20.5 the Collective will enter into further discussions with Rotorua District Council on management arrangements for the Whakarewarewa Forest/Tokorangi Block and the Whakarewarewa Forest/Whaka Block, including exploring cultural and commercial opportunities. Any such discussions will be subject to the terms of the relevant CNI Crown Forestry Licences, including the rights of the Licensee under the Crown Forestry Licence relating to the Whakarewarewa Forest/Whaka Block; and

7.20.6 the Collective agrees that notwithstanding the Settlement Vesting, the CNI Crown Forestry Licence relating to the Whakarewarewa Forest/Tokorangi Block will continue for the term provided for in that CNI Crown Forestry Licence, unless otherwise agreed between the Collective and Rotorua District Council.



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Easements to be created under Crown Forest Assets Act

7.21 The Crown shall:

7.21.1 as transferor, execute the Public Easements by the Minister for State Owned Enterprises and the Minister of Finance under section 8 of the Crown Forest Assets Act; and

7.21.2 as transferee, execute the Public Easements through the Minister of Conservation.

Settlement Legislation

7.22 The Settlement Legislation will provide that:

7.22.1 the Public Easements may be granted under section 8 of the Crown Forest Assets Act and any such easement is enforceable in accordance with its terms despite its subject matter;

7.22.2 sections 26 and 27 of the Crown Forest Assets Act apply to any variation, renewal or cancellation under section 8(b) of that Act;

7.22.3 the permission of a council under section 348 of the Local Government Act is not required to lay out, form, grant, or reserve a private road, private way, or right of way under this section; and

7.22.4 clause 6.2 of the CNI Crown Forestry Licences will continue to apply despite the Crown no longer being the Licensor after the Settlement Vesting and for:

(a) a notification to this effect to be recorded against the computer freehold registers for the CNI Forests Land; and

(b) this notification to be removed (on application by the registered proprietor) on the expiry of CNI Crown Forestry Licences and in respect of the relevant computer freehold registers.

BONISCH ROAD

7.23 The Parties acknowledge that the Crown has been in discussions with Ngāti Awa in relation to reciprocal access rights over Bonisch Road, part of which is Ngāti Awa's land and part of which is Crown land, in the context of clause 8.4.7 of the Ngāti Awa Deed of Settlement, and the Crown and Ngāti Awa are yet to reach an outcome in those discussions.

7.24 The Parties also acknowledge:



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- 7.24.1 that clause 7.4 applies to the continuation by the Crown of the discussions with Ngāti Awa; and
- 7.24.2 there is no certainty that an enforceable document envisaged by clause 8.4.7(e) of the Ngāti Awa Deed of Settlement will have been entered into by the Settlement Date.
- 7.25 If these discussions have not been completed and an enforceable document has not been entered into between the Crown and Ngāti Awa by Settlement Date, then:
- 7.25.1 the Collective will negotiate with Ngāti Awa; and
- 7.25.2 the Collective and CNI Iwi Holdings Limited will do all things as may be reasonably necessary to enable an enforceable document envisaged by clause 8.4.7(e) of the Ngāti Awa Deed of Settlement to be entered into as soon as practicable, but this is subject to clause 7.41.

KAINGAROA PROCESSING PLANT LEASE AND IMPROVEMENTS

- 7.26 The Crown and the Collective acknowledge that:
- 7.26.1 KT1 CO, KT2 CO and NZSF Timber Investments (NO 4) Limited (together "KT") have an existing right to occupy part of the CNI Forests Land comprising part of the forest block known as "Kaingaroa Headquarters" (the "**Leased Land**") for the purpose of operating a timber processing plant;
- 7.26.2 the Crown and KT have agreed that KT is to lease the Leased Land on terms that are currently being negotiated and which are to be agreed prior to the Settlement Date;
- 7.26.3 if the Kaingaroa Processing Plant Lease has not been entered into prior to Settlement Date, the Collective will procure CNI Iwi Holdings Limited to enter into the Kaingaroa Processing Plant Lease, as lessor;
- 7.26.4 KT own certain lookout towers, radio masts and fire stations on parts of the CNI Forests Land ("**Improvements**");
- 7.26.5 KT use the Improvements for forestry management purposes and wish to continue to use the Improvements after the Settlement Vesting;
- 7.26.6 the Crown and the Collective will work with KT in an attempt to agree an appropriate document (lease or otherwise) to allow KT's



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continued use of the Improvements for such time as KT have a current CNI Crown Forestry Licence; and

- 7.26.7 clause 7.41 applies to the finalisation of the Kaingaroa Processing Plant Lease and negotiations in relation to continued use of the Improvements by KT.

LANDCORP EASEMENTS

Acknowledgements

7.27 The Crown and the Collective acknowledge that:

7.27.1 the vesting of the CNI Forests Land under this Part will be subject to, and have the benefit of, the Landcorp Easements;

7.27.2 prior to Settlement Date, the Crown may enter into the Landcorp Easements;

7.27.3 if the Landcorp Easements have not been entered into by the Settlement Date, the Collective will procure CNI Iwi Holdings Limited to do all things necessary to grant and register the Landcorp Easements; and

7.27.4 clause 7.41 applies to the Landcorp Easements.

Settlement Legislation

7.28 The Settlement Legislation will provide that:

7.28.1 the Crown may grant easements over marginal strips (within the meaning of the Conservation Act) on the same terms as the Landcorp Easements for the purpose of extending the Landcorp Easements over the marginal strips;

7.28.2 an easement granted under clause 7.28.1 is:

(a) registrable under section 17ZA(2) of the Conservation Act as if it were a deed to which that provision applied; and

(b) enforceable in accordance with its terms despite Part 3B of the Conservation Act;

7.28.3 the responsible Ministers under the Crown Forest Assets Act may grant a right of way easement over land adjoining the CNI Forests Land which is owned or administered by the Crown on the same terms as the Landcorp Easements, for the purpose of extending

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the Landcorp Easements over riverbeds adjoining the CNI Forests Land; and

- 7.28.4 it is sufficient evidence that an easement has been granted under clause 7.28.1 or 7.28.3 if the Authorised Person has executed a statement to that effect on the document creating the easement.

ROADING NETWORK

Acknowledgements

- 7.29 The Crown and the Collective acknowledge that:

7.29.1 the vesting of the CNI Forests Land under this Part will be subject to, and have the benefit of, the Roothing Network;

7.29.2 if the Roothing Network is not in place by the Settlement Date, the Collective will procure CNI Iwi Holdings Limited to do all things reasonably required to give effect to the Roothing Network; and

7.29.3 clause 7.41 applies to the Roothing Network.

Settlement Legislation

- 7.30 The Settlement Legislation will provide that:

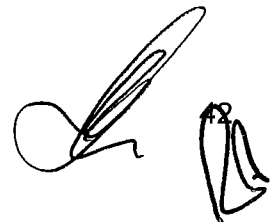
7.30.1 the Crown may grant easements over marginal strips (within the meaning of the Conservation Act) on the same terms as the existing easements relating to the Roothing Network, for the purpose of extending the Roothing Network over the marginal strips;

7.30.2 an easement granted under clause 7.30.1 is:

(a) registrable under section 17ZA(2) of the Conservation Act as if it were a deed to which that provision applied; and

(b) enforceable in accordance with its terms despite Part 3B of the Conservation Act;

7.30.3 the responsible Ministers under the Crown Forest Assets Act may grant a right of way easement over land adjoining the CNI Forests Land which is owned or administered by the Crown on the same terms as the easements relating to the Roothing Network, for the purpose of extending the Roothing Network over riverbeds adjoining the CNI Forests Land; and



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7.30.4 it is sufficient evidence that an easement has been granted under clause 7.30.1 or 7.30.3 if the Authorised Person has executed a statement to that effect on the document creating the easement.

CONSERVATION COVENANTS

Plot Road Covenant and Rangitaiki River Covenant

7.31 The Crown and the Collective acknowledge that:

7.31.1 in conjunction with the Settlement Vesting and in accordance with clause 7.32, the Collective will procure CNI Iwi Holdings Limited to provide to the Crown a registrable covenant in relation to the Wetland on Plot Road:

- (a) for the preservation of the conservation values of that land; and
- (b) subject to clause 7.41, in the form set out in Part 1 of Schedule 7 (the "**Plot Road Covenant**"); and

7.31.2 in conjunction with the Settlement Vesting and in accordance with clause 7.32, the Collective will procure CNI Iwi Holdings Limited to provide to the Crown a registrable covenant in relation to the Rangitaiki River Wetlands:

- (a) for the preservation of the conservation values of that land; and
- (b) subject to clause 7.41, in the form set out in Part 2 of Schedule 7 (the "**Rangitaiki River Covenant**").

CNI Iwi Holdings Limited to sign documents

7.32 On or before the Settlement Date, the Collective will procure CNI Iwi Holdings Limited to sign and return to the Crown in relation to:

7.32.1 the Wetland on Plot Road, the Plot Road Covenant; and

7.32.2 the Rangitaiki River Wetlands, the Rangitaiki River Covenant.

Crown obligations

7.33 The Crown will endeavour to ensure that the Licensees under the relevant CNI Crown Forestry Licences have consented to the creation of the Plot River Covenant and the Rangitaiki River Covenant.



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- 7.34 The obligation on the Collective in clause 7.32 to procure CNI Iwi Holdings Limited to sign and return the documents by the Settlement Date will only apply if the Crown prepares and provides the documents listed in clause 7.32 to CNI Iwi Holdings Limited no later than 10 Business Days before the Settlement Date.
- 7.35 If the Crown provides the documents in clause 7.32 to CNI Iwi Holdings Limited later than 10 Business Days before the Settlement Date, the timeframe applying under clause 7.32 will be deferred by the number of days after the day that is 10 Business Days before the Settlement Date that the Crown provides the documents in clause 7.32 to CNI Iwi Holdings Limited.

Settlement Legislation

- 7.36 The Settlement Legislation will provide that the Plot Road Covenant and the Rangitaiki River Covenant are each to be treated as a conservation covenant for the purposes of section 77 of the Reserves Act.

Capella Road Covenant

- 7.37 The Parties acknowledge that:
- 7.37.1 at any time after the Settlement Date part of the CNI Forests Land comprised in the CNI Crown Forestry Licence known as "Horohoro" may be subject to a conservation covenant to protect the Capella Road Wetland;
- 7.37.2 this is likely to be effected through a Future Comprehensive Settlement; and
- 7.37.3 in the event that the covenant is effected through a Future Comprehensive Settlement, the conservation covenant will be in the form set out in Part 3 of Schedule 7 (subject to any variations arising pursuant to clause 7.41) (the "**Capella Road Covenant**").

COSTS AND REGISTRATION

- 7.38 The Crown will bear its own costs and the reasonable costs of the Collective and CNI Iwi Holdings Limited incurred in complying with the following clauses and which are not funded by the Crown Forestry Rental Trust:
- 7.38.1 clauses 7.11-7.15;
- 7.38.2 clause 7.25;
- 7.38.3 clause 7.26;



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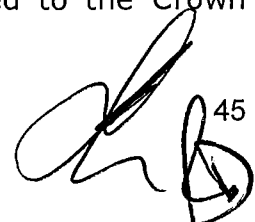
- 7.38.4 clause 7.27;
- 7.38.5 clause 7.29;
- 7.38.6 clauses 7.31-7.35; and
- 7.38.7 clause 7.37.

DISCLOSURE INFORMATION

- 7.39 The Collective acknowledges that it has received and reviewed the Disclosure Information from the Crown and that clause 8 of the terms of vesting in Part 2 of Schedule 4 applies to the Disclosure Information and the Settlement Vesting.

FINALISATION OF CERTAIN ENCUMBRANCES

- 7.40 It is acknowledged that the following Encumbrances are yet to be finalised (although a number of them are attached in the Schedules to this Deed in a form that is regarded as being substantially complete):
 - 7.40.1 the easements to be granted pursuant to clauses 7.11 to 7.15;
 - 7.40.2 the Public Easements comprising the Matea Easement and the Whirinaki Easement to be granted pursuant to clauses 7.20.1(d) and (e);
 - 7.40.3 reciprocal access rights over Bonisch Road to be granted by Ngāti Awa and the Crown or CNI Iwi Holdings Limited pursuant to clauses 7.23 to 7.25;
 - 7.40.4 the Kaingaroa Processing Plant Lease to be entered into pursuant to clause 7.26;
 - 7.40.5 the agreement relating to KT's use of the Improvements pursuant to clause 7.26;
 - 7.40.6 the Landcorp Easements to be entered into pursuant to clause 7.27;
 - 7.40.7 the Roding Network, in respect of which the vesting of the CNI Forests Land under Part 7 is to be subject to, have the benefit of and be given effect pursuant to clause 7.29;
 - 7.40.8 the conservation covenants comprising the Plot Road Covenant and the Rangitaiki River Covenant to be provided to the Crown pursuant to clauses 7.31 to 7.35; and



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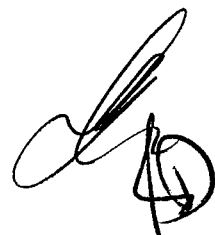
7.40.9 the conservation covenant comprising the Capella Road Covenant to which part of the CNI Forests Land comprised in the CNI Crown Forestry Licence known as "Horohoro" may be subject to pursuant to clause 7.37,

(together, the "**Encumbrances to be Finalised**").

7.41 Following the Date of this Deed, the Collective, CNI Iwi Holdings Limited and the Crown will work together co-operatively, and in a manner that is consistent with the intent of this Deed of Settlement to do all things necessary to:

7.41.1 work through and resolve as soon as reasonably practicable any issues that may need to be addressed in relation to the Encumbrances to be Finalised to ensure that they, respectively:

- (a) appropriately confer the rights that are intended to be granted or provided pursuant to the terms of this Deed;
- (b) are registrable (subject to clause 7.41.1(d));
- (c) are on reasonable terms to reflect the intent of the Parties that, to the maximum extent reasonably practicable (taking into account the nature of the rights to be granted or provided under the Encumbrances to be Finalised and the Collective's agreement to the Encumbrances to be Finalised as part of Settlement), the Encumbrances will not have a material adverse effect on the:
 - (i) intended benefit to the Collective of the Settlement Vesting;
 - (ii) the Collective's obligations as Licensor under the CNI Crown Forestry Licences with effect from the Settlement Vesting; and
 - (iii) the Collective's legal obligations as owner of the CNI Forests Land; and
- (d) finalise, execute and, where appropriate, register the Encumbrances to be Finalised as soon as reasonably practicable after the Date of this Deed.




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COLLECTIVE MECHANISMS - DSP PROPERTIES AND COLLECTIVE RFR PROPERTIES

Identification of DSP Properties and Collective RFR Properties

- 8.1 As soon as possible following the Date of this Deed and in any event by no later than the date being six months from the Settlement Date, the Crown and the Collective will use all reasonable endeavours (with the Crown and the Collective acting consistently with the intention of this Deed) to agree all properties within the Collective Mechanism Area that are to be DSP Properties and Collective RFR Properties. For the purposes of this clause and given the significance, and importance, to the Parties of the acknowledgements in clauses 2.12.11 and 2.12.12, it is agreed that:
- 8.1.1 the Crown must approach this exercise with due regard to its, and the Collective's, desire for the Crown to not be in any way constrained by this Settlement from including any property in a deferred selection mechanism or a right of first refusal mechanism under a Future Comprehensive Settlement; and
- 8.1.2 the Crown may, at an early stage in the identification process, and without the need to give any reason other than it is concerned to preserve the integrity of the Future Comprehensive Settlements, advise the Collective that, unless the Collective can obtain a written agreement of the nature referred to in clause 8.2.1(a) or clause 8.2.2(a) (as the case may be), the relevant property will not be a DSP Property or a Collective RFR Property.
- 8.2 Where, for the purposes of clause 8.1 (but without limiting clauses 8.1.1 and 8.1.2), the Crown and the Collective identify a property that could potentially be included in the:
- 8.2.1 DSP Properties and where the Crown considers that it is likely that the potential property will be included as commercial redress in a Future Comprehensive Settlement, then:
- (a) they must obtain the written agreement of the relevant Member of the Collective, or Other CNI Claimant (who will have complete discretion as to whether or not it will provide such agreement) that the potential property will not be included as commercial redress in its Future Comprehensive Settlement; and



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- (b) where this agreement is not provided by the date six months from the Settlement Date, then the potential property will not be included in the DSP Properties; or

8.2.2 Collective RFR Properties, then:

- (a) the Crown and the Collective must obtain the written agreement of the relevant Member of the Collective, or Other CNI Claimant, (who will have complete discretion as to whether or not it will provide such agreement) that the potential property will not be included as commercial redress in its Future Comprehensive Settlement; and
- (b) where this agreement is not provided by the date six months from the Settlement Date, then the potential property will not be included in the Collective RFR Properties. For the avoidance of doubt, this is not intended to prevent the potential property from becoming a Future RFR Property.

8.3 Subject to clause 8.2, all DSP Properties that are agreed as being DSP Properties will be:

8.3.1 offered to the DSP Entity to purchase on behalf of the Collective pursuant to clauses 8.4 to 8.13; and

8.3.2 if not purchased by the DSP Entity pursuant to those clauses, a RFR Property for the purposes of the RFR Deed.

Notification of interest

8.4 From time to time during the DSP Selection Period, or earlier if agreed by the Crown, the DSP Entity may give notice to the Crown that it is interested in purchasing a DSP Property.

Valuation and election to purchase

8.5 If the DSP Entity gives notice in accordance with clause 8.4 that it is interested in purchasing a DSP Property:

8.5.1 by no later than the date 40 Business Days from the date the Crown receives a notice pursuant to clause 8.4, the Crown must provide to the DSP Entity such disclosure information held by the Crown (including by the relevant Land Holding Agency) and which will be reasonably material to the DSP Entity's possible selection of the DSP Property pursuant to this Part. If applicable, this disclosure information will include the proposed terms of lease back to apply to the DSP Property in accordance with clause 8.10;

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- 8.5.2 the Transfer Value of the DSP Property must be determined or agreed in accordance with the Valuation Process; and
- 8.5.3 the DSP Entity must notify the Crown whether or not it elects to purchase any DSP Property by no later than the date 30 Business Days from the date that all the Transfer Values for the DSP Properties included in all notices given under clause 8.4 are determined or agreed in accordance with the Valuation Process, time being of the essence. The DSP Entity may give a notice on more than one occasion in respect of one or more of the DSP Properties.
- 8.6 The DSP Entity and the Crown must use reasonable endeavours:
- 8.6.1 to ensure the Valuation Process operates in the manner, and within the timeframes, specified in Part 2 of Schedule 8; and
- 8.6.2 if the Valuation Process is delayed, to minimise the delay.

Agreement for sale and purchase

- 8.7 If the DSP Entity gives notice in accordance with clause 8.5.3 that it elects to purchase a DSP Property, the DSP Entity and the Crown will be deemed to have entered into an agreement for the sale and purchase of that DSP Property:
- 8.7.1 at the Transfer Value determined or agreed in accordance with the Valuation Process;
- 8.7.2 with settlement of the transfer of that DSP Property to occur on the Deferred Settlement Date; and
- 8.7.3 on the terms of transfer set out in Part 3 of Schedule 8.

Termination of obligations

- 8.8 All obligations of the Crown to the Collective and to the DSP Entity under this Deed in relation to a DSP Property (but excluding those arising under clauses 8.19-8.21 and under the RFR Deed) immediately cease if, after giving notice in accordance with clause 8.4 that it is interested in purchasing the DSP Property, the DSP Entity:
- 8.8.1 does not notify the Crown in accordance with clause 8.5.3 whether or not it elects to purchase the DSP Property; or
- 8.8.2 notifies the Crown that it is not interested in purchasing the DSP Property.



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Time limits

- 8.9 Subject to clause 8.13, time is of the essence for the time limits imposed on the Crown and the DSP Entity under clauses 8.4 to 8.8 and Parts 2 and 3 of Schedule 8.

Leasing back of any DSP Properties

- 8.10 If the DSP Entity gives notice in accordance with clause 8.5.3 that it elects to purchase a DSP Property that is to be subject to any lease back to a Crown entity required by the Crown, then the terms of the relevant lease (including the rent, the length of term and rights of renewal applicable to such lease) will be:

8.10.1 similar to the terms of lease usually applying to lease backs of similar properties that are subject to deferred selection mechanisms agreed to by the Crown in the settlement of Historical Claims. In the case of rent, this will be agreed or determined as part of the Valuation Process and for the purpose of agreeing or determining Transfer Value;

8.10.2 agreed between the Crown and the Collective (with each acting consistently with the intention of this Deed) as soon as reasonably practicable following the date that the DSP Entity gives notice in accordance with clause 8.4 that it is interested in purchasing the DSP Property; and

8.10.3 recorded in a lease instrument to be prepared by the Crown at the Crown's cost and promptly executed by the DSP Entity and the relevant Crown entity.

- 8.11 Any such lease back will commence with effect from the date of settlement of the transfer of the DSP Property to the DSP Entity pursuant to the agreement for sale and purchase constituted under clause 8.7.

- 8.12 Where any dispute arises between the Crown and the Collective in relation to the lease terms to be agreed under clause 8.10.2 (including the terms of the lease instrument to be executed pursuant to clause 8.10.3), then, upon the application of either Party, the dispute will be referred to arbitration by an arbitrator to be agreed between the Parties (failing which, and upon the application of either Party, the arbitrator will be appointed by the president for the time being of the New Zealand Law Society) and upon the following basis:

8.12.1 the arbitration will be held in accordance with the Arbitration Act;



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- 8.12.2 the arbitrator's determination of the relevant lease terms will be final and binding upon the Crown and the Collective (except as to any findings of matters of law); and
- 8.12.3 the Crown and the Collective will meet their own costs in relation to the arbitration, other than the costs of the arbitrator which will be shared equally (unless determined otherwise by the arbitrator).
- 8.13 Where applicable, the time limits imposed on the Crown and the DSP Entity under clauses 8.4 to 8.8 and Parts 2 and 3 of Schedule 8, will be extended as necessary to take into account any period of time that the Collective is unable to provide a notice under those clauses because of any delay in the Crown and the Collective reaching agreement as to lease terms in accordance with clauses 8.10 and 8.12.

FUTURE DSP

Collective to have same rights to purchase

- 8.14 The Crown must offer Future DSP Properties to the Collective to purchase where:
- 8.14.1 the Future DSP Property has not been purchased pursuant to the terms of the deferred selection mechanism in the relevant Future Comprehensive Settlement Deed; and
- 8.14.2 the Future DSP Property is not subject to a right of first refusal mechanism in the relevant Future Comprehensive Settlement Deed or, if so, the Crown has obtained the written agreement of its other party to the Future Comprehensive Settlement Deed (who will have complete discretion as to whether or not it will provide such agreement) to offer the Future DSP Property to the Collective in accordance with these clauses.
- 8.15 Where the Crown offers a Future DSP Property to the Collective to purchase pursuant to clause 8.14, then the terms upon which the Collective, acting through the DSP Entity, may select and may then purchase the Future DSP Property will be the same as the terms of selection and purchase provided under the deferred selection mechanism in the relevant Future Comprehensive Settlement (including the terms as to offer, investigation and due diligence, valuation, selection, purchase and transfer), but with all necessary adjustments to timeframes agreed between the Crown and the Collective (with each acting consistently with the intent of this Deed) to give the DSP Entity the same opportunity (including the adjustment of the commencement date of relevant timeframes and processes and with the expiry date of those timeframes and processes being extended correspondingly) to select and purchase as provided under such deferred selection mechanism.



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8.16 These terms of purchase will:

8.16.1 be prepared by the Crown in the form of deeds to be entered into between the Crown and the DSP Entity and which will record that the Future DSP Property, if selected, is being transferred as commercial redress pursuant to the terms of this Deed;

8.16.2 be provided by the Crown to the DSP Entity as soon as possible following the Crown's entry into each deed of settlement relating to a Future Comprehensive Settlement, together with a copy of the relevant section or clauses of that deed of settlement; and

8.16.3 once agreed, be signed by the Crown and the DSP Entity as soon as reasonably practicable.

8.17 Given the requirements of clause 8.15, it is envisaged that no disputes could arise between the Crown and the Collective as to the terms of the deeds to be provided and signed under clause 8.16. However, if a dispute does arise then either party will be entitled to refer it to arbitration and clause 8.12 will apply with all necessary modifications.

SETTLEMENT LEGISLATION FOR SELECTED DSP PROPERTIES

8.18 In addition to the requirements of clause 2.10, the Settlement Legislation must:

8.18.1 authorise the Crown to do the following:

(a) transfer the fee simple estate in a Selected DSP Property to the DSP Entity; and

(b) sign a transfer instrument or other document or do any other thing to effect a DSP Transfer;

8.18.2 provide that, in exercising the powers under clause 8.18.1, the Crown is not required to comply with any other enactment that would regulate or apply to a DSP Transfer;

8.18.3 provide that:

(a) to the extent that a Selected DSP Property is not all of the land contained in a computer freehold register, or there is no computer freehold register for all or part of the property, the Registrar-General of Land must, in accordance with a written application by an Authorised Person, and after completion of any necessary survey, create a computer freehold register for the Selected DSP Property in the name of the Crown subject to, and together with, any relevant encumbrances that are

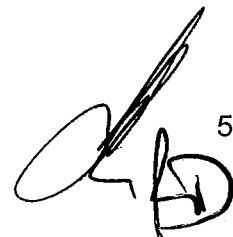
8: COMMERCIAL REDRESS

registrable, notified or notifiable and are described in that written application;

- (b) a computer freehold register created in accordance with clause 8.18.3(a) must be created in the name of the Crown without any statement of purpose;
- (c) the Authorised Person may grant a covenant to arrange for the later creation of a computer freehold register or registers for a Selected DSP Property that is to be transferred to the DSP Entity; and
- (d) despite the Land Transfer Act:
 - (i) the Authorised Person may request the Registrar-General of Land to register a covenant referred to in clause 8.18.3(c) under that Act by creating a computer interest register; and
 - (ii) the Registrar-General of Land must register the covenant in accordance with clause 8.18.3(d)(i); and

8.18.4 provide that:

- (a) section 11 and Part 10 of the Resource Management Act do not apply to:
 - (i) a DSP Transfer; or
 - (ii) a matter incidental to, or required for the purpose of, a DSP Transfer;
- (b) a DSP Transfer:
 - (i) does not limit sections 10 or 11 of the Crown Minerals Act;
 - (ii) does not affect other rights to sub-surface minerals;
 - (iii) does not limit the Crown's or a local authority's rights and obligations in respect of geothermal energy and geothermal water (as both terms are defined in section 2(1) of the Resource Management Act) under any enactment or rule of law; or



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- (iv) is a disposition for the purposes of Part 4A of the Conservation Act, but that sections 24(2A), 24A and 24AA of that Act do not apply to the disposition;
- (c) the permission of a council under section 348 of the Local Government Act is not required for laying out, forming, granting or reserving a private road, private way or right of way that may be required to fulfil the terms of this Deed in relation to a DSP Transfer; and
- (d) it is sufficient evidence that the DSP Transfer has been effected under this clause 8.18 if the Registrar-General of Land has executed a statement to that effect on the document effecting the DSP Transfer.

COLLECTIVE MECHANISMS - RFR PROPERTIES

The Crown to provide a RFR Deed

- 8.19 The Crown must, by or on the Settlement Date, provide the RFR Entity with two copies of a deed on the terms and conditions in the form set out in Part 4 of Schedule 8 (the "**RFR Deed**") signed by the Crown.

Signing and return of RFR Deed by RFR Entity

- 8.20 The Collective must procure the RFR Entity to:
- 8.20.1 sign both copies of the RFR Deed; and
 - 8.20.2 return one copy to the Crown by no later than 10 Business Days after the Settlement Date.

Terms of the RFR Deed

- 8.21 The RFR Deed will:
- 8.21.1 relate to the RFR Properties; and
 - 8.21.2 be in force for a period being 100 years from the Settlement Date.

FURTHER DISCUSSIONS BETWEEN CROWN AND COLLECTIVE

- 8.22 The Crown records its willingness to enter into discussions with the Collective about the potential availability to the Collective of assets and interests of the Crown within the Collective Mechanism Area and beyond the assets comprising the DSP Properties, Future DSP Properties and the RFR Properties. For the avoidance of doubt, this:



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- 8.22.1 imposes no obligation upon the Crown beyond the obligation to have such discussion; and
 - 8.22.2 will not prevent the Crown from acting in the national interest of New Zealand.
- 8.23 Notwithstanding clause 8.22, the Crown is supportive of the Collective exploring joint ventures with State enterprises in the central North Island region.



9 SETTLEMENT STRUCTURE

ESTABLISHMENT OF CNI IWI HOLDINGS LIMITED

9.1 The Parties:

- 9.1.1 acknowledge that prior to the Date of this Deed, the Collective and the Crown established CNI Iwi Holdings Limited to receive the Financial Redress and, to the extent that clause 9.17 applies, Commercial Redress, on behalf of the Collective and, to the extent of the Crown Agreed Proportion, the Crown;
- 9.1.2 agree that CNI Iwi Holdings Limited will have the following key elements:
- (a) a capital of 1000 shares of \$1 each;
 - (b) 868 of the shares are to be held by the Governance Entities of the Members of the Collective equally (124 shares per Member of the Collective);
 - (c) 132 of the shares are to be held by the Crown and in the event of an Other CNI Claimant becoming a member of the Collective the Crown may transfer an appropriate percentage of the Crown's shares to that Other CNI Claimant in accordance with the Trust Deed and Shareholders' Agreement;
 - (d) the shares will entitle:
 - (i) each Member of the Collective to appoint two directors of CNI Iwi Holdings Limited, with the numbers of initial directors to be 14. The Crown will not have the right to appoint a director, but a Crown appointed observer will be entitled to be present and to speak on the Crown's behalf at directors' and other meetings of CNI Iwi Holdings Limited and which are relevant to the Crown Agreed Proportion; and
 - (ii) each shareholder to have one vote on any shareholders' resolution; and
 - (e) otherwise in accordance with the Constitution and the Trust Deed and Shareholders' Agreement.



9: SETTLEMENT STRUCTURE

TRUST DEED AND SHAREHOLDERS' AGREEMENT

- 9.2 The Parties agree that the Collective, the Crown and CNI Iwi Holdings Limited will enter into the Trust Deed and Shareholders' Agreement as soon as reasonably practicable following the Date of this Deed, which will establish the terms of the CNI Iwi Holdings Trust, including the terms upon which CNI Iwi Holdings Limited will receive and hold the Financial Redress, the Accumulated Rentals, the Crown NZUs and the Ongoing Rentals on behalf of the Collective (acting through their respective Governance Entities) and the Crown.

ESTABLISHMENT OF FOREST MANAGEMENT COMPANY

- 9.3 The Parties agree that:
- 9.3.1 the Collective will incorporate the Forest Management Company by the Settlement Date; and
 - 9.3.2 the Forest Management Company will be appointed to manage the CNI Forests Land under the terms of the Forestry and Other Management Contract and in accordance with specific requirements set out in the Trust Deed and Shareholders' Agreement.

AGREED PROPORTIONS TO APPLY TO ACCUMULATED AND ONGOING RENTALS

- 9.4 The Parties agree that:
- 9.4.1 the Accumulated Rentals and the Ongoing Rentals are to be paid to CNI Iwi Holdings Limited to receive and hold pursuant to the CNI Iwi Holdings Trust;
 - 9.4.2 86.7% of the Accumulated Rentals will be distributed by CNI Iwi Holdings Limited, upon its receipt of the Accumulated Rentals, to the respective Governance Entities or the Members of the Collective in accordance with the Collective's Agreed Proportions. This distribution will be subject to CNI Iwi Holdings Limited not receiving a written direction from a Member of the Collective or its Governance Entity to transfer some or all of the Collective's Agreed Proportion in respect of that Member of the Collective to a party nominated by that Member of the Collective or its Governance Entity, including the Forest Management Company; and
 - 9.4.3 Agreed Proportions apply to the interest of the Crown and each Member of the Collective in the Ongoing Rentals and pursuant to the CNI Iwi Holdings Trust, until the Collective's Final Allocation Date.



9: SETTLEMENT STRUCTURE

SPECIFIED TRANSFER PERIOD AND PERMITTED TRANSFERS OF CNI FOREST LAND

9.5 The Parties agree that during the Specified Transfer Period CNI Iwi Holdings Limited must not transfer any CNI Forests Land, other than any transfer required to give effect to a transfer of CNI Forests Land:

9.5.1 to an Other CNI Claimant (or its nominee):

- (a) during the Crown Initial Period;
- (b) in the case of a Future Comprehensive Settlement with the Other CNI Claimant, but in respect of which the Crown must first consult with the Collective on a basis that:
 - (i) is further described in the Trust Deed and Shareholders' Agreement and the Settlement Legislation;
 - (ii) may result in a determination by the Waitangi Tribunal in accordance with the Settlement Legislation; and
 - (iii) is not intended by the Crown or the Collective to limit the application of clauses 2.12.11 and 2.12.12 (recording, respectively, that this Deed is not intended to limit the Future Comprehensive Settlements of the Members of the Collective and Other CNI Claimants);
- (c) out of the Crown Agreed Proportion; and
- (d) which is permitted under the Trust Deed and Shareholders' Agreement and the Settlement Legislation; or

9.5.2 to a Member of the Collective or its Governance Entity (or its nominee) of CNI Forests Land Cultural Redress during the Crown Initial Period on a basis that is:

- (a) further described in the Trust Deed and Shareholders' Agreement;
- (b) not intended by the Crown or the Collective to limit the application of clauses 2.12.11 and 2.12.12 (recording, respectively, that this Deed is not intended to limit the Future Comprehensive Settlements of the Members of the Collective and Other CNI Claimants);
- (c) out of the Crown Agreed Proportion; and




9: SETTLEMENT STRUCTURE

- (d) permitted under the Trust Deed and Shareholders' Agreement and the Settlement Legislation; or
- 9.5.3 to a Member of the Collective or its Governance Entity (or its nominee):
- (a) during the Specified Transfer Period;
 - (b) in accordance with the Collective's Allocation Agreement;
 - (c) on the basis set out in the Trust Deed and Shareholders' Agreement and Deed of Settlement that requires CNI Iwi Holdings Limited to retain, unless otherwise agreed by Unanimous Resolution, until the Collective's Final Allocation Date, the right to Ongoing Rentals, other income and management rights in respect of the land transferred; and
 - (d) which is permitted under the Trust Deed and Shareholders' Agreement and the Settlement Legislation.
- 9.6 The Crown will bear its own costs and the reasonable third party legal and other consultant expenses and registration costs incurred by CNI Iwi Holdings Limited pursuant to clause 9.5.

Settlement Legislation

- 9.7 The Settlement Legislation will provide that clause 7.3.4(a) to (c), with all necessary modifications, will apply to any transfer permitted under clause 9.5 and effected during:
- 9.7.1 the Crown Initial Period, in relation to transfers permitted under clause 9.5.1 and 9.5.2; and
 - 9.7.2 the Specified Transfer Period, in relation to transfers permitted under clause 9.5.3.
- 9.8 Clause 9.7 does not limit the application of any other clause in this Deed, including those in Part 7 and relating to:
- 9.8.1 easements to be granted;
 - 9.8.2 existing access;
 - 9.8.3 public right of way easements;
 - 9.8.4 the Bonisch Road document;



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- 9.8.5 the Kaingaroa Processing Plant Lease and Improvements;
- 9.8.6 Landcorp Easements;
- 9.8.7 the Roding Network;
- 9.8.8 conservation covenants; and
- 9.8.9 the Capella Road Covenant.

PROVISION OF RELEVANT INFORMATION BY CROWN TO COLLECTIVE TO ASSIST ALLOCATION OF CNI FORESTS LAND

- 9.9 Without limiting its obligations under clause 2.12.10, the Crown will inform the Collective when it enters into discussions with an Other CNI Claimant and keep the Collective reasonably informed in relation to any CNI Forests Land that the Crown may agree to include as redress under a Future Comprehensive Settlement with an Other CNI Claimant (to be transferred out of the Crown Agreed Proportion in accordance with the Trust Deed and Shareholders' Agreement). This is intended to:
- 9.9.1 enable the Crown and the Collective to identify, at the earliest reasonably possible stage during the Crown Initial Period:
 - (a) all CNI Forests Land to be included as such redress in Future Comprehensive Settlements with an Other CNI Claimant; and
 - (b) the remaining CNI Forests Land which may be allocated by the Collective to Members of the Collective in accordance with the Collective's Allocation Agreement; and
 - 9.9.2 thereby assist the Collective to have as full an opportunity as is reasonably possible during the Specified Transfer Period to agree and effect any transfers permitted under clause 9.5.3.

TRANSFERS OF CNI FORESTS LAND AFTER SPECIFIED TRANSFER PERIOD

- 9.10 The Parties agree that, after the Specified Transfer Period, CNI Iwi Holdings Limited will transfer the CNI Forests Land not transferred during the Specified Transfer Period to the Members of the Collective or their Governance Entities to the extent required by the Collective's Allocation Agreement.



9: SETTLEMENT STRUCTURE

NZUs

- 9.11 The Crown and the Collective acknowledge that as a consequence of the Settlement Vesting there will be an allocation, and issue by the Crown, of NZUs to the Collective's NZUs Entity:
- 9.11.1 in respect of the CNI Forests Land and after taking into account the allocation and issue of Crown NZUs in accordance with clause 9.14; and
 - 9.11.2 on the basis that the CNI Forests Land is Pre-1990 Forest Land.
- 9.12 This allocation and issue of NZUs to the NZUs Entity is to be:
- 9.12.1 made to the NZUs Entity as if it were the owner of the CNI Forests Land for the purposes of current clause 68(2)(c)(i)(B) of the Climate Change Emissions Trading Bill (or any amended or replacement clause having the same effect as that current clause);
 - 9.12.2 free of charge;
 - 9.12.3 at the rate per hectare determined pursuant to clause 9.13 (as at the Date of this Deed and with reference to the current draft of the Climate Change Emissions Trading Bill it is envisaged that this rate will be 18 NZUs per hectare of Pre-1990 Forest Land); and
 - 9.12.4 subject to the Climate Change Emissions Trading Bill being passed into law.
- 9.13 The rate per hectare of NZUs to be allocated and issued to the Collective pursuant to clause 9.12 will be the same as the rate to apply to the allocation and issue of NZUs to be made to Māori owners of Pre-1990 Forest Land:
- 9.13.1 represented by the Climate Change Iwi Leadership Group or otherwise; and
 - 9.13.2 which reflect the outcome of discussions about the Climate Change Emissions Trading Bill between the Crown and the Climate Change Iwi Leadership Group or otherwise.
- 9.14 The Crown will also allocate and issue Crown NZUs to CNI Iwi Holdings Limited to hold in accordance with the Trust Deed and Shareholders' Agreement and as part of the Crown Agreed Proportion. This allocation and issue is also subject to the Climate Change Emissions Trading Bill being passed into law.

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CNI FORESTS IWI COLLECTIVE DEED OF SETTLEMENT

9: SETTLEMENT STRUCTURE

- 9.15 The Crown and the Collective will agree the terms of the NZUs Deed and enter into the NZUs Deed as soon as reasonably practicable following the Date of this Deed. These terms will include:
- 9.15.1 the basis of allocation and issue set out in clauses 9.12 to 9.14 (including, in the event of there being different classes of NZUs, an appropriate pro-rata allocation of those classes amongst the Crown and the Collective);
 - 9.15.2 a Tax indemnity in relation to the receipt by the NZUs Entity of the NZUs equivalent to that provided, under Part 10, to CNI Iwi Holdings Limited; and
 - 9.15.3 such other terms that the Crown and the Collective agree are necessary to give effect to that allocation and issue (with each Party acting consistently with the intention of this Deed).
- 9.16 It is acknowledged by the Parties that, although the NZUs are to be provided as part of the Settlement, pursuant to this Part 9, the NZUs:
- 9.16.1 do not form part of the Redress; and
 - 9.16.2 are being provided as a consequence of the Settlement Vesting (similar to the Accumulated Rentals).

WHERE CNI IWI HOLDINGS LIMITED IS DSP ENTITY, NZUs ENTITY OR RFR ENTITY

- 9.17 It is acknowledged that CNI Iwi Holdings Limited may be, or from time to time may be the, DSP Entity, NZUs Entity or RFR Entity.
- 9.18 To the extent to which clause 9.17 applies, CNI Iwi Holdings Limited will receive and hold the relevant DSP Property, Future DSP Property, NZUs or RFR Property upon and subject to the terms of the CNI Iwi Holdings Trust.
- 9.19 To the extent to which clause 9.17 does not apply, the Crown's obligations to the relevant entity will be conditional on the entity entering into a direct deed binding the entity to the provisions of this Deed. CNI Iwi Holdings Limited will be primarily liable for the obligations of the entity.



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STATEMENT OF AGREED TAX PRINCIPLES

10.1 The Parties agree that:

10.1.1 the Payment, credit or Transfer of Redress by the Crown to CNI Iwi Holdings Limited is made as redress to settle the Historical CNI Forests Land Claims and is not intended to be, or to give rise to:

- (a) a taxable supply for GST purposes; nor
- (b) Assessable Income for Income Tax purposes; nor
- (c) a dutiable gift for Gift Duty purposes;

10.1.2 neither CNI Iwi Holdings Limited, nor any other person associated with CNI Iwi Holdings Limited, will claim an input credit (for GST purposes) or a deduction (for Income Tax purposes) with reference to the Payment, credit or Transfer by the Crown of any Redress;

10.1.3 the Transfer of any property by the Crown in accordance with a Collective Mechanism is intended to be a taxable supply for GST purposes;

10.1.4 any interest paid by the Crown under any provision of this Deed is either Assessable Income or exempt income, for Income Tax purposes, depending on the recipient's status for Income Tax purposes; and, furthermore, the receipt or Payment of such interest is not subject to Indemnification for tax by the Crown under this Deed;

10.1.5 any amounts payable to or received by CNI Iwi Holdings Limited under or in respect of a CNI Crown Forestry Licence are to be treated in accordance with ordinary taxation principles; and, furthermore, the receipt or Payment of any such amounts is not subject to Indemnification for Tax by the Crown under this Deed;

10.1.6 any Indemnity Payment by the Crown to CNI Iwi Holdings Limited is not intended to be, or to give rise to:

- (a) a taxable supply for GST purposes; nor
- (b) Assessable Income for Income Tax purposes; and



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10.1.7 CNI Iwi Holdings Limited (at all applicable times) is or will be a registered person for GST purposes (except if CNI Iwi Holdings Limited is not carrying on a taxable activity as that term is defined by the Goods and Services Tax Act).

ACKNOWLEDGEMENTS

10.2 For the avoidance of doubt, the Parties acknowledge:

10.2.1 that the Tax Indemnities given by the Crown in this Part, and the principles and acknowledgements in clauses 10.1 and 10.2 respectively:

- (a) apply only to the receipt by CNI Iwi Holdings Limited of Redress and Indemnity Payments; and
- (b) do not apply to any subsequent dealings, distributions, Payments, uses or applications by CNI Iwi Holdings Limited, or any other persons, with or of Redress or Indemnity Payments;

10.2.2 each obligation to be performed by the Crown in favour of CNI Iwi Holdings Limited under this Deed is performed as Redress and without charge to, or consideration to be provided by, CNI Iwi Holdings Limited or any other person, provided that this clause 10.2.2 does not extend to the obligations to be performed by the Crown in respect of a Collective Mechanism, and nor does it affect the obligation of CNI Iwi Holdings Limited to pay the purchase price relating to a property under an agreement for sale and purchase entered into under a Collective Mechanism;

10.2.3 without limiting clause 10.2.2, no covenant, easement, lease, licence or other right or obligation which this Deed records that does or will apply to or in respect of any item of Redress, will be treated as consideration (for GST or any other purpose), for the Transfer of such Redress by the Crown to CNI Iwi Holdings Limited; and

10.2.4 without limiting clause 10.2.2, the Payment of amounts, and the bearing of costs from time to time, by CNI Iwi Holdings Limited in relation to any item of Redress (including:

- (a) rates, charges and fees;
- (b) the apportionment of outgoings and incomings; and
- (c) maintenance, repair or upgrade costs and rubbish, pest and weed control costs);



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is not intended to be consideration for the Transfer of that item of Redress for GST or any other purpose; and, furthermore (and without limiting clause 10.2.1), the Payment of such amounts and the bearing of such costs is not subject to Indemnification for Tax by the Crown under this Deed.

ACT CONSISTENT WITH PRINCIPLES

- 10.3 Neither CNI Iwi Holdings Limited (nor any Member of the Collective or any other person associated with CNI Iwi Holdings Limited) nor the Crown will act in a manner that is inconsistent with the principles or acknowledgements set out or reflected in clauses 10.1 and 10.2 respectively.

MATTERS NOT TO BE IMPLIED FROM PRINCIPLES

- 10.4 Nothing in clause 10.1 is intended to suggest or imply:
- 10.4.1 that the Payment, credit or Transfer of Redress, or an Indemnity Payment, by the Crown to CNI Iwi Holdings Limited is or will be chargeable with GST; or
 - 10.4.2 that Gift Duty should or can be imposed on any Payment to, or transaction with, CNI Iwi Holdings Limited under this Deed.

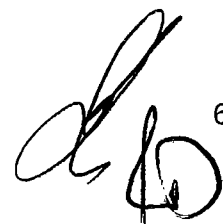
INDEMNITY FOR GST IN RESPECT OF REDRESS AND INDEMNITY PAYMENTS

Redress provided exclusive of GST

- 10.5 If and to the extent that:
- 10.5.1 the Payment, credit or Transfer of Redress; or
 - 10.5.2 an Indemnity Payment,
- by the Crown to CNI Iwi Holdings Limited is chargeable with GST payable by CNI Iwi Holdings Limited, the Crown must, in addition to the Payment, credit or Transfer of Redress or the Indemnity Payment, pay CNI Iwi Holdings Limited the amount of GST payable in respect of the Redress or the Indemnity Payment.

Indemnification

- 10.6 If and to the extent that:
- 10.6.1 the Payment, credit or Transfer of Redress; or



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10: TAX

10.6.2 an Indemnity Payment,

by the Crown to CNI Iwi Holdings Limited is chargeable with GST payable by CNI Iwi Holdings Limited, and the Crown does not, for any reason, pay CNI Iwi Holdings Limited an additional amount equal to that GST at the time the Redress is paid, credited or Transferred and/or the Indemnity Payment is made, the Crown will, on demand in writing, Indemnify CNI Iwi Holdings Limited for any GST that is or may be payable by CNI Iwi Holdings Limited or for which the Governance Entity is liable in respect of:

10.6.3 the Payment, credit or Transfer of Redress; and/or

10.6.4 the Indemnity Payment.

INDEMNITY FOR INCOME TAX IN RESPECT OF REDRESS AND INDEMNITY PAYMENTS

10.7 The Crown agrees to Indemnify CNI Iwi Holdings Limited, on demand in writing, against any Income Tax that CNI Iwi Holdings Limited is liable to pay if and to the extent that receipt of:

10.7.1 the Payment, credit or Transfer of Redress; or

10.7.2 an Indemnity Payment,

from the Crown is treated as, or as giving rise to, Assessable Income of CNI Iwi Holdings Limited for Income Tax purposes.

INDEMNITY FOR GIFT DUTY IN RESPECT OF REDRESS

10.8 The Crown agrees to pay, and to Indemnify CNI Iwi Holdings Limited against any liability that CNI Iwi Holdings Limited has in respect of, any Gift Duty assessed as payable by the Commissioner of Inland Revenue in respect of the Payment, credit or Transfer by the Crown to CNI Iwi Holdings Limited of any Redress.

DEMANDS FOR INDEMNIFICATION

Notification of Indemnification event

10.9 Each of:

10.9.1 CNI Iwi Holdings Limited; and

10.9.2 the Crown,



CNI FORESTS IWI COLLECTIVE DEED OF SETTLEMENT

10: TAX

agrees to Notify the other as soon as reasonably possible after becoming aware of an event or occurrence in respect of which CNI Iwi Holdings Limited is or may be entitled to be Indemnified by the Crown for or in respect of Tax under this Part.

How demands are made

10.10 Demands for Indemnification for Tax by CNI Iwi Holdings Limited in accordance with this Part must be made by CNI Iwi Holdings Limited in accordance with the provisions of clause 10.11 and may be made at any time, and from time to time, after the Settlement Date.

When demands are to be made

10.11 Except:

10.11.1 with the written agreement of the Crown; or

10.11.2 if this Deed provides otherwise,

no demand for Payment by way of Indemnification for Tax under this Part by CNI Iwi Holdings Limited may request that Payment be made more than 20 Business Days before the due date for Payment by CNI Iwi Holdings Limited of the applicable Tax (whether such date is specified in an assessment or is a date for the Payment of provisional tax or otherwise).

Evidence to accompany demand

10.12 Without limiting clause 10.9, each demand for Indemnification by CNI Iwi Holdings Limited under this Part must be accompanied by:

10.12.1 appropriate evidence (which may be notice of proposed adjustment, assessment, or any other evidence which is reasonably satisfactory to the Crown) setting out with reasonable detail the amount of the loss, cost, expense, liability or Tax that CNI Iwi Holdings Limited claims to have suffered or incurred or be liable to pay, and in respect of which Indemnification is sought from the Crown under this Deed; and

10.12.2 where the demand is for Indemnification for GST, if the Crown requires, an appropriate GST tax invoice.

Repayment of amount on account of Tax

10.13 If Payment is made by the Crown on account of Tax to CNI Iwi Holdings Limited or the Commissioner of Inland Revenue (for the account of CNI Iwi Holdings Limited) and it is subsequently determined or held that no such Tax (or an amount of Tax that is less than the Payment which the Crown

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CNI FORESTS IWI COLLECTIVE DEED OF SETTLEMENT

10: TAX

made on account of Tax) is or was payable or properly assessed, to the extent that CNI Iwi Holdings Limited:

- 10.13.1 has retained the Payment made by the Crown (which, for the avoidance of doubt, includes any situation where CNI Iwi Holdings Limited has not transferred the Payment to the Inland Revenue Department but has instead paid, applied or transferred the whole or any part of the Payment to any other person or persons);
- 10.13.2 has been refunded the amount of that Payment by the Inland Revenue Department; or
- 10.13.3 has had the amount of that Payment credited or applied to its account with the Inland Revenue Department,

CNI Iwi Holdings Limited must repay the applicable amount to the Crown free of any set-off or counterclaim.

Payment of amount on account of Tax

- 10.14 CNI Iwi Holdings Limited must pay to the Inland Revenue Department any Payment made by the Crown to CNI Iwi Holdings Limited on account of Tax, on the later of:
 - 10.14.1 the "due date" for Payment of that amount to the Inland Revenue Department under the applicable Tax Legislation; and
 - 10.14.2 the next Business Day following receipt by CNI Iwi Holdings Limited of that Payment from the Crown.

Payment of costs

- 10.15 The Crown will Indemnify CNI Iwi Holdings Limited against any reasonable costs incurred by CNI Iwi Holdings Limited for actions undertaken by CNI Iwi Holdings Limited, at the Crown's direction, in connection with:
 - 10.15.1 any demand for Indemnification of CNI Iwi Holdings Limited under or for the purposes of this Part; and
 - 10.15.2 any steps or actions taken by CNI Iwi Holdings Limited in accordance with the Crown's requirements under clause 10.17.



10: TAX

DIRECT PAYMENT OF TAX: CONTROL OF DISPUTES

10.16 Where any liability arises to the Crown under this Part, the following provisions will also apply:

10.16.1 if the Crown so requires and Notifies CNI Iwi Holdings Limited of that requirement, the Crown may, instead of Payment of the requisite amount on account of Tax to CNI Iwi Holdings Limited, pay that amount to the Commissioner of Inland Revenue (such payment to be effected on behalf, and for the account, of CNI Iwi Holdings Limited);

10.16.2 subject to CNI Iwi Holdings Limited being Indemnified to its reasonable satisfaction against any reasonable cost, loss, expense or liability or any Tax which it may suffer, incur or be liable to pay, the Crown will have the right, by Notice to CNI Iwi Holdings Limited, to require CNI Iwi Holdings Limited to:

- (a) take into account any right permitted by any relevant law to defer the payment of any Tax; and/or
- (b) take all steps the Crown may specify to respond to and/or contest any Notice, notice of proposed adjustment or assessment for Tax, where expert legal tax advice indicates that it is reasonable to do so; and

10.16.3 the Crown reserves the right:

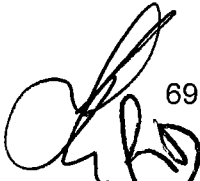
- (a) to nominate and instruct counsel on behalf of CNI Iwi Holdings Limited whenever it exercises its rights under clause 10.16.2; and
- (b) to recover from the Commissioner of Inland Revenue the amount of any Tax paid and subsequently held to be refundable.

RULINGS, APPLICATIONS

10.17 If the Crown requires, CNI Iwi Holdings Limited will consult, and/or collaborate, with the Crown in the Crown's preparation (for the Crown, CNI Iwi Holdings Limited and/or any other person) of an application for a non-binding or binding ruling from the Commissioner of Inland Revenue with respect to any part of the arrangements relating to the Payment, credit or Transfer of Redress.

DEFINITIONS AND INTERPRETATION

10.18 In this Part, unless the context requires otherwise:



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CNI FORESTS IWI COLLECTIVE DEED OF SETTLEMENT

10: TAX

"Assessable Income" has the meaning given to that term in section YA 1 of the Income Tax Act;

"CNI Iwi Holdings Limited" includes the CNI Iwi Holdings Trust;

"Indemnity Payment" means any indemnity payment made by the Crown under or for the purposes of this Part, and **"Indemnify"**, **"Indemnification"** and **"Indemnity"** have a corresponding meaning;

"Payment" extends to the Transfer or making available of cash amounts as well as to the Transfer of non cash amounts (such as land);

references to the **"Payment"**, **"credit"**, **"Transfer"** or **"receipt"** of the Redress (or any equivalent wording) include a reference to the Payment, credit, Transfer or receipt of any part (or the applicable part) of the Redress;

"Redress" does not include a transfer of property by the Crown under a Collective Mechanism or the provision of NZUs under the NZUs Deed; and

Transfer includes recognising, creating, vesting, granting, licensing, leasing, or any other means by which the relevant properties, interests, rights or assets are disposed of or made available, or recognised as being available, to CNI Iwi Holdings Limited.



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11 CONDITIONS AND TERMINATION

THIS DEED AND THE SETTLEMENT ARE CONDITIONAL

- 11.1 This Deed, and the Settlement, is conditional on the Settlement Legislation coming into force.

THIS DEED IS A BINDING CONTRACT

- 11.2 The Crown and the Collective agree that:

11.2.1 this Deed is a binding contract subject only to the condition in clause 11.1 being satisfied; and

11.2.2 this Deed is to be interpreted and enforced accordingly.

DEED WITHOUT PREJUDICE UNTIL UNCONDITIONAL

- 11.3 This Deed, until it becomes unconditional:

11.3.1 is entered into on a "without prejudice" basis; and

11.3.2 in particular, may not be used as evidence in any proceedings before, or presented to, any Court, the Waitangi Tribunal, or any other judicial body or tribunal (except for proceedings concerning the interpretation and/or enforcement of this Deed).

SOME PROVISIONS NOT CONDITIONAL

- 11.4 Clauses 4.3 and 8.1 and Parts 11 and 14 are (despite clause 11.1) binding from the Date of this Deed.

TERMINATION OF THIS DEED

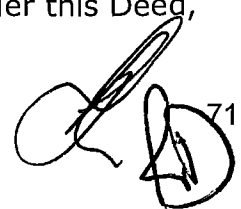
- 11.5 Either Party may terminate this Deed, by Notice to the other Party, if clause 11.1 is not satisfied within 24 months after the Date of this Deed.

Effect of notice of termination

- 11.6 If this Deed is terminated:

11.6.1 this Deed, and the Settlement, will be at an end; and

11.6.2 neither Party will have any rights or obligations under this Deed,



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11: CONDITIONS AND TERMINATION

except that the rights and obligations of the Parties under clause 11.4 will continue.


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12 MISCELLANEOUS

NOTICES

12.1 The provisions of this clause apply to Notices under this Deed:

Notices to be signed

12.1.1 the Party giving a Notice must sign it;

Notices to be in writing

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

Addresses for notice

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

CROWN:

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

Facsimile No: 04 473 3482

COLLECTIVE:

C/- CNI Forests Iwi Collective
Secretariat
189 Tautahanga Road
TURANGI
Attention: Stephen Asher

Facsimile No: 07 386 0747

Delivery

12.1.4 delivery of a Notice may be made by:

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



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12: MISCELLANEOUS

Timing of delivery

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

Deemed date of delivery

- 12.1.6 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 12.1.5) be treated as having been received the next Business Day.

AMENDMENT

- 12.2 This Deed may not be amended unless the amendment is in writing and signed by, or on behalf of, the Collective and the Crown.

ENTIRE AGREEMENT

- 12.3 This Deed:
- 12.3.1 constitutes the entire agreement between the Parties in relation to the matters referred to in it; and
 - 12.3.2 supersedes all earlier negotiations, representations, warranties, understandings and agreements, whether oral or written, between the Collective, any Representative Entity or any Member of the Collective (separately or in any combination) and the Crown relating to the Historical CNI Forests Land Claims (including the Terms of Agreement signed on 21 February 2008 and the Agreement in Principle, but not Te Tiriti o Waitangi/the Treaty of Waitangi).

NO WAIVER

- 12.4 A failure, delay or indulgence by either Party in exercising a power or right under or arising from this Deed will not operate as a waiver of that power or right.

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CNI FORESTS IWI COLLECTIVE DEED OF SETTLEMENT

12: MISCELLANEOUS

12.5 A single, or partial, exercise of a power or right under or arising from this Deed will not preclude further exercises of that power or right or the exercise of another power or right.

NO ASSIGNMENT

12.6 Except as expressly provided in this Deed or a document entered into under this Deed, neither Party may transfer or assign any rights or obligations under or arising from this Deed.



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13 DEFINITIONS AND INTERPRETATION

DEFINITIONS

Terms defined by legislation


- 13.1 In this Deed, unless the context requires otherwise, the following terms have the meaning for that term given by the section of the legislation set opposite it below:

TERM	DEFINING SECTION
conservation area	section 2(1) Conservation Act
Crown	section 2(1) Public Finance Act
Crown entity	Section 7(1) Crown Entities Act 2004
Director-General	section 2(1) Conservation Act
Local Authority	section 2(1) Resource Management Act
Office of Parliament	section 2(1) Public Finance Act
Registrar-General of Land	section 4 Land Transfer Act
State enterprise	section 2 State-Owned Enterprises Act
Territorial Authority	section 5(1) Local Government Act 2002
Waitangi Tribunal	section 4 Treaty of Waitangi Act


Terms defined in this Deed

- 13.2 In this Deed, unless the context requires otherwise, the following terms have the meaning for that term given by the clause or part of this Deed set opposite that term below:

TERM	DEFINING CLAUSE OR PART
Agreement in Principle	Background
Capella Road Covenant	7.37.3



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13: DEFINITIONS AND INTERPRETATION

Collective	1.5
Crown	1.4
Deed of Accession	14.2.3
DOC Management Easements	7.14
Encumbrances to be Finalised	7.40
Historical CNI Forests Land Claims	1.8-1.9
Improvements	7.26.4
Kokomoka Easement	7.14.1
KT	7.26.1
Lake Tarawera Reserve Easement	7.14.2
Land Claims Statutory Protection Legislation	2.9.5
Leased Land	7.26.1
Matea Easement	7.20.1
Member of the Collective	1.6
Northern Whirinaki Forest Park Easement	7.14.3
Plot Road Covenant	7.31.1
Public Easements	7.20.1
Public Right of Way Easements	7.20.1
Rangitaiki River Covenant	7.31.2
Representative Entity	1.7
RFR Deed	8.19
Tokorangi Easement	7.20.1
Whaka Easement	7.20.1
Whirinaki Easement	7.20.1

Defined terms

13.3 In this Deed, unless the context requires otherwise:

1989 Crown Forests Agreement means the agreement made on 20 July 1989 between the New Zealand Māori Council and the Federation of Māori Authorities Incorporated, as representatives of Māori, and the Crown;

Accession Date is the date of the Deed of Accession;

Accumulated Rentals means accumulated rentals:

13: DEFINITIONS AND INTERPRETATION

- (a) relating to the CNI Forests Land held under the terms of the forestry rental trust referred to in section 34 of the Crown Forest Assets Act 1989; and
- (b) to which CNI Iwi Holdings Limited becomes entitled pursuant to clause 7.3.4(e);

Agreed Proportion has the same meaning as in the Trust Deed and Shareholders' Agreement;

Area of Interest means the area of interest of each Member of the Collective and identified as such for the purpose of the Future Comprehensive Settlement to be entered into between the Crown and the Member of the Collective (including the area of interest applying to the TPT Settlement Deed);

Authorised Person means a person authorised by:


- (a) in the case of Department of Conservation, the Director-General of Conservation; and
- (b) in the case of other Land Holding Agencies, the chief executive of the Land Holding Agency;

Authorisation Process means the process referred to in clauses 3.1 and 3.2, through which each Member of the Collective obtained all authorisations that the Member of the Collective considered necessary for it to be satisfied that it:

- (a) has a sufficient level of support for the Member of the Collective to:
 - (i) be a Member of the Collective;
 - (ii) enter into this Deed of Settlement; and
- (b) is duly authorised to enter into this Deed of Settlement, through its Authorised Signatories, and to effect Settlement;

Authorised Signatories means the representatives of each Member of the Collective (or, where already established, the Member of the Collective's Governance Entity) who are authorised by that Member of the Collective to sign this Deed on behalf of the relevant Member of the Collective;

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

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CNI FORESTS IWI COLLECTIVE DEED OF SETTLEMENT

13: DEFINITIONS AND INTERPRETATION

- (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;

Capella Road Wetland means the wetland comprising approximately 145 hectares being part Lot 1 DPS 65986 (subject to survey);

Climate Change and Emissions Trading Bill means the Climate Change (Emissions Trading and Renewable Preference) Bill and, should that Bill not be passed into law, includes any subsequent Bill introduced to Parliament, which, among other things:

- (a) has as a principal purpose the amendment of the Climate Change Response Act 2002 to provide for the implementation, operation, and administration of a greenhouse gas emissions trading system in New Zealand; and
- (b) provides for the basis upon which New Zealand units (as defined in section 4(1) of the Climate Change Response Act 2002) are to be issued and then allocated to owners of former Crown Forest Land;

Climate Change Iwi Leadership Group means the iwi leadership group representing Māori interests in relation to the Climate Change and Emissions Trading Bill, including in relation to the allocation of NZUs to Māori owners of Crown Forest Land;

CNI Crown Forestry Licence means a Crown Forestry Licence that relates to CNI Forests Land and is described in Part 1 of Schedule 4;

CNI Forests Land means the fee simple estate in all of the land comprising the Central North Island forests subject to this Settlement being approximately 176,000 hectares subject to the CNI Crown Forestry Licences and as more particularly specified in Part 1 of Schedule 4 and, where the context permits, includes reference to a part or parts of such land. For the avoidance of doubt, this excludes:

- (a) all trees on that land; and
- (b) any improvements that have been acquired by any purchaser of the trees on that land or that have been made by that purchaser or the Licensee;

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13: DEFINITIONS AND INTERPRETATION

CNI Forests Land Cultural Redress means cultural redress in relation to specific areas within the CNI Forests Land or for other cultural and spiritual values and interests in the CNI Forests Land;

CNI Iwi means:

- (a) the iwi represented by the Collective; and
- (b) any Other CNI Claimant that is an iwi;

CNI Iwi Holdings Limited means the trust holding company known as "CNI Iwi Holdings Limited" (or such other name as determined by the Parties) established to receive the Redress on behalf of the Collective and the Crown in accordance with clause 9.1 of this Deed and, unless the context otherwise requires, includes CNI Iwi Holdings Limited in its capacity as trustee of the CNI Iwi Holdings Trust;

CNI Iwi Holdings Trust means the trust to be established by the Trust Deed and Shareholders' Agreement, upon which terms CNI Iwi Holdings Limited will hold the Trust Fund;

Collective Mechanism means each of the DSP and the RFR;

Collective Mechanism Area means the area of land which is:

- (a) the aggregate area of each Area of Interest and, pending the final identification of each Area of Interest, this aggregate area will be interpreted as being the general area within the central North Island that the Crown considers to be such aggregate area (with the Crown acting consistently with the intention of this Deed, including having regard to its land banking practices for Future Comprehensive Settlements); and
- (b) any other land area that may be agreed between the Crown and the Collective from time to time as being applicable to the DSP Properties, the Collective RFR Properties or the discussions to be held from time to time pursuant to clause 8.22;

Collective RFR Property means:

- (a) any property that is a property:
 - (i) to which the definition of DSP Property would apply if the reference to "deferred selection mechanism" was extended to "deferred selection mechanism or right of first refusal mechanism";



13: DEFINITIONS AND INTERPRETATION

- (ii) that is not available for the DSP because the Crown wishes to retain ownership of the property beyond the end of the DSP Selection Period (in the case of a property that would otherwise be considered for inclusion in the DSP); and
 - (iii) that is agreed between the Parties as being available for the RFR, subject to the application of clause 8.2; and
- (b) any property that is identified and agreed as being a DSP Property in accordance with clauses 8.1 and 8.2, but is not selected for purchase by the DSP Entity pursuant to clause 8.5.3;

Collective's Agreed Proportions means the percentages agreed by the Collective and set out in Schedule 2;

Collective's Allocation Agreement means:

- (a) the Collective's tikanga-based resolution process for CNI Forests Land allocations, including the processes by which a final allocation agreement is to be drafted, adjudicated (if necessary) and completed, as set out in Schedule 3 (including the diagram in that Schedule 3);
- (b) where the context requires, means that final allocation agreement; and
- (c) it is acknowledged this is the same as the definition of Collective Allocation Agreement in the attached draft of the Trust Deed and Shareholders' Agreement and that any change to that definition will be deemed to effect a corresponding change to the definition of Collective Allocation Agreement in this Deed;

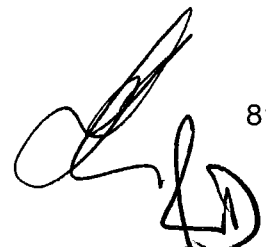
Collective's Final Allocation Date means the earlier of:

- (a) the 35th anniversary of the Settlement Date; and
- (b) the date, between the end of the Crown Initial Period and that 35th anniversary date, that is chosen by Unanimous Resolution;

Commercial Redress means the Collective Mechanisms;

Constitution means the constitution of CNI Iwi Holdings Limited to be substantially in the form attached to this Deed as Schedule 9 and with such amendments as the Parties may agree;

Court, in relation to any matter, means a court having jurisdiction in relation to that matter in New Zealand;



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13: DEFINITIONS AND INTERPRETATION

Crown Agreed Proportion has the same meaning as in the Trust Deed and Shareholders' Agreement;

Crown Forest Land has the meaning given to it in section 2(1) of the Crown Forest Assets Act;

Crown Forestry Licence has the meaning given to it in section 2 of the Crown Forest Assets Act;

Crown Forestry Rental Trust means the forestry rental trust referred to in section 34 of the Crown Forest Assets Act;

Crown Forestry Rental Trust Deed means the trust deed made on 30 April 1990 between representatives of Māori and the Crown establishing the Crown Forestry Rental Trust;

Crown Initial Period means the period of six years beginning on the Settlement Date;

Crown NZUs means NZUs to be allocated and issued by the Crown to CNI Iwi Holdings Limited pursuant to clause 9.14 and in respect of the Crown Agreed Proportion of the CNI Forests Land;

Date of this Deed means the date this Deed is signed by the Parties;

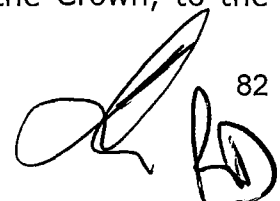
Deed and **Deed of Settlement** means this Deed of Settlement, including the schedules to it;

Deferred Settlement Date means, in respect of any DSP Properties, the date that is the later of:

- (a) 30 Business Days after the date on which the DSP Entity gives Notice in accordance with clause 8.5.3 that it elects to purchase the DSP Property; or
- (b) if applicable, the date upon which settlement of the transfer of the DSP Property to the DSP Entity is finally effected pursuant to the Terms of Transfer;

Department means a department or instrument of the Government, or a branch or division of the Government, but does not include a body corporate, or other legal entity, that has the power to contract, or an Office of Parliament;

Disclosure Information means, in respect of the CNI Forests Land, the information stated to be current as at February 2008 and contained in the 24 information folders provided by LINZ, on behalf of the Crown, to the Collective;

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13: DEFINITIONS AND INTERPRETATION

DSP means the deferred selection procedure referred to in clauses 8.1 to 8.18;

DSP Entity means CNI Iwi Holdings Limited, or other entity established by the Collective from time to time, nominated by the Collective to identify, select and purchase DSP Properties on behalf of the Collective and pursuant to clauses 8.1 to 8.18 (including any duly authorised entity acting as the agent of CNI Iwi Holdings Limited or other nominated entity and who will be entitled to hold the benefit of, and or exercise, the rights of the Collective under, or pursuant to, clauses 8.1 to 8.18);

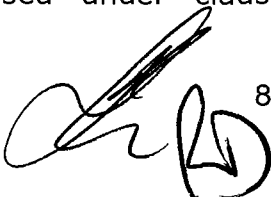
DSP Property means any property within the Collective Mechanism Area that is Crown-owned land and of a nature that would ordinarily be considered for inclusion in a deferred selection mechanism agreed in the settlement of Historical Claims and where the property:

- (a) will not be included as commercial redress or cultural redress for a Future Comprehensive Settlement because:
 - (i) the relevant Member of the Collective, or Other CNI Claimant, has provided to the Crown and the Collective the written agreement referred to in clause 8.2.1;
 - (ii) cross claims exist in respect of the property and to an extent that the Crown considers this will prevent the property from being included as commercial redress or cultural redress in a Future Comprehensive Settlement; or
 - (iii) the Crown considers that the value of the property is so high that it prevents it from being included as commercial redress or cultural redress in a Future Comprehensive Settlement; or
- (b) is within an area of interest that has already been the subject of a comprehensive settlement of an Historical Claim (such as the area of interest applying to the TPT Settlement) and the property is not subject to any deferred selection mechanism or right of first refusal mechanism, and is not otherwise included as redress, under that comprehensive settlement;

DSP Selection Period means, subject to clause 8.4, the period from the date six months from the Settlement Date to the date 36 months after the Settlement Date, inclusive;

DSP Transfer means the transfer to the DSP Entity of a:

- (a) DSP Property, pursuant to the agreement for sale and purchase constituted under clause 8.7 and as authorised under clause 8.18.1(a); or



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13: DEFINITIONS AND INTERPRETATION

(b) Future DSP Property, pursuant to clauses 8.14 to 8.17;

DSP Transfer Date means the date upon which a DSP Transfer occurs;

Encumbrance means a lease, tenancy, licence to occupy, easement, covenant or other right affecting that property including the CNI Crown Forestry Licences;

Entity means:

(a) a body corporate or unincorporated body, such as a trust; and

(b) in the case of a trust, the trustees appointed from time to time under the trust deed in their capacity as trustees;

Financial Redress means the CNI Forests Land to be vested under Part 7, excluding the Crown Agreed Proportion;

Forestry and Other Management Contract means the management contract to be entered into by CNI Iwi Holdings Limited and the Forest Management Company for the management of the CNI Forests Land in accordance with clause 9.3;

Forest Management Company means the company to be established by the Collective pursuant to clause 9.3 of this Deed to manage the CNI Forests Land under the Forestry and Other Management Agreement;

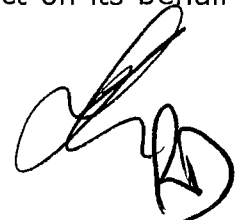
Future Comprehensive Settlement means a future comprehensive settlement of all Historical Claims of a Member of the Collective or an Other CNI Claimant and which have not been settled by the Date of this Deed;

Future DSP Property means any property which is subject to a deferred right to purchase provided by the Crown to a Member of the Collective, or to an Other CNI Claimant, under a Future Comprehensive Settlement;

Future RFR Property means any property that is subject to a first right of refusal provided by the Crown to a Member of the Collective, or to an Other CNI Claimant, under a Future Comprehensive Settlement;

Gift Duty means gift duty imposed under the Estate and Gift Duties Act and includes any interest or penalty payable in respect of, or on account of, the late or non-Payment of, any Gift Duty;

Governance Entity means the entity established, or to be established by Settlement Date, by each Member of the Collective to act on its behalf in



CNI FORESTS IWI COLLECTIVE DEED OF SETTLEMENT

13: DEFINITIONS AND INTERPRETATION

relation to Settlement, CNI Iwi Holdings Limited and the CNI Iwi Holdings Trust;

GST means goods and services tax chargeable under the Goods and Services Tax Act and includes for the purposes of Part 10 any interest or penalty payable in respect of, or on account of, the late or non-payment of, any GST;

Historical Claims means every claim (whether or not the claim has arisen or been considered, researched, registered, notified or made by or on the Settlement Date) that any Māori had at, or at any time before, the Settlement Date, or may have at any time after the Settlement Date, and that:

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

- (i) from Te Tiriti o Waitangi/the Treaty of Waitangi or its principles;
- (ii) under legislation;
- (iii) at common law (including in relation to aboriginal title or customary law);
- (iv) from a fiduciary duty; or
- (v) otherwise; and

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

- (i) by or on behalf of the Crown; or
- (ii) by or under legislation,

but does not include Historical CNI Forests Land Claims;

Income Tax means income tax imposed under the Income Tax Act and includes any interest or penalty payable in respect of, or on account of, the late or non-payment of any Income Tax;

Kaingaroa Processing Plant Lease means the lease of the CNI Forests Land comprising part of the forest block known as "Kaingaroa Headquarters" to be entered into between the Crown or CNI Iwi Holdings Limited as lessor and KT as lessee;


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13: DEFINITIONS AND INTERPRETATION

Kakapiko Site means the site to be vested under the TPT Settlement Deed as shown on SO 364704 being 2.75 hectares approximately being Part Lot 6 DPS 54801 Part *Gazette* 1975 page 2327 and subject to survey;

Landcorp Easements means the easements relating to land owned by Landcorp Farming Limited and adjoining CNI Forests Land and, subject to clause 7.41, in the form presented to the Collective before the Date of this Deed;

Land Holding Agency means:

- (a) in relation to the CNI Forests Land, LINZ; and
- (b) in relation to a DSP Property, the Department that is the Land Holding Agency for the purposes of Parts 1 to 3 of Schedule 8;

Licence Fee Review means a review under clause 4 of a CNI Crown Forestry Licence that has not been concluded at the Settlement Date;

Licensee means the registered holder for the time being of a CNI Crown Forestry Licence;

Licensor means the licensor for the time being of a CNI Crown Forestry Licence;

LINZ means Land Information New Zealand;

Minister means a Minister of the Crown;

Moerangi Site means the site to be vested under the TPT Settlement Deed shown on SO 364662 being 58 hectares approximately being Part Lot 6 DPS 54801 Part *Gazette* 1975 page 2327 and subject to survey;

Ngāti Rangitahi means:

- (a) the iwi of Ngāti Rangitahi, being the collective group composed of individuals descended from one or more Ngāti Rangitahi ancestors;
- (b) every individual referred to in (a); and
- (c) includes any iwi, hapū, whanau or group of individuals to the extent that that iwi, hapū, whanau or group of individuals is composed of individuals referred to in (a);

Notice means a notice in writing given under clause 12.1 and **Notify** has a corresponding meaning;



13: DEFINITIONS AND INTERPRETATION

NZUs means New Zealand units (as defined in section 4(1) of the Climate Change Response Act 2002) to be allocated and issued by the Crown to the NZUs Entity pursuant to clauses 9.11 to 9.16, subject to the passing into law of the Climate Change and Emissions Trading Bill. For the purposes of this Deed, where the Climate Change Emissions Trading Bill, once passed into law, provides for any instrument, subsidy or other means of compensation for deforestation liabilities or costs to be issued to owners of Pre-1990 Forest Land and instead of, or in addition to, a New Zealand unit, then the term NZUs is to be interpreted as referring to, or including, such instrument, subsidy or other means of compensation;

NZUs Deed means a separate deed to be agreed and entered into between the Crown and the NZUs Entity pursuant to clause 9.15 and which provides for the basis upon which NZUs are to be allocated to the NZUs Entity and CNI Iwi Holdings Limited in respect of the CNI Forests Land;

NZUs Entity means CNI Iwi Holdings Limited, or other entity established by the Collective, nominated by the Collective to receive the allocation of NZUs as part of the Commercial Redress;

Ongoing Rentals means all rentals relating to the CNI Forests Land (including all fees and other amounts payable by Licensees) that are paid or payable to CNI Iwi Holdings Limited in respect of any period after the Settlement Date;

Original TPT Settlement Deed means the deed of settlement dated 30 September 2006 between the Crown and the Affiliate Te Arawa Iwi/Hapū settling the Historical Claims of the Affiliate Te Arawa Iwi/Hapū and which has been replaced by the TPT Settlement Deed;

Other CNI Claimant means any Māori claimant who:

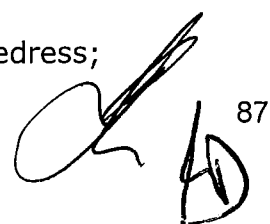
- (a) has an Historical Claim to the CNI Forests Land; and
- (b) is not part of and is not represented by the Collective;

Parties means the Collective and the Crown;

Pre-1990 Forest Land has the same meaning as in section 6 of the Climate Change and Emissions Trading Bill (or such amended meaning as may be given to that term upon the passing into law of the Climate Change and Emissions Trading Bill);

Rangitaiki River Wetlands means the wetlands comprising approximately 15 hectares being part Lot 1 DPS 73202, part Lot 1 DP 20756 and part Lot 20 DP 23615 (subject to survey);

Redress means the Financial Redress and Commercial Redress;



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13: DEFINITIONS AND INTERPRETATION

Relevant Encumbrances means in respect of any part of the CNI Forests Land, all Encumbrances described in Schedule 5 as affecting that part of CNI Forests Land (as they may be varied or added to under paragraph 2.1 of Part 2 of Schedule 4);

RFR means the right of first refusal provided to the Collective pursuant to the RFR Deed and which may be exercised by the RFR Entity;

RFR Deed has the meaning given to it in clause 8.19;

RFR Entity means CNI Iwi Holdings Limited, or other entity established by the Collective or from time to time nominated by the Collective, pursuant to the RFR Deed, to exercise the RFRs (including any duly authorised entity acting as the agent of CNI Iwi Holdings Limited or other nominated entity and who will be entitled to hold the benefit of, and or exercise, the rights of the Collective under, or pursuant to, clauses 8.19 to 8.21 and the RFR Deed);

RFR Property means a:

- (a) Collective RFR Property; and
- (b) Future RFR Property;

Roading Network means the network of private roads over which rights are to be granted under the roading network easement and related management agreement and subject to clause 7.41, in the form presented to the Collective before the Date of this Deed;

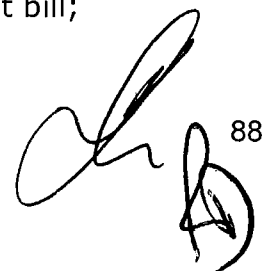
Selected DSP Property means any:

- (a) DSP Property that is the subject of a notice given by the DSP Entity in accordance with clause 8.5.3; or
- (b) Future DSP Property that may be selected and may be purchased by the Collective pursuant to clauses 8.15 to 8.18;

Settlement means the settlement of the Historical CNI Forests Land Claims under this Deed and the Settlement Legislation;

Settlement Date means 12.00 a.m. on 1 July 2009 (or such other date as may be provided for Settlement in the Settlement Legislation);

Settlement Legislation means the bill referred to in Part 4 in the form attached as Schedule 11 and, where the bill has become law, means, if the context requires, the Act resulting from the passing of that bill;



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13: DEFINITIONS AND INTERPRETATION

Settlement Vesting means the vesting of the CNI Forests Land in CNI Iwi Holdings Limited under Part 7 and to effect the Financial Redress;

Specified Transfer Period means the period of seven years beginning on the Settlement Date;

Tax includes Income Tax, GST and Gift Duty;

Tax Legislation means any legislation that imposes or provides for the administration of Tax;

Te Tiriti o Waitangi/the Treaty of Waitangi has the same meaning as the term "Treaty" in section 2 of the Treaty of Waitangi Act;

TPT Legislation means the bill including all matters required by the TPT Settlement Deed and where the bill has become law, means, if the context requires, the Act resulting from the passing of that bill;

TPT Settlement Deed means the deed of settlement dated 11 June 2008 between the Crown, the Affiliate Te Arawa Iwi/Hapū and the trustees of Te Pumautanga o Te Arawa Trust settling the Historical Claims of the Affiliate Te Arawa Iwi/Hapū and in replacement of the Original TPT Settlement Deed;

Transfer Value, in relation to a DSP Property, means the amount determined in accordance with the Valuation Process as being the value of the DSP Property at the Valuation Date;

Trust Deed and Shareholders' Agreement means the trust deed to be entered into by the Crown, the Collective and CNI Iwi Holdings Limited in accordance with clause 9.2 of this Deed, to be substantially in the form attached as Schedule 10 and with such amendments as the Parties may agree;

Trust Fund has the meaning given to it in the Trust Deed and Shareholders' Agreement;

Unanimous Resolution has the same meaning as in the Trust Deed and Shareholders' Agreement;

Valuation Date means 25 June 2008;

Valuation Process means the process specified in Part 2 of Schedule 8;

Wetland on Plot Road means the wetland comprising approximately 15 hectares being part Lot 1 DPS 65623 (subject to survey);



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13: DEFINITIONS AND INTERPRETATION

Whakarewarewa Forest/Tokorangi Block means the CNI Forests Land that is subject to the CNI Crown Forestry Licence known as Whakarewarewa Forest/Tokorangi; and

Whakarewarewa Forest/Whaka Block means the CNI Forests Land that is subject to the CNI Crown Forestry Licence known as Whakarewarewa Forest/Whaka.

References to Legislation

- 13.4 In this Deed certain legislation is referred to without including the year of that legislation. The year of the legislation referred to is set out below:

Arbitration Act 1996
Building Act 2004
Conservation Act 1987
Crown Forest Assets Act 1989
Crown Minerals Act 1991
Education Act 1989
Estate and Gift Duties Act 1968
Fisheries Act 1996
Foreshore and Seabed Act 2004
Goods and Services Tax Act 1985
Historic Places Act 1993
Income Tax Act 2007
Land Transfer Act 1952
Local Government Act 1974
Māori Commercial Aquaculture Claims Settlement Act 2004
Māori Fisheries Act 2004
Marine Reserves Act 1971
National Parks Act 1980
New Zealand Railways Corporation Restructuring Act 1990
Public Finance Act 1989
Reserves Act 1977
Resource Management Act 1991
State-Owned Enterprises Act 1986
Treaty of Waitangi Act 1975
Treaty of Waitangi (Fisheries Claims) Settlement Act 1992

INTERPRETATION

- 13.5 In the interpretation of this Deed, unless the context otherwise requires:
- 13.5.1 headings appear as a matter of convenience and are not to affect the interpretation of this Deed;
- 13.5.2 defined terms appear in this Deed with capitalised initial letters and have the meanings given to them by this Deed;



13: DEFINITIONS AND INTERPRETATION

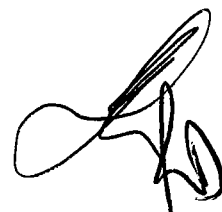
- 13.5.3 where a word or expression is defined in this Deed, other parts of speech and grammatical forms of that word or expression have corresponding meanings;
- 13.5.4 the singular includes the plural and vice versa;
- 13.5.5 words importing one gender include the other genders;
- 13.5.6 a reference to a Part, clause, Schedule or attachment is to a Part, clause, Schedule or attachment of or to this Deed;
- 13.5.7 a reference in a Schedule to a paragraph means a paragraph in that Schedule;
- 13.5.8 a reference to legislation includes a reference to that legislation as amended, consolidated or substituted;
- 13.5.9 a reference to a Party in this Deed, or in any other document or agreement under this Deed, includes that Party's permitted successors;
- 13.5.10 an agreement on the part of two or more persons binds each of them jointly and severally;
- 13.5.11 an agreement of, or acknowledgement by, the Collective is deemed to record agreement or acknowledgement by each Member of the Collective;
- 13.5.12 a reference to any document or agreement, including this Deed, includes a reference to that document or agreement as amended, novated or replaced from time to time;
- 13.5.13 a reference to a monetary amount is to New Zealand currency;
- 13.5.14 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;
- 13.5.15 a reference to a person includes a corporation sole and also a body of persons, whether corporate or unincorporate;
- 13.5.16 a reference to the Crown endeavouring to do something or to achieve some result means reasonable endeavours to do that thing or achieve that result but, in particular, does not oblige the Crown or the Government of New Zealand to propose for introduction any legislation, except where this Deed requires the Crown to introduce Settlement Legislation;



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13: DEFINITIONS AND INTERPRETATION

- 13.5.17 where a clause includes a preamble, that preamble is intended to set out the background to, and intention of, the clause, but is not to affect the interpretation of the clause;
- 13.5.18 in the event of a conflict between a provision in the main body of this Deed (namely, any part of this Deed except the Schedules or attachments) and the Schedules or attachments, then the provision in the main body of this Deed prevails;
- 13.5.19 a reference to any document as set out in, or on the terms and conditions contained in, a Schedule or attachment includes that document with such amendments as may be agreed in writing between the Collective and the Crown;
- 13.5.20 "includes" or "including" are to be interpreted as if they were followed by ", without limitation,";
- 13.5.21 a reference to a date on or by which something must be done includes any other date that may be agreed in writing between the Collective and the Crown;
- 13.5.22 where something is required to be done by or on a day which is not a Business Day, that thing must be done on the next Business Day after that day;
- 13.5.23 a reference to time is to New Zealand time;
- 13.5.24 a reference to the Settlement Legislation including a provision set out in this Deed includes that provision with any amendment:
- (a) that is agreed in writing between the Collective and the Crown; and
 - (b) that results in a provision that is similar to that provided in this Deed and does not have a material adverse effect on either of the Parties;
- 13.5.25 a reference to a particular Minister of the Crown includes any Minister of the Crown who, under authority of any warrant or with the authority of the Prime Minister, is for the time being responsible for the administration of the relevant Act or matter; and
- 13.5.26 where the name of a reserve or other place is amended under this Deed, either the existing name or new name is used to mean that same reserve or other place.



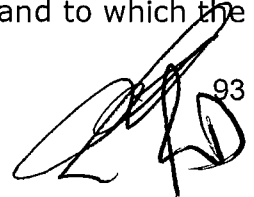
14 POSSIBLE NGĀTI RANGITIHI ACCESSION

ACKNOWLEDGEMENTS

- 14.1 With regard to the position of Ngāti Rangitihī:
- 14.1.1 the Collective and the Crown acknowledge that Ngāti Rangitihī have been part of the Collective for the purposes of negotiating this Deed. While Ngāti Rangitihī have not agreed to the Settlement by the date of this Deed, the Collective and the Crown wish to keep open the possibility of Ngāti Rangitihī agreeing to the Settlement within six months of the date of this Deed;
- 14.1.2 the Collective wishes to record its appreciation of the important role that Ngāti Rangitihī has played in the period leading up to this Deed and the Collective's strong desire for Ngāti Rangitihī to still become a Member of the Collective, as originally envisaged by the Collective;
- 14.1.3 the Collective is therefore fully supportive of Ngāti Rangitihī completing its authorisation processes and with a view to it becoming a Member of the Collective as soon as possible, through the process outlined in this Part 14; and
- 14.1.4 until those authorisation processes are completed, the Collective will continue to regard Ngāti Rangitihī as a Member of the Collective.

ACCESSION OF NGĀTI RANGITIHI TO SETTLEMENT

- 14.2 The following provisions of this Part 14 apply if, within six months of the date of this Deed:
- 14.2.1 Ngāti Rangitihī decides to agree to the Settlement;
- 14.2.2 Ngāti Rangitihī satisfies the Crown that it has authority to enter into the Settlement as a result of a process for obtaining authority that is the same as the process required for Members of the Collective under clause 3.2; and
- 14.2.3 Ngāti Rangitihī has entered into a deed of accession ("**Deed of Accession**"), binding Ngāti Rangitihī to the Settlement, the terms of this Deed and as if Ngāti Rangitihī were an original Party to this Deed, and (if it has been executed before the Accession Date) to the terms of the Trust Deed and Shareholders' Agreement, in such form as the Crown and Ngāti Rangitihī may agree and to which the



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14: POSSIBLE NGĀTI RANGITIHI ACCESSION

Collective will, if reasonably requested by the Crown, become a party.

GENERAL EFFECT OF ACCESSION

- 14.3 With effect from the Accession Date, Ngāti Rangitihi will be treated by the Crown and the Collective as being a Member of the Collective and a party to this Deed.

SPECIFIC EFFECTS OF ACCESSION ON THIS DEED

- 14.4 With effect from the Accession Date, this Deed will be deemed to have been amended by:

14.4.1 replacing "seven" with "eight" in clause 1.5.1;

14.4.2 adding to clause 1.5.1 the following paragraph:

"(i) Ngāti Rangitihi;"

14.4.3 replacing "86.7%" with "90%" in:

(a) clause 6.4; and

(b) clause 9.4.2;

14.4.4 replacing "\$195.6 million" with "\$203 million" in clause 6.4;

14.4.5 replacing "1000" with "2000" in clause 9.1.2(a);

14.4.6 replacing "868" with "1800" in clause 9.1.2(b);

14.4.7 replacing "124" with "225" in clause 9.1.2(b);

14.4.8 replacing "132" with "200" in clause 9.1.2(c);

14.4.9 replacing "14" with "16" in clause 9.1.2(d)(i);

14.4.10 adding new clause 1.8 to Schedule 1 as follows:

"**Ngāti Rangitihi** has the meaning given to it in clause 13.3 of this Deed."; and

14.4.11 replacing Schedule 2 with the following schedule:



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CNI FORESTS IWI COLLECTIVE DEED OF SETTLEMENT

14: POSSIBLE NGĀTI RANGITIHI ACCESSION

Iwi	Collective's Agreed Proportions
Ngāi Tūhoe	26.3125%
Ngāti Tūwharetoa	25.9125%
The Affiliate Te Arawa Iwi/Hapu	15.6125%
Raukawa	14.2125%
Ngāti Manawa	6.0125%
Ngāti Whare	4.7125%
Ngāti Whakaue	3.6125%
Ngāti Rangitihī	3.6125%

SPECIFIC EFFECTS OF ACCESSION ON TRUST DEED AND SHAREHOLDERS' AGREEMENT

14.5 With effect from the Accession Date:

14.5.1 if the Trust Deed and Shareholders' Agreement has been executed before the Accession Date, that deed will be deemed to have been amended as set out in clause 14.6; and

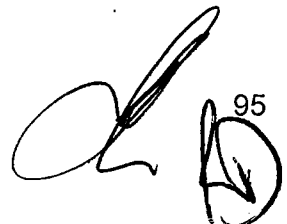
14.5.2 if the Trust Deed and Shareholders' Agreement has not been executed before the Accession Date, Schedule 10 of this Deed will be deemed to have been amended as set out in clause 14.6.

14.6 The amendments to the Trust Deed and Shareholders' Agreement or Schedule 10 (as the case may be) are:

14.6.1 replacing "13.3%" with "10%" in:

- (a) clause 5.1;
- (b) clause 7.2(b);
- (c) clause 7.3(c);
- (d) clause 7.4(e); and
- (e) subparagraphs (a), (b) and (d) of paragraph 3 of Schedule 3; and

14.6.2 replacing Schedule 2 with the following schedule:



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CNI FORESTS IWI COLLECTIVE DEED OF SETTLEMENT

14: POSSIBLE NGĀTI RANGITIHI ACCESSION

Iwi	Governance Entity	Column 1 Collective's Agreed Proportions	Calculation	Column 2 Initial Agreed Proportions
Ngāi Tūhoe	Te Kotahi a Tūhoe Charitable Trust	26.3125%	x 0.9	23.68125%
Ngāti Tūwharetoa	Ngāti Tūwharetoa Treaty Claims Settlement Trust	25.9125%	x 0.9	23.32125%
The Affiliate Te Arawa Iwi/Hapū	Te Pumautanga o Te Arawa	15.6125%	x 0.9	14.05125%
Raukawa	Raukawa Trust Board	14.2125%	x 0.9	12.79125%
Ngāti Manawa	Te Runanga o Ngāti Manawa	6.0125%	x 0.9	5.41125%
Ngāti Whare	Te Runanga o Ngāti Whare Iwi Trust	4.7125%	x 0.9	4.24125%
Ngāti Whakaue	Te Kotahitanga o Ngāti Whakaue Assets Trust	3.6125%	x 0.9	3.25125%
Ngāti Rangitīhi	Te Runanga o Ngāti Rangitīhi Treaty Settlement Trust	3.6125%	x 0.9	3.25125%
Crown				10%

14.6.3 replacing "1,000" with "2,000", "124" with "225" and "132" with "200" in paragraph 14(a) of Schedule 3.

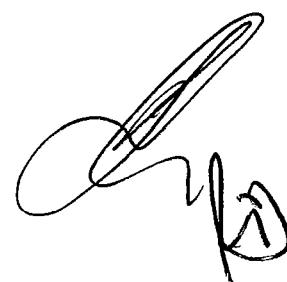
SPECIFIC EFFECTS OF ACCESSION ON SETTLEMENT LEGISLATION

14.7 The Crown will propose to Parliament such amendments to the Settlement Legislation as may be necessary to reflect the accession of Ngāti Rangitīhi to the Settlement on the terms set out in this Part 14.

SPECIFIC EFFECTS ON CNI IWI HOLDINGS LIMITED

14.8 The Crown and the Collective will ensure that CNI Iwi Holdings Limited issues:

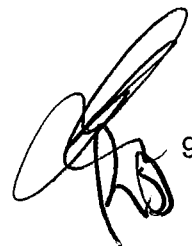
14.8.1 225 shares to Ngāti Rangitīhi's Governance Entity;



CNI FORESTS IWI COLLECTIVE DEED OF SETTLEMENT

14: POSSIBLE NGĀTI RANGITIHI ACCESSION

- 14.8.2 101 additional shares to each of the Members of the Collective's Governance Entities (for the avoidance of doubt, excluding Ngāti Rangitihī's Governance Entity); and
- 14.8.3 68 additional shares to the Crown.



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SIGNED as a deed on

25 June, 2008

SIGNED for and on behalf of HER MAJESTY THE QUEEN in right of New Zealand by the Minister in Charge of Treaty of Waitangi Negotiations in the presence of:


Honourable Dr Michael Cullen

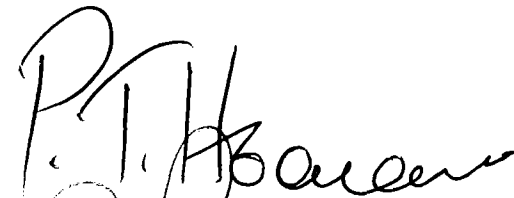
WITNESS





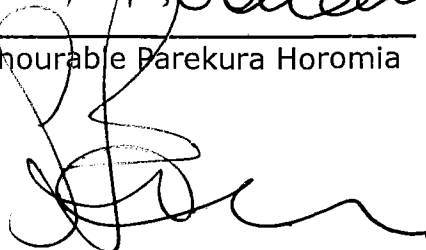
Name: MARK JACOB
Occupation: MANAGER, TREASURY
Address: Wellington

SIGNED for and on behalf of HER MAJESTY THE QUEEN in right of New Zealand by the Minister of Māori Affairs in the presence of:


Honourable Parekura Horomia

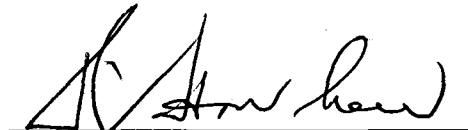
WITNESS





Name: MARK JACOB
Occupation: MANAGER TREASURY
Address: Wellington

SIGNED for and on behalf of the CNI (Central North Island) Forests Iwi Collective in the presence of:


Te Ariki o Ngāti Tūwharetoa,
Dr Tumu te Heuheu DCNZM

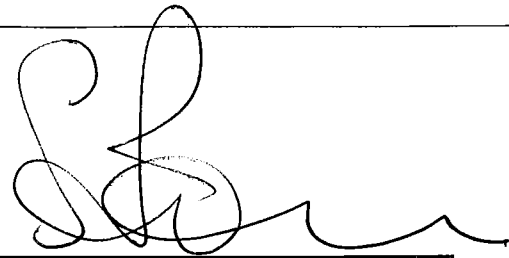
WITNESS



Name: R Drummond
Occupation: Solicitor
Address: Wellington

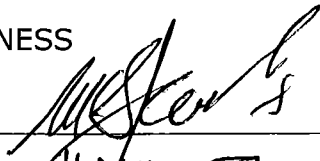


SIGNED for and on behalf of **HER MAJESTY THE QUEEN** in right of New Zealand by the Associate Minister in Charge of Treaty of Waitangi Negotiations in the presence of:



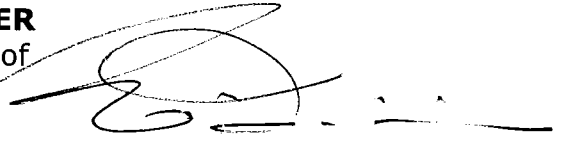
Honourable Shane Jones

WITNESS




Name: MARK JACCOB
Occupation: MANAGER, TREASURY
Address: WELLINGTON

SIGNED for and on behalf of **HER MAJESTY THE QUEEN** in right of New Zealand by the Associate Minister in Charge of Treaty of Waitangi Negotiations in the presence of:

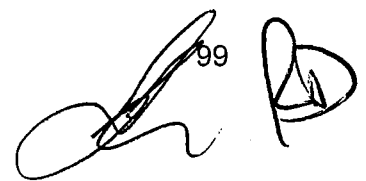


Honourable Mita Ririnui

WITNESS

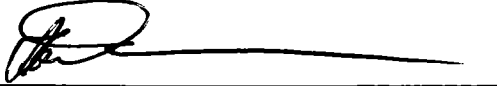


Name: MARK JACCOB
Occupation: MANAGER TREASURY
Address: WELLINGTON



SIGNED for and on behalf of
Ngāi Tūhoe by its Authorised
Signatories in the presence of:

WITNESS



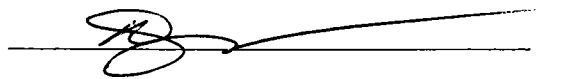
Name: *TEKANI NICHOLAS*
Occupation: *SOLICITOR*
Address: *AUCKLAND.*



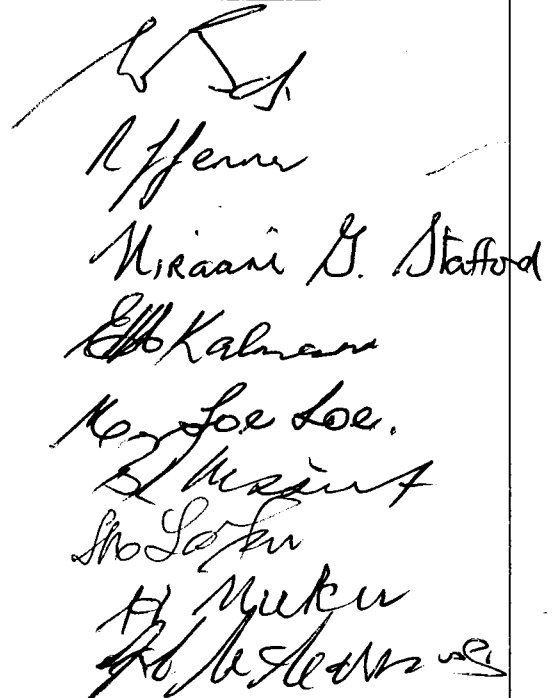
Authorised Signatories

SIGNED for and on behalf of
Te Runanga o Ngāti Manawa by
its Authorised Signatories in the
presence of:

WITNESS



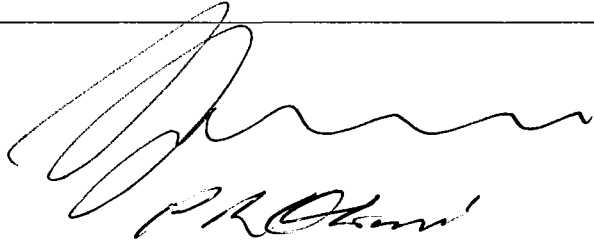
Name: *BADEN VERHOEVEN*
Occupation: *SOLICITOR*
Address: *WELLINGTON*



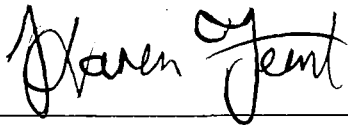
R. J. J.
R. J. J.
Nikiani G. Stafford
E. Kalman
M. J. J.
S. J. J.
M. J. J.
H. J. J.
M. J. J.

Authorised Signatories

SIGNED for and on behalf of
Ngāti Tūwharetoa by its
Authorised Signatories in the
presence of:



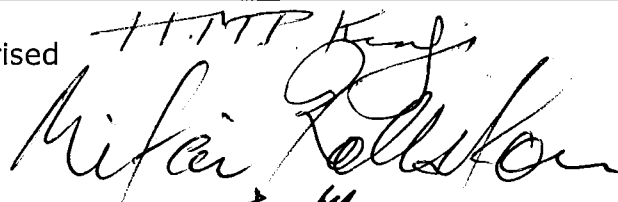
WITNESS



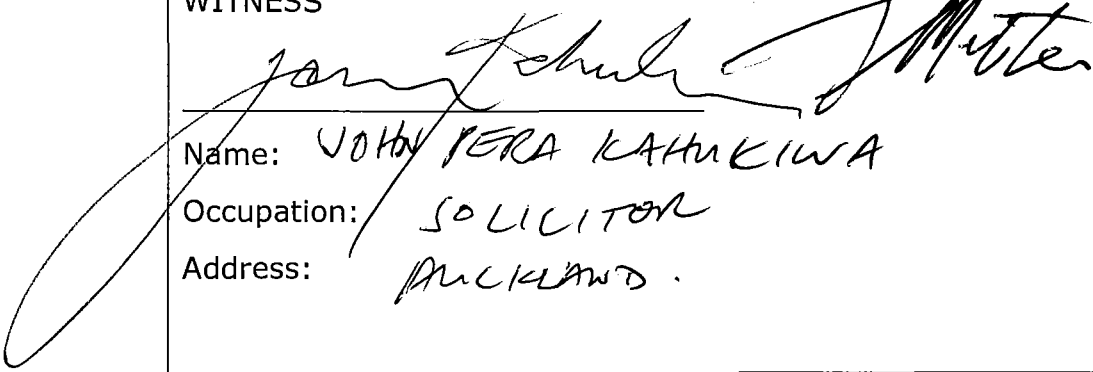
Name: **KAREN FEINT**
Occupation: **SOLICITOR**
Address: **WELLINGTON**

Authorised Signatories

SIGNED for and on behalf of
Ngāti Whakaue by its Authorised
Signatories in the presence of:

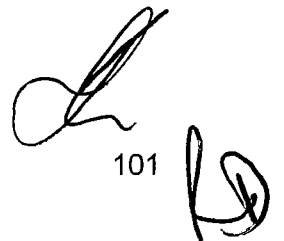


WITNESS




Name: **JODY VERA KAHUKIWA**
Occupation: **SOLICITOR**
Address: **AUCKLAND**

Authorised Signatories




SIGNED for and on behalf of **Te Runanga o Ngāti Whare Iwi Trust** by its Authorised Signatories in the presence of:

WITNESS


Name: JAMES PHILIP FERGUSON

Occupation: SOLICITOR

Address: WELLINGTON

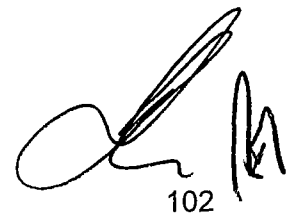
Kohiti Kohiti

Robert Rickman
SARE REWI.



BRONCO CHASON



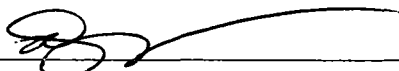
Authorised Signatories

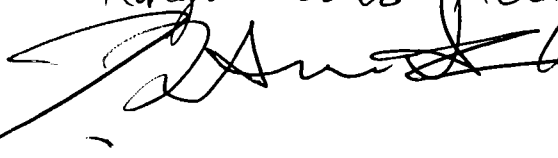


SIGNED for and on behalf of
Raukawa Trust Board by its
Authorised Signatories and by
affixing its seal in the presence of:



WITNESS




Name: *SADAN VEDRONGA*
Occupation: *SOLICITOR*
Address: *WELLINGTON*

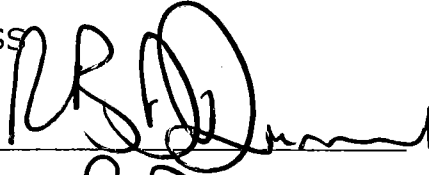
*George Whakatoi
& Rangitūia
Simmonds
Horohuia Simmonds
Morata Tehika
Rangitūia Hodge
*

Authorised Signatories

SIGNED for and on behalf of
Te Pumautanga o Te Arawa
Trust by its Authorised Signatories
in the presence of:

WITNESS



Name:

R. Drummond

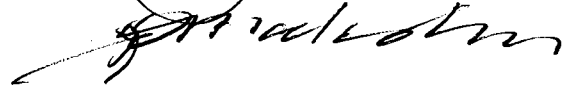
Occupation:

Solicitor

Address:

Wellington



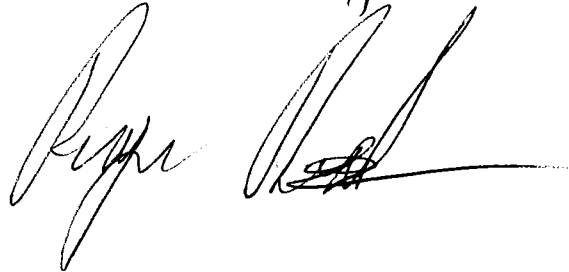


W. K. Te R. Marika

Ravi Tebani

Wallace H. L.

Andrew Hargreaves



Authorised Signatories

