Item 4

OIAD-4330 Bundle 2 It Items 4-5 Department of Conservation *Te Papa Atawhai*

Concession Document (Lease and Licence)

Concession Number: 82598-SKI

THIS CONCESSION is made this 7th day of March 2023

PARTIES:

Minister of Conservation (the Grantor)

Mount Dobson Ski Area Limited (the Concessionaire)

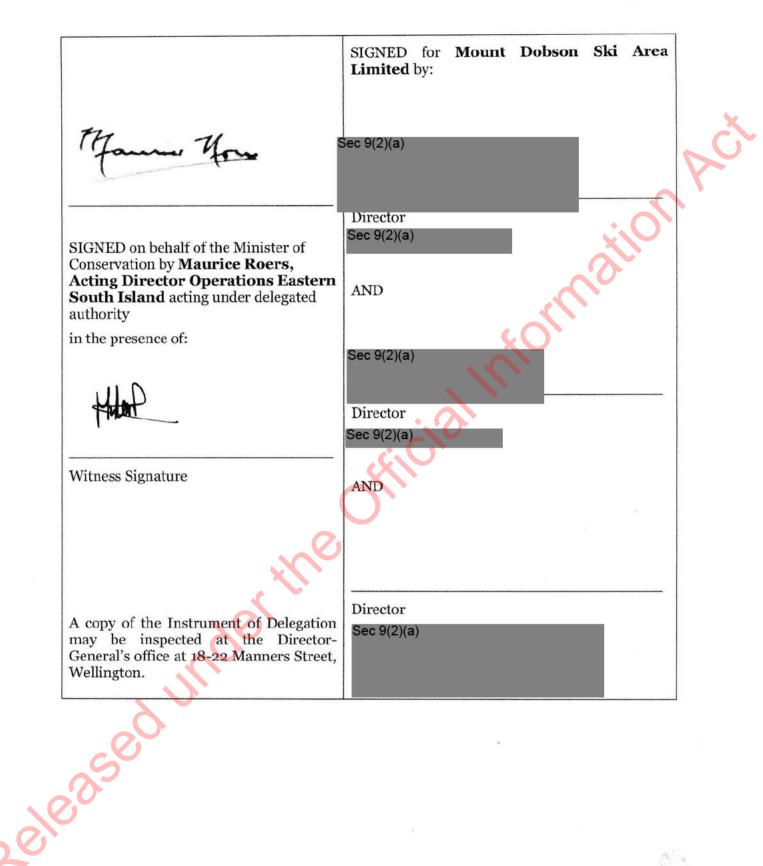
BACKGROUND

- a) The Department of Conservation ("Department") *Te Papa Atawhai* is responsible for managing and promoting conservation of the natural and historic heritage of New Zealand on behalf of, and for the benefit of, present and future New Zealanders.
- b) The Department is under the control of the Grantor.
- c) The carrying out of these functions may result in the Grantor granting concessions to carry out activities on public conservation land.
- **d)** The Grantor administers public conservation lands described in Schedule 1 as the Land.
- e) The Conservation legislation applying to the Land authorises the Grantor to grant a concession over the Land.
- **f)** The Concessionaire wishes to carry out the Concession Activity on the Land subject to the terms and conditions of this Concession.
- **g)** The Concessionaire acknowledges that the land may be the subject of Treaty of Waitangi claims.
- h) The parties wish to record the terms and conditions of this Concession and its Schedules.

OPERATIVE PARTS

i)

In exercise of the Grantor's powers under the Conservation legislation the Grantor **GRANTS** to the Concessionaire a **LEASE AND LICENCE** to carry out the Concession Activity on the Land subject to the terms and conditions contained in this Concession and its Schedules.



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SCHEDULE 1

			Lease Land		
			As marked on the attached map in Schedule 4 being:		
			Physical Description/Common Name: Mount Dobson Ski Area in the Te Kahui Kaupeka Conservation Park		
			Land Status: Held as Conservation Park under section 19 of the Conservation Act 1987		
			Area: 563m ² more or less		
			Legal Description: Part Rural Section 41129		
	1	Land			
	1.	(clause 1)	Licence Land		
			As marked on the attached maps in Schedule 5 being:		
			Physical Description/Common Name: Mount Dobson Ski Area in the Te Kahui Kaupeka Conservation Park		
			Land Status: Held as Conservation Park under section 19 of the Conservation Act 1987		
			Area: 350ha more or less		
			Legal Description: Part Rural Section 41129		
			Subject to the limitations in Schedules 2 and 3, the Concessionaire may carry out the following activities upon the Land:		
			1. Those activities directly connected with operating a commercial ski-field including the following:		
		201	a. Operate the ski-lift equipment in order to provide access to the Land for winter sports and winter recreational activities including day		
		.00	skiing and snowboarding, ski touring and sightseeing;		
			b. selling ski lift tickets;		
		Concession Activity	c. selling food and beverages from the Café;		
	2.	(clause 2)	d. providing first aid and ski patrol services;e. providing search and rescue services;		
	6		f. providing ski school services;		
~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~			g. selling, hiring or servicing snow-sports		
			equipment;		
			<ul><li>h. carrying out avalanche prevention;</li><li>i. operating snowmaking and snow grooming</li></ul>		
			machinery.		
			Ownership, maintenance, and operation of above and underground reticulation services including:		
			j. storing and conveying water;		
			k. draining of sewage from the sewage treatment		
			system;		

l			
			l. conveying electricity;
			m. conveying telecommunications and computer media;
			n. conveying fuel;
			o. the passing and repassing with ski-lift cables associated with the ski-lift tows.
			2. Use vehicles where that use is necessary and directly connected with the activities listed in 1 above;
			3. Manage, operate, maintain, and repair the structures and facilities listed in Schedule 4 and Schedule 5 and use them for the purposes set out in Schedule 4 and Schedule 5.
			4. Use the of the Access Road and Carpark for purposes connected with the passing and repassing of pedestrians and vehicles and for associated parking.
			5. Maintain and repair the Access Road and Carpark.
			6. Undertake operations to support health and safety work, search and rescue activities, avalanche management and to respond to medical emergencies using helicopters
	3.	<b>Term</b> (clause 4)	30 years commencing on 1 March 2023
	4.	Renewal(s) (clause 4)	Nil
	5. <b>Final Expiry Date</b> (clause 4)		28 February 2053
		under	Annual Activity Fee: Sec 9(2)(i)
	0	0	
	C	Concession Fee	
0	6.	(clause 5)	
20			
*			Annual Management Fee:
			Sec 9(2)(i)
			and

			Monitoring Fee		
			Standard Departmental charge-out rates for staff time and mileage will apply in order to monitor compliance with the Concession conditions		
	7.	<b>Environmental</b> <b>Monitoring</b> <b>Contribution</b> (clause 10)	Standard Departmental charge-out rates for staff time and mileage will apply in order to monitor the effects of the Concession Activity.		
	8.	<b>Community Services</b> <b>Contribution</b> (clause 7)	Such sums as may be notified from time-to-time by the Grantor in accordance with s17ZH of the Conservation Act 1987 Concession Activity Fee (Item 6); AND the Concession Management Fee (Item 6) AND the Environmental Monitoring Contribution (Item 7); AND the Community Services Contribution (Item 8)		
	9.	<b>Total payments to be made per annum</b> (clause 5)			
	10. <b>Total payment</b> <b>instalment(s)</b> (clause 5)		As per Item 9 above		
	11.	Concession Fee Payment Date(s) (clause 5)	As specified on invoice		
	12.	<b>Penalty Interest Rate</b> (clause 5)	Double the current Official Cash Rate (OCR). See Reserve Bank of New Zealand website		
20108	13.	Concession Fee Review Date(s) (clause 6)	1 st March 2026, 1 st March 2029, 1 st March 2032 and three- yearly thereafter		
	14.	<b>Insurance</b> (To be obtained by Concessionaire) (clause 13)	<ul> <li>Types and amounts:</li> <li>Public Liability Insurance for:</li> <li>a) General indemnity for an amount no less than \$2,000,000.00; and</li> <li>b) Third party vehicle liability for an amount no less than \$500,000.00.</li> </ul>		
$\mathbf{\nabla}$			Subject to review on each Concession Fee Review Date		

15.	Health and Safety (clause 14)	Audited Safety Plan: Required
16.	<b>Concessionaire</b> <b>Identification</b> (clause 32)	Not required
17.	Addresses for Notices	The Grantor's address is:
	(clause 25)	Physical Address: Department of Conservation Level 1, John Wickliffe House 265 Prince Street Dunedin 9016 New Zealand
		Postal Address: PO Box 5244 Dunedin 9054 New Zealand
		Phone: 03 477 0677
		Email: transactioncentre.@doc.govt.nz
		The Concessionaire's address in New Zealand is: Footes Limited 53-55 Sophia Street
		Timaru 7910
	×	New Zealand
		Phone: 03 685 8039 Email: <u>mtdobson@xtra.co.nz</u>
18.	Guarantee (clause 30)	Not required
19.	<b>Special Conditions</b> (clause 35)	See Schedule 3
20.		GST GST

Note: the clause references in column 2 are to the Grantor's Standard Terms and Conditions of Lease and Licence set out in Schedule 2.

# **SCHEDULE 2**

#### STANDARD TERMS AND CONDITIONS OF LEASE AND LICENCE

#### 1. Interpretation

1.1 In this Document, unless the context otherwise requires:

**"Land"** means the Lease Land and Licence Land described in Item 1 of Schedule 1.

"**Lease Land**" means the Land described as Lease Land in Item 1 of Schedule 1.

"Licence Land" means the Land described as Licence Land in Item 1 of Schedule1.

- 1.2 Where the Grantor's consent or approval is expressly required under a provision of this Concession, the Concessionaire must seek the consent or approval of the Grantor for each separate occasion it is required notwithstanding that the Grantor has granted consent or approval for a like purpose on a prior occasion.
- 1.3 The Concessionaire is responsible for the acts and omissions of its employees, contractors, agents, clients and invitees (excluding other members of the public accessing the Land). The Concessionaire is liable under this Concession for any breach of the terms of the Concession by its employees, contractors, agents, clients and invitees (excluding other members of the public accessing the Land), as if the breach had been committed by the Concessionaire.
- 1.4 Where this Concession requires the Grantor to exercise a discretion or give any approval or provides for any other actions by the Grantor, then the Grantor must act reasonably and within a reasonable time. When a consent is required under this Concession such consent must not be unreasonably withheld.
- 1.5 Where this Concession provides for approvals, directions, reports and consents to be given by one party to the other, those approvals, directions, reports and consents must be given by notice in writing and clause 25 is to apply.
- 1.6 The covenants and powers contained in Part 2 of Schedule 3 of the Property Law Act 2007 are not to be implied in this Concession and are expressly negatived.

#### What is being authorised?

- 2.1 The Concessionaire is only allowed to use the Land for the Concession Activity.
- 2.2 The Concessionaire must exercise reasonable skill, care and diligence in carrying out the Concession Activity, in accordance with standards of skill, care and diligence normally practised by suitably qualified and experienced people in carrying out such activities.
- 2.3 The Concessionaire must provide the Grantor with evidence of the competency and qualifications of its employees and contractors if the Grantor so requests.

2.4 The Concessionaire must not commence the Concession Activity until the Concessionaire has signed the Concession Document and returned one copy of this Document to the Grantor, as if it were a notice to be given under this Concession.

#### 3. What about quiet enjoyment?

- 3.1 The Concessionaire, while paying the Concession Fee and performing and observing the terms and conditions of this Concession, is entitled peaceably to hold and enjoy the Lease Land and any structures and facilities of the Grantor without hindrance or interruption by Grantor or by any person or persons claiming under the Grantor until the expiration or earlier termination of this Concession.
- 3.2 Provided reasonable notice has been given to the Concessionaire the Grantor, its employees and contractors may enter the Lease Land and Licence Land to inspect the Land and facilities, to carry out repairs and to monitor compliance with this Concession.

#### 4. How long is the Concession for - the Term?

- 4.1 This Concession commences on the date set out in Item 3 of Schedule 1 and ends on the Final Expiry Date specified in Item 5 of Schedule 1.
- 4.2 If there is a right of renewal then the Grantor at the Concessionaire's cost must renew the Term for a further period as set out in Item 4 of Schedule 1 provided the Concessionaire:
  - (a) gives the Grantor at least three month's written notice before the end of the Term, which notice is to be irrevocable, of the Concessionaire's intention to renew this Concession; and
  - (b) at the time notice is given in accordance with this clause the Concessionaire is not in breach of this Concession.
- 4.3 The renewal is to be on the same terms and conditions expressed or implied in this Concession except that the Term of this Concession plus all further renewal terms is to expire on or before the Final Expiry Date.

#### 5. What are the fees and when are they to be paid?

5.2

- 5.1 The Concessionaire must pay the Processing Fee (Item 20 of Schedule 1) to the Grantor in the manner directed by the Grantor. Except where the Grantor's written consent has been given, the Concessionaire cannot commence the Concession Activity until the Processing Fee has been paid.
  - The Concessionaire must pay to the Grantor in the manner directed by the Grantor the Concession Fee and any other payment comprised in the Total Payment specified in Item 9 of Schedule 1 in the instalments and on the Concession Fee Payment Date specified in Items 10, and 11 of Schedule 1.
- 5.3 If the Concessionaire fails to make payment within 14 days of the Concession Fee Payment Date then the Concessionaire is to pay interest on the unpaid Concession Fee from the Concession Fee Payment Date until the date of payment at the Penalty Interest Rate specified in Item 12 of Schedule 1.

#### 6. When can the fee be reviewed?

(a)

(b)

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- 6.1 The Grantor is to review the Concession Fee on the Concession Fee Review Dates in the following manner:
  - (a) The Grantor must commence the review not earlier than 3 months before a Concession Fee Review Date and no later than 9 months following the Concession Fee Review Date by giving notice to the Concessionaire.
  - (b) Subject to clause 6.1(e) the notice must specify the Concession Fee which the Grantor considers to be the market value for the Concession Activity as at the Concession Fee Review Date having regard to the matters specified in section 17Y(2) of the Conservation Act 1987.
  - (c) If, within 28 days of receipt of the Grantor's notice, the Concessionaire gives notice to the Grantor that the Concessionaire disputes the proposed new Concession Fee, the new Concession Fee is to be determined in accordance with clause 6.2(a) or (b).
  - (d) If the Concessionaire does not give notice to the Grantor under clause 6.1(c) the Concessionaire is to be deemed to have accepted the Concession Fee specified in the Grantor's notice.
  - (e) Notwithstanding clause 6.1(b) the new Concession Fee so determined or accepted must not be less than the Concession Fee payable during the year preceding the particular Concession Fee Review Date and is to be the Concession Fee payable by the Concessionaire from the Concession Fee Review Date.
  - (f) Until determination of the new Concession Fee, the Concession Fee payable by the Concessionaire from the Concession Fee Review Date is to be the Concession Fee specified in the Grantor's notice. On determination of the new Concession Fee an adjustment is to be made and paid, either by the Grantor or by the Concessionaire, whichever is applicable.
- 6.2 Immediately the Concessionaire gives notice to the Grantor under clause 6.1(c) the parties are to endeavour to agree on a new Concession Fee. If the parties are unable to reach agreement within 28 days the new Concession Fee is to be determined either:
  - By one party giving notice to the other requiring the new Concession Fee to be determined by the Disputes clause (clause 23) or, if the parties agree,
    - by registered valuers acting as experts and not as arbitrators as follows:
      - (i) Each party must appoint a valuer and give notice of the appointment to the other party within 14 days of the parties agreeing to determine the new Concession Fee by this means.
      - (ii) If the party receiving a notice does not appoint a valuer within the 14 day period the valuer appointed by the other party is to determine the new Concession Fee and that valuer's determination is to be binding on both parties.

- (iii) Before commencing their determination the respective valuers must appoint an umpire who need not be a registered valuer.
- (iv) The valuers are to determine the new Concession Fee which they consider to be the market value for the Concession Activity as at the Concession Fee Review Date having regard to the matters specified in section 17Y(2) of the Conservation Act 1987 but in no case is the new Concession Fee to be less than the Concession Fee payable during the year preceding the particular Concession Fee Review Date. If they fail to agree the Concession Fee is to be determined by the umpire.
- (v) In determining the Concession Fee the valuers or umpire are to disregard the annual cost to the Concessionaire to maintain or provide access to the Land.
- (vi) Each party is to be given the opportunity to make written or oral representations or submissions to the valuers or the umpire subject to such reasonable time and other limits as the valuers or the umpire may prescribe.
- (vii) The valuers or the umpire must have regard to any such representations but are not bound by them.
- (c) The valuers or umpire must give written notice to the parties once they have determined the new Concession Fee. The notice is to be binding on the parties and is to provide how the costs of the determination are to be borne.
- (d) If a Concession Fee Review Date is postponed because of a moratorium imposed by law the Concession Fee Review is to take place at the date the moratorium is lifted or so soon afterwards as is practicable; and
  - (i) the Concession Fee Review is to establish the market value for the Concession Activity as at that date instead of the date fixed under clause 6.1 having regard to the matters specified in section 17Y(2) of the Conservation Act 1987 but in no case is the new Concession Fee to be less than the Concession Fee payable during the year preceding the particular Concession Fee Review Date; and
  - (ii) each subsequent Concession Fee Review is to take place in accordance with the procedure fixed in clause 6.1.

#### Are there any other charges?

The Concessionaire must pay all levies rates and other charges, including utility charges payable in respect of the Land or for the services provided to the Land which relate to the Concessionaire's use of the Land or the carrying on of the Concession Activity.

The Grantor is not liable for any cost incurred in re-establishing the supply of any utilities in the event of any of them becoming unavailable for any reason.

- 7.3 Where the Grantor has paid such levies, rates or other charges the Concessionaire must on receipt of an invoice from the Grantor pay such sum to the Grantor within 14 days of receiving the invoice. If payment is not made within the 14 days then the Concessionaire is to pay interest on the unpaid sum from the date payment was due until the date of payment at the Penalty Interest Rate specified in Item 12 of Schedule 1.
- 7.4 Where the Grantor or Director-General has provided a community service, benefit or facility for the benefit of the Concessionaire under section 17ZH of the Conservation Act 1987, the Concessionaire must pay the Grantor the amount specified in Item 8 of Schedule 1 as part of the Total Payment specified in Item 9 of Schedule 1 on the Concession Fee Payment Dates specified in Item 11 of Schedule 1.

#### 8. When can the Concession be assigned?

- 8.1 The Concessionaire must not transfer, sub licence, assign, mortgage or otherwise dispose of the Concessionaire's interest under this Concession or any part of it (which includes the Concessionaire entering into a contract or any other arrangement whatsoever whereby the Concession Activity would be carried out by a person (called the assignee) other than the Concessionaire) without the prior written consent of the Grantor.
- 8.2 The Grantor may in the Grantor's discretion decline any application for consent under clause 8.1.
- 8.3 Sections 17P, 17S, 17T, 17U, 17W, 17X, 17ZB and 17ZC of the Conservation Act 1987 apply to applications for consent under this clause unless the Grantor, in the Grantor's discretion, decides otherwise.
- 8.4 If the Grantor gives consent under this clause then the Concessionaire remains liable to observe and perform the terms and conditions of this Concession throughout the Term and is to procure from the Assignee a covenant to be bound by the terms and conditions of this Concession.
- 8.5 The Concessionaire must pay the costs reasonably incurred by the Grantor incidental to any application for consent, whether or not such consent is granted.
- 8.6 If the Concessionaire is not a publicly listed company then any change in the shareholding of the Concessionaire altering the effective control of the Concessionaire is to be deemed to be an assignment and requires the consent of the Grantor.

#### What are the obligations to protect the environment?

9.1

- The Concessionaire must not cut down or damage any vegetation; or damage any natural feature or historic resource on the Land; or light any fire on the Land without the prior consent of the Grantor.
- 9.2 The Concessionaire must at its cost keep the Land in a clean and tidy condition and free of weeds and all organisms specified as pests in a relevant pest management strategy.

- 9.3 The Concessionaire must not store hazardous materials on the Land nor store other materials on the Land where they may obstruct the public or create a nuisance.
- 9.4 If directed by the Grantor, the Concessionaire must take all steps necessary to control, or, at the Grantor's option, contribute to the cost of controlling any pest, insect or rodent infestation occurring in or emanating from the Land or any structure or facility on the Land, and if directed by the Grantor, engage a pest exterminator approved by the Grantor.
- 9.5 The Concessionaire must make adequate provision for suitable sanitary facilities for the Land if directed by the Grantor and for the disposal of all refuse material and is to comply with the reasonable directions of the Grantor in regard to these matters.
- 9.6 The Concessionaire must keep all structures, facilities and land alterations and their surroundings in a clean and tidy condition. If reasonably directed by the Grantor the Concessionaire must paint all structures and facilities in colours approved by the Grantor and with paints of a type approved by the Grantor.
- 9.7 If, during the Term, the Concessionaire removes a structure or facility from the Land the Concessionaire must, unless the Grantor directs otherwise, repair and make good at its own expense all damage which may have been done by the removal and must leave the Land in a clean and tidy condition.
- 9.8 The Concessionaire must not bury:
  - (a) any toilet waste within 50 metres of a water source on the Land; or
  - (b) any animal or fish or any part thereof within 50 metres of any water body, water source or public road or track.

#### 10. What about Environmental Monitoring?

- 10.1 The Concessionaire must, during the Term, if the Grantor so directs, design in consultation with the Grantor and undertake a programme to monitor and report on the environmental effects of the Concessionaire's use of the Land and conduct of the Concession Activity.
- 10.2 If the Grantor does not issue a direction under clause 10.1 the Concessionaire must, during the Term, pay to the Grantor the annual Environmental Monitoring Contribution specified in Item 7 of Schedule 1 to enable the Grantor to design and undertake a programme to monitor the environmental effects of the Concessionaire's use of the Land and conduct of the Concession Activity.

#### When can new structures be erected or land alterations occur?

11.1 The Concessionaire must not erect, alter or bring on to the Land any structure not authorised in Schedule 3 nor alter the Land in any way without the prior approval of the Grantor.

- 11.2 In giving approval under clause 11.1 the Grantor may, in the Grantor's sole and absolute discretion, impose any reasonable terms and conditions, including a review of the Concession Fee, as the Grantor considers appropriate under this clause; and may also decline the grant of such approval after consideration of the relevant conservation and environmental issues.
- 11.3 The Concessionaire must pay to the Grantor all costs associated with applications for approval under this clause determined at the standard rates then applying in the Department for cost recovery of staff time and expenses.
- 11.4 The Concessionaire must, upon request by the Grantor, submit written engineering or building plans and details to the Grantor for approval before:
  - (a) erecting new structure or altering any structure on the Land
  - (b) altering the Land in any way.
- 11.5 The Concessionaire must at all times where a building warrant of fitness under the Building Act 2004 is required display a copy of the relevant current certificate showing the location of the compliance schedule in a place in each building (as defined in that Act) on the Land to which users of the building have ready access.
- 11.6 The Concessionaire must keep and maintain all building systems and any structure on the Land in accordance with the, requirements of any compliance schedule.
- 11.7 The Concessionaire must retain and make available to any territorial authority and any other person with a right to inspect any structures on the Land under the Building Act 2004 a copy of the compliance schedule, together with the written reports relating to compliance with the compliance schedule over the previous two year period.

#### 12. What about advertising?

12.3

- 12.1 The Concessionaire must not erect or display any signs or advertising on the Land without the prior approval of the Grantor. At the expiry or termination of this Concession the Concessionaire must remove all signs and advertising material and make good any damage caused by the removal.
- 12.2 If directed by the Grantor, the Concessionaire must ensure that all its advertising and promotional material specifies that it is carrying out the Concession Activity under a Concession granted by the Grantor on land administered by the Department.

If directed by the Grantor, the Concessionaire must include information in its advertising and promotional material which assists its clients to understand the features and values of the natural and historic resources of the Land and the surrounding area.

12.4 The Concessionaire is encouraged to obtain information from and have regard to the views of tangata whenua.

#### 13. What are the liabilities and who insures?

- 13.1 The Concessionaire agrees to use the Land at the Concessionaire's own risk and releases to the full extent permitted by law the Grantor and the Grantor's employees and agents from all claims and demands of any kind and from all liability which may arise in respect of any accident, damage or injury occurring to any person or property in or about the Land.
- 13.2 The Concessionaire must indemnify the Grantor against all claims, actions, losses and expenses of any nature which the Grantor may suffer or incur or for which the Grantor may become liable arising from the Concessionaire's performance of the Concession Activity.
- 13.3 This indemnity is to continue after the expiry or termination of this Concession in respect of any acts or omissions occurring or arising before its expiry or termination.
- 13.4 The Concessionaire has no responsibility or liability for costs, loss, or damage of whatsoever nature arising from any act or omission or lack of performance or any negligent or fraudulent act or omission by the Grantor, or any contractor or supplier to the Grantor, or any employee or agent of the Grantor.
- 13.5 Despite anything else in clause 13 the Concessionaire is not liable for any indirect or consequential damage or loss howsoever caused.
- 13.6 The Grantor is not liable and does not accept any responsibility for damage to or interference with the Land , the Concession Activity, or to any structures, equipment or facilities on the Land or any other indirect or consequential damage or loss due to any natural disaster, vandalism, sabotage, fire, or exposure to the elements except where, subject to clause 13.7, such damage or interference is caused by any wilful act or omission of the Grantor, the Grantor's employees, agents or contractors.
- 13.7 Where the Grantor is found to be liable in accordance with clause 13.6, the total extent of the Grantor's liability is limited to \$1,000,000 in respect of the Concessionaire's structures, equipment and facilities.
- 13.8 Despite anything else in clause 13 the Grantor is not liable for any indirect or consequential damage or loss howsoever caused.
- 13.9 Without prejudice to or in any way limiting its liability under this clause 13 the Concessionaire at the Concessionaire's expense must take out and keep current policies for insurance and for the amounts not less than the sums specified in Item 14 of Schedule 1 with a substantial and reputable insurer.

13.10

After every three year period of the Term the Grantor may, on giving 10 working day's notice to the Concessionaire, alter the amounts of insurance required under clause 13.9. On receiving such notice the Concessionaire must within 10 working days take out and keep current policies for insurance and for the amounts not less than the sums specified in that notice.

- 13.11 The Concessionaire must provide to the Grantor within 5 working days of the Grantor so requesting:
  - (a) details of any insurance policies required to be obtained under this Concession, including any renewal policies if such renewal occurs during the Term; and/ or;

(b) a copy of the current certificate of such policies.

#### 14. What about Health and Safety?

- 14.1 The Concessionaire must exercise the rights granted by this Concession in a safe and reliable manner and must comply with the Health and Safety at Work Act 2015 and its regulations and all other provisions or requirements of any competent authority relating to the exercise of this Concession. The Concessionaire must comply with its safety plan (if one is required in Item 15 of Schedule 1), and with any safety directions of the Grantor.
- 14.2 Before commencing the Concession Activity the Concessionaire must, where the Concessionaire has Qualmark or Outdoorsmark certification, provide the Grantor with a copy of that certification.
- 14.3 If the Concessionaire does not hold Qualmark or Outdoorsmark certification then before commencing the Concession Activity the Concessionaire must, if required by Item 11 of Schedule 1:
  - a) prepare a safety plan;
  - b) have it audited by a suitably qualified person approved by the Grantor; and forward to the Grantor a certificate from the auditor certifying that the safety plan is suitable for the Concession Activity; and
  - c) the Concessionaire must obtain from the auditor details as to when the safety plan is to be re-audited. The Concessionaire must comply with any such requirement to re-audit and forward a copy of the re-audit certificate to the Grantor within 5 working days of the certificate being issued.
- 14.4 For any Concession Activity that is subject to the Health and Safety at Work (Adventure Activities) Regulations 2016, proof of registration with WorkSafe New Zealand will satisfy the Grantor's requirement under clause 14.3(b).
- 14.5 If clause 14.2 applies then if the Concessionaire amends or replaces the safety plan then before the amendment or replacement plan takes effect the Concessionaire must comply with 14.3(b) and (c).
- 14.4 The Grantor may at any time request the Concessionaire to provide the Grantor with a copy of the current safety plan in which case the Concessionaire must provide the copy within 10 working days of receiving the request.
- 14.5 Receipt of the certified safety plan by the Grantor is not in any way to limit the obligations of the Concessionaire under clause 14 and is not to be construed as implying any responsibility or liability on the part of the Grantor.
- 14.6 The Concessionaire must:
  - (a) notify the Grantor of any natural events or activities on the Land or the surrounding area which may endanger the public or the environment;
  - (b) take all practicable steps to protect the safety of all persons present on the Land and must, where necessary, erect signposts warning the public of any dangers they may encounter as a result of the Concessionaire's operations;

- (c) take all practicable steps to eliminate any dangers to the public and must clearly and permanently mark any that remain and of which the Concessionaire is aware;
- (d) record and report to the Grantor all accidents involving serious harm within 24 hours of their occurrence and forward an investigation report within 3 days of the accident occurring;
- (e) ensure that all contracts between the Concessionaire and any contractors contain, at a minimum, the same requirements as clause 14;
- (f) be satisfied that facilities or equipment provided by the Grantor to enable the Concession Activity to be carried out meet the safety requirements of the Concessionaire;
- (g) not bring onto the Land or any land administered by the Department any dangerous or hazardous material or equipment which is not required for purposes of the Concession Activity; and if such material or equipment is required as part of the Concession Activity, the Concessionaire must take all practicable steps at all times to ensure that the material or equipment is treated with due and proper care.

#### 15. What are the compliance obligations of the Concessionaire?

- 15.1 The Concessionaire must comply where relevant:
  - (a) with the provisions of any conservation management strategy or conservation management plan under the Conservation Act 1987 or Part IIA of the Reserves Act 1977, or any general policy statement made under the Conservation Act 1987, Reserves Act 1977, National Parks Act 1980, or Wildlife Act 1953, or management plan under section 45 of the National Parks Act 1980, whichever is appropriate to the Land, together with any amendment or review of any policy, strategy or plan whether approved before, on, or after the date on which this Concession takes effect; and
  - (b) with the Conservation Act 1987, the Reserves Act 1977, the National Parks Act 1980, Wildlife Act 1953, Climate Change Response Act 2002 and any other statute, ordinance, regulation, bylaw, or other enactment (collectively the "Legislation") affecting or relating to the Land or affecting or relating to the Concession Activity, including any regulations made under the Conservation Act 1987 and Wildlife Act 1953 or bylaws made under the Reserves Act 1977 or the National Parks Act 1980; and
    - with all notices and requisitions of any competent authority affecting or relating to the Land or affecting or relating to the conduct of the Concession Activity; and
  - (d) with all Department signs and notices placed on or affecting the Land; and
  - (e) with all reasonable notices and directions of the Grantor concerning the Concession Activity on the Land.
- 15.2 The Concessionaire must comply with this Concession.

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- 15.3 A breach or contravention by the Concessionaire of a relevant conservation management strategy, conservation management plan, management plan or any statement of general policy referred to in clause 15.1.(a) is deemed to be a breach of this Concession.
- 15.4 A breach or contravention by the Concessionaire of any Legislation affecting or relating to the Land or affecting or relating to the Concession Activity is deemed to be a breach of this Concession.
- 15.5 If the Legislation requires the Grantor to spend money on the Grantor's own structures, facilities or land alterations on the Land, the Grantor may charge, in addition to the Concession Fee, an annual sum equal to 15% per annum of the amount spent by the Grantor.
- 15.6 If the Legislation requires the Grantor to spend money on structures, facilities or land alterations on the Land which the Grantor considers unreasonable, the Grantor may determine this Lease and any dispute as to whether or not the amount is unreasonable is to be determined in accordance with clause 23.

# 16. What if the Grantor's structures or facilities are damaged or destroyed

- 16.1 If the Grantor's structures or facilities or any portion of them are totally destroyed or so damaged:
  - (a) as to render them untenantable, the Lease is to terminate at once; or
  - (b) as, in the reasonable opinion of the Grantor, to require demolition or reconstruction, the Grantor may, within 3 months of the date of damage or destruction, give the Concessionaire 1 month's notice to terminate and a fair proportion of the Concession Fee and Other Charges is to cease to be payable according to the nature and extent of the damage.
- 16.2 Any termination under clause 16.1 is to be without prejudice to the rights of either party against the other.
- 16.3 If the Grantor's structures or facilities or any portion of them are damaged but not so as to render the premises untenantable and:
  - (a) the Grantor's policy or policies of insurance have not been invalidated or payment of the policy monies refused in consequence of some act or default of the Concessionaire; and
  - (b) all the necessary permits and consents are obtainable; and

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(c) the Grantor has not exercised the right to terminate under clause 16.1,

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

- 16.4 Any repair or reinstatement may be carried out by the Grantor using such materials and form of construction and according to such plan as the Grantor thinks fit and is to be sufficient so long as it is reasonably adequate for the Concessionaire's use of the Land for the Concession Activity.
- 16.5 Until the completion of the repairs or reinstatement a fair proportion of the Concession Fee and other charges is to cease to be payable according to the nature and extent of the damage.
- 16.6 If any necessary permit or consent is not obtainable or the insurance money received by the Grantor is inadequate for the repair or reinstatement, the Term is at once to terminate but without prejudice to the rights of either party against the other.

#### 17. What are the Grantor's rights to remedy defaults?

- 17.1 The Grantor may elect to remedy at any time, after giving notice, if practicable, any default by the Concessionaire under this Concession. Before electing to so remedy in accordance with this clause, the Grantor must, if practicable, first give the Concessionaire notice of the default and a reasonable opportunity to remedy the default.
- 17.2 The Concessionaire must pay to the Grantor forthwith on demand all reasonable costs and expenses incurred by the Grantor, including legal costs and expenses as between solicitor and client, in remedying such default. The Concessionaire is to pay interest on such costs and expenses if payment is not made within 14 day's of the Grantor's demand from the date of the demand until the date of payment at the Penalty Interest Rate specified in Item 12 of Schedule 1.

#### 18. When can the Concession be suspended?

- 18.1 If, in the Grantor's opinion, there is a temporary risk to any natural or historic resource on or in the vicinity of the Land or to public safety whether arising from natural events such as earthquake, land slip, volcanic activity, flood, or arising in any other way, whether or not from any breach of the terms of this Concession on the part of the Concessionaire, then the Grantor may suspend this Concession.
- 18.2 If, in the Grantor's opinion, the activities of the Concessionaire are having or may have an adverse effect on the natural, historic or cultural values or resources of the Land and the Grantor considers that the effect can be avoided, remedied or mitigated to an extent satisfactory to the Grantor, then the Grantor may suspend this Concession until the Concessionaire avoids, remedies or mitigates the adverse effect to the Grantor's satisfaction.
- 18.3 The Grantor may suspend the Concession for such period as the Grantor determines where the Concessionaire has breached any terms of this Concession.
- 18.4 The Grantor may suspend this Concession while the Grantor investigates any of the circumstances contemplated in clauses 18.1 and 18.2 and also while the Grantor investigates any potential breach or possible offence by the Concessionaire, whether or not related to the Concession Activity under the Conservation Act 1987 or any of the Acts mentioned in the First Schedule of that Act.

- 18.5 The word "investigates" in clause 18.4 includes the laying of charges and awaiting the decision of the Court.
- 18.6 During any period of temporary suspension arising under clauses 18.1 or 18.2 the Concession Fee payable by the Concessionaire is to abate in fair proportion to the loss of use by the Concessionaire of the Land.
- 18.7 The Grantor is not to be liable to the Concessionaire for any loss sustained by the Concessionaire by reason of the suspension of the Concession under this clause 18 including loss of profits.

#### 19. When can the Concession be terminated?

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- 19.1 The Grantor may terminate this Concession either in whole or in part:
  - (a) by 14 days notice to the Concessionaire if the Concession Fee or any other money payable to the Grantor under this Concession is in arrears and unpaid for 10 working days after any of the days appointed for payment whether it has been lawfully demanded or not; or
  - (b) by 14 days notice to the Concessionaire or such sooner period as it appears necessary and reasonable to the Grantor if ;
    - (i) the Concessionaire breaches any terms of this Concession and in the Grantor's sole opinion the breach is able to be rectified; and
    - (ii) the Grantor has notified the Concessionaire of the breach; and
    - (iii) the Concessionaire does not rectify the breach within 7 days of receiving notification; or such earlier time as specified by the Grantor; or
  - (c) by notice in writing to the Concessionaire where the Concessionaire breaches any terms of this Concession and in the sole opinion of the Grantor the breach is not capable of being rectified; or
  - (d) immediately by notice in writing to the Concessionaire where the Concessionaire breaches clauses 13.9 and 14; or
  - (e) by notice in writing to the Concessionaire if the Concessionaire ceases to conduct the Concession Activity or, in the reasonable opinion of the Grantor, the conduct of the Concession Activity is manifestly inadequate; or

by notice in writing to the Concessionaire if the Concessionaire is convicted of an offence under the Conservation Act 1987 or any of the Acts listed in the First Schedule to that Act or any statute, ordinance, regulation, bylaw, or other enactment affecting or relating to the Land or which in the Grantor's sole opinion affects or relates to the Concession Activity; or

(g) by notice in writing to the Concessionaire if the Concessionaire or the Guarantor is dissolved; or enters into any composition with or assignment for the benefit of its creditors; or is adjudged bankrupt; or being a company, has a receiver appointed; or is put into liquidation; or is placed under statutory management; or has a petition for winding up presented against it; or is otherwise unable to pay its debts as they fall due; or the estate or interest of the Concessionaire is made subject

to a Writ of Sale or charging order; or the Concessionaire ceases to function or operate; or

- (h) immediately if there is, in the opinion of the Grantor, a permanent risk to public safety or to the natural and historic resources of the Land whether arising from the conduct of the Concession Activity or from natural causes such as earthquake, land slip, volcanic activity, flood, or arising in any other way, whether or not from any breach of the terms of this Concession on the part of the Concessionaire.
- 19.2 The Grantor may exercise its power to terminate under 19.1(h) without giving notice.
- 19.3 The Grantor may exercise the Grantor's right under this clause to terminate the Concession notwithstanding any prior waiver or failure to take action by the Grantor or any indulgence granted by the Grantor for any matter or default.
- 19.4 Termination of the Concession is not to prejudice or affect the accrued rights or claims and liabilities of the parties.

#### 20. What happens on termination or expiry of the Concession?

- 20.1 If the Grantor permits the Concessionaire to remain in occupation of the Land after the expiry or earlier termination of the Term, (which permission may be oral or in writing), the occupation is to be on the basis:
  - (a) of a monthly tenancy only, terminable by 1 month's notice by either party; and
  - (b) at the Concession Fee then payable; and
  - (c) otherwise on the same terms and conditions, as they would apply to a monthly tenancy, as expressed or implied in this Concession.
- 20.2 On expiry or termination of this Concession, either as to all or part of the Land, the Concessionaire is not entitled to compensation for any structures or other improvements placed or carried out by the Concessionaire on the Land.
- 20.3 The Concessionaire may, with the Grantor's written consent, remove any specified structures and other improvements on the Land. Removal under this clause must occur within the time specified by the Grantor and the Concessionaire is to make good any damage and leave the Land and other public conservation land affected by the removal in a clean and tidy condition.
- 20.4 The Concessionaire must, if the Grantor gives written notice, remove any specified structures and other improvements on the Land. Removal under this clause must occur within the time specified by the Grantor and the Concessionaire is to make good any damage and leave the Land and other public conservation land affected by the removal in a clean and tidy condition and replant the Land with indigenous vegetation of a similar abundance and diversity as at the commencement of the Term. If before the expiry of the Term the Concessionaire makes an application for a further concession in respect of the same Concession Activity on the Land then the Grantor can not require such removal and reinstatement until such time as that concession application has been determined. If a new concession is granted then removal and reinstatement can not be required until the expiry or termination of the new concession.

#### 21. When is the Grantor's consent required?

21.1 Where the Grantor's consent or approval is expressly required under this Concession then the Concessionaire must seek that approval or consent for each separate time it is required even though the Grantor may have given approval or consent for a like purpose on a prior occasion. Any such consent or approval may be made on such conditions as the Grantor considers appropriate.

#### 22. What about other concessions?

22.1 Nothing expressed or implied in this Concession is to be construed as preventing the Grantor from granting other concessions, whether similar or not, to other persons provided that the Grantor must not grant another concession that would derogate in any material way from the Concessionaire's ability to carry out the Concession Activity.

#### 23. How will disputes be resolved?

- 23.1 If a dispute arises between the parties in connection with this Concession the parties must, without prejudice to any other rights or entitlements they may have, attempt to resolve the dispute by agreement using informal dispute resolution techniques such as negotiation, mediation, independent expert appraisal or any other alternative dispute resolution technique. The rules governing any such technique adopted are to be agreed between the parties.
- 23.2 If the dispute cannot be resolved by agreement within 14 days of written notice by one party to the other (or such further period as the parties may agree to in writing) either party may refer the dispute to the Disputes Tribunal, where relevant, or to arbitration, which arbitration is to be carried out in accordance with the provisions of the Arbitration Act 1996.
- 23.3 If the parties do not agree on an arbitrator within 10 working days of a party giving written notice of the requirement to appoint an arbitrator the President of the New Zealand Law Society is to appoint the arbitrator. In either case the arbitrator must not be a person who has participated in an informal dispute resolution procedure in respect of the dispute.
- 23.4 The arbitrator must include in the arbitration award reasons for the determination.
- 23.5 Despite the existence of a dispute, each party must continue to perform its obligations under this Concession.

#### 24. What about prosecution for offences?

- 24.1 Where any breach of this Concession by the Concessionaire also constitutes an offence under the Resource Management Act 1991, the Conservation Act 1987, or any of the Acts listed in the First Schedule to that Act:
  - (a) no waiver or failure to act by the Grantor under this Concession is to preclude the Grantor from prosecuting the Concessionaire; and

- (b) no failure by the Grantor to prosecute the Concessionaire is to preclude the Grantor from exercising the Grantor's remedies under this Concession; and
- (c) any action of the Grantor in prosecuting the Concessionaire is not to preclude the Grantor from exercising the Grantor's remedies under this Concession.

#### 25. How are notices sent and when are they received?

- 25.1 Any notice to be given under this Concession is to be in writing and made by personal delivery, fax, by pre paid post or email to the receiving party at the address, fax number or email address specified in Item 17 or 18 of Schedule 1. Any such notice is to be deemed to have been received:
  - (a) in the case of personal delivery, on the date of delivery;
  - (b) in the case of fax, on the date of dispatch;
  - (c) in the case of post, on the 3rd working day after posting;
  - (d) in the case of email, on the date receipt of the email is acknowledged by the addressee by return email or otherwise in writing.
- 25.2 If any party's details specified in Item 17 or 18 of Schedule 1 change then the party whose details change must within 5 working days of such change provide the other party with the changed details.

#### 26. What is the scope of the Concession?

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

#### 27. Can provisions be severed?

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

#### 28. What about the payment of costs?

- The Concessionaire must pay the Grantor's legal costs and expenses of and incidental to preparing and signing this Concession or any extension or variation of it.
- 28.2 The Concessionaire must pay in full immediately and on demand all costs and fees (including solicitor's costs and fees of debt collecting agencies engaged by the Grantor) arising out of and associated with steps taken by the Grantor to enforce or attempt to enforce the Grantor's rights and powers under this Concession including the right to recover outstanding money owed to the Grantor.

#### **29.** What is the relationship of parties?

- 29.1 Nothing expressed or implied in this Concession is to be construed as:
  - (a) constituting the parties as partners or joint venturers;
  - (b) conferring on the Concessionaire any right of exclusive occupation or use of the Licence Land;
  - (c) granting any exclusive estate or interest in the Licence Land to the Concessionaire;
  - (d) affecting the rights of the Grantor and the public to have access across the Licence Land.

#### 30. What about a Guarantee?

- 30.1 Where the Grantor has in Item 18 of Schedule 1 required this Concession to be guaranteed by a third party the following clauses are to apply.
- 30.2 In consideration of the Grantor entering into this Concession at the Guarantor's request the Guarantor:
  - (a) guarantees payment of the Concession Fee and the performance by the Concessionaire of the covenants in this Concession; and
  - (b) indemnifies the Grantor against any loss the Grantor might suffer should the Concession be lawfully disclaimed or abandoned by any liquidator, receiver or other persons.
- 30.3 The Guarantor covenants with the Grantor that:
  - (a) no release, delay, or other indulgence given by the Grantor to the Concessionaire, to the Concessionaire's successors or assigns, or any other thing whereby the Guarantor would have been released had the Guarantor been merely a surety is to release, prejudice, or affect the liability of the Guarantor as a Guarantor or as indemnifier;
  - (b) as between the Guarantor and Grantor the Guarantor may, for all purposes, be treated as the Concessionaire and the Grantor is under no obligation to take proceedings against the Concessionaire before taking proceedings against the Guarantor;
  - (c) the guarantee is for the benefit of and may be enforced by any person entitled for the time being to receive the Concession Fee;
  - (d) any assignment of this Concession and any Concession Fee Review in accordance with this Concession are not to release the Guarantor from liability;
  - (e) should there be more than one Guarantor the liability of each Guarantor under this Guarantee is to be joint and several.

#### What about Co-Siting?

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- 31.1 In this clause "Co-Site" means the use of the Concessionaire's structures or facilities on the Land by a third party for an activity; and "Co-Sitee" and "Co-Siting" have corresponding meanings.
- 31.2 The Concessionaire must not allow Co-Siting on the Land without the prior written consent of the Grantor.

- 31.3 The Grantor's consent must not be unreasonably withheld but is at the Grantor's sole discretion and subject to such reasonable terms and conditions as the Grantor thinks fit including a requirement that the Co-Sitee be liable for direct payment to the Grantor of a concession fee and any environmental premium assessed in respect of the Co-Sitee's activity on the Land.
- 31.4 In addition, the Grantor must withhold consent if:
  - (a) the Co-Siting would result in a substantial change to the Concession Activity on the Land; or
  - (b) the Grantor considers the change to be detrimental to the environment of the Land.
- 31.5 Subject to clause 31.4 the Concessionaire must, if required by the Grantor, allow Co- Siting on the Land.
- 31.6 Where the Concessionaire maintains that Co-Siting by a third party on the Land would:
  - (a) detrimentally interfere physically or technically with the use by the Concessionaire of the Land; or
  - (b) materially prejudice any resource consents obtained by the Concessionaire or cause more onerous conditions to be imposed on it by the relevant authority; or
  - (c) obstruct or impair the Concessionaire's ability effectively to operate from the Land; or
  - (d) interfere with or prevent future forecast works of the Concessionaire,

the Grantor, must, as a pre-condition to consideration of an application to grant a concession to a third party, require that third party to obtain, at its own cost, a report prepared by an independent consultant acceptable to the Grantor confirming or rejecting the presence of the matters specified in this clause 31.6. The Grantor must not grant a concession to a third party where the report confirms that the proposed concession would give rise to one or more of the matters specified in this clause 31.6.

- 31.7 If the independent consultant report rejects the Concessionaire's concerns, the Concessionaire may dispute this in accordance with the procedure set out in clause 23 of Schedule 2.
- 31.8 Where the Concessionaire is required under clause 31.5 to allow Co-Siting on the Land, the Concessionaire is, subject to clause 31.10 entitled to enter into commercial agreements with third parties for them to conduct an activity on the Land and to receive a reasonable fee from them for any agreed activity they intend to carry out on the Land. If a dispute arises between the Concessionaire and a third party such dispute must be determined by the Grantor having regard to, but not limited to, the following matters:
  - (a) any written comments or submissions of the Concessionaire and third party;
  - (b) market value for the concession activity proposed by the third party having regard to the matters specified in Section 17Y(2) of the Conservation Act 1987;
  - (c) any other matters the Grantor considers relevant.

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- 31.9 If the Concessionaire does not accept the Grantor's determination, the Concessionaire may dispute this in accordance with the procedure set out in clause 23 of Schedule 2.
- 31.10 For the avoidance of doubt, a Co-Sitee permitted on the Land must enter into a separate concession with the Grantor in terms of which the Co-Sitee may be required to pay to the Grantor a concession fee and environmental premium assessed in respect of the Co-Sitee's activity on the Land. This separate concession must not contain provisions that conflict with the Concessionaire's rights and obligations in relation to the Land.
- 31.11 The Grantor must not authorise the third party to commence work on the Land until all relevant resource consents are issued, an agreement is executed between the Concessionaire and third party, and any conditions imposed by the Concessionaire have been met.

#### 32. What about Identification cards?

- 32.1 Before commencing the Concession Activity the Concessionaire must, if required by the Grantor in Item 16 of Schedule 1, obtain Concessionaire Identification cards from the Grantor. The Grantor is to supply such cards to the Concessionaire on a cost recovery basis.
- 32.2 The Concessionaire and any person acting under the authority of the Concession must carry and display a Concession Identification card when carrying out the Concession Activity.
- 32.3 The Concessionaire must obtain sufficient cards to ensure all people acting under the authority of the Concession can carry and display such cards when undertaking the Concession Activity.

#### 33. What about registering the Concession?

- 33.1 The Grantor is not required to do any act or thing to enable this Concession to be registered and the Concessionaire must not register a caveat in respect of the Concessionaire's interest under this Concession.
- 33.2 Nevertheless, if the Concessionaire wishes to register this Concession under the Land Transfer Act 1952, the Grantor must take all such steps as are necessary to enable a certificate of title to issue in respect of the land against which this Concession may be registered subject to the Concessionaire being responsible for and bearing all costs of and incidental to any survey necessary to enable such issue of title and all costs incurred by the Grantor in enabling such an issue of title and in having this Lease re-executed by the parties in a form suitable for registration.

#### Which clauses survive termination?

34.1 Clauses 13 and 25 survive the termination of this Concession.

#### 35. Are there any Special Conditions?

35.1 Special conditions are specified in Schedule 3. If there is a conflict between this Schedule 2 and the Special Conditions in Schedule 3, the Special Conditions shall prevail.

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# **SCHEDULE 3**

#### SPECIAL CONDITIONS

#### **Climate Change Considerations**

- 1. The Concessionaire acknowledges that the Grantor and the Department of Conservation are reviewing their obligations under the Climate Change Response Act 2002 and developing responses to address greenhouse gas emissions from activities conducted on public conservation land and waters. The reviews are likely to result in policies which seek to measure, manage and reduce greenhouse gas emissions from Concession Activities. The Grantor wishes to signal to the Concessionaire that new concession conditions related to both climate change mitigation and adaptation may be imposed during the life of this Concession to address greenhouse gas emissions associated with the Concession Activity.
- 2. If the Grantor requests data relating to greenhouse gas emissions associated with the Concession Activity, the Concessionaire must provide any relevant data that is reasonably available to it within 6 months of the Grantor's request.
- 3. The Grantor may review and amend the conditions of this Concession to reflect climate change-related legislation and government or Departmental policy and those conditions ("Revised Conditions") may, amongst other things, require the Concessionaire to measure, manage and reduce the greenhouse gas emissions of the Concession Activity.
- 4. Before amending the conditions of this Concession in accordance with clause 3, the Grantor will provide the Concessionaire the draft Revised Conditions. The Concessionaire may provide written comments on those draft Revised Conditions within 60 days. The Grantor must take into account any comments received from the Concessionaire on the Revised Conditions before finalising the Revised Conditions.
- 5. The Revised Conditions will apply to the Concession Activity 4 months after the Grantor has notified the Concessionaire of the Revised Conditions in accordance with clause 4 or any later date specified in the Revised Conditions.

#### In respect to Ngāi Tahu

- 6. The Concessionaire is requested to consult the relevant Papatipu Runanga (www.ngaitahu.iwi.nz) if they wish to use Ngāi Tahu cultural information. If the Concessionaire wishes to use the Tōpuni or statutory acknowledgement information contained in schedules 14-108 of the Ngāi Tahu Claims Settlement Act 1998, or any Department produced interpretative material in respect to Ngāi Tahu cultural information, they are requested to notify the relevant Papatipu Rūnanga, as a matter of courtesy.
- 7. The Concessionaire must, as far as practicable, attend any workshops held by the Department for the purpose of providing information to concessionaires, which is to include the Ngāi Tahu values associated with Tōpuni areas.
- 8. The Concessionaire must ensure any persons employed by the Concessionaire are requested to recognise and provide for Ngāi Tahu values in the conduct of their activities.

#### **Didymo / Freshwater Pests**

9. The Concessionaire must comply and ensure its clients comply with the Ministry for Primary Industry (MPI)'s "Check, Clean, Dry" cleaning methods to prevent the spread of didymo (Didymosphenia geminata) and other freshwater pests when moving between waterways. "Check, Clean, Dry" cleaning methods can be found at - www.mpi.govt.nz/travel-and-recreation/outdoor-activities/check-clean-dry/. The Concessionaire must regularly check this website and update their precautions accordingly.

#### **Accidental Discovery Protocol**

- 10. The Concessionaire must take all reasonable care to avoid any archaeological values on the Land which includes (but is not limited to) historic sites and protected New Zealand objects on the Land. In the event that archaeological sites or other features with heritage values are found during any approved earth disturbance work on the Land:
  - (a) Work must cease immediately until further notice and advice must be sought from the Grantor;
  - (b) If it is an archaeological site as defined by the Heritage New Zealand Pouhere Taonga Act 2014 then Heritage New Zealand must be contacted and its advice sought;
  - (c) If it is an archaeological site relating to Māori activity then the Papatipu Rūnanga must be contacted and their advice sought;
  - (d) If it is an artefact as defined by the Protected Objects Act 1975 then the Ministry for Culture and Heritage must be notified within 28 days;
  - (e) If it is human remains the New Zealand Police should also be notified;
  - (f) In the event of cessation of approved work because of discovery of potential historical artefact or archaeological site the Concessionaire must not recommence work until permitted to do so by the Grantor.

#### Public access, safety and education

- 11. The Concessionaire must make available to the general public, free of charge, toilet facilities located in any on the Concessionaire's buildings on the Land during the Concessionaire's normal business hours.
- 12. The Concessionaire must clearly define, mark and control areas which it deems to be unsafe for the public on the Land, and take reasonable steps to educate paying visitors about the danger of skiing or going outside these areas.

The Concessionaire must take reasonable care to manage its own activities, works, structures or landscaping on the Land to ensure that users of the Land are not unreasonably impeded, including in relation to the use of and access to the carpark and access road.

14. In order to comply with its obligations under the Health and Safety at Work Act 2015 to eliminate or minimise risks to health and safety so far as is reasonably practicable, the Concessionaire may, when undertaking activities such as slope safety, maintenance, repair or reinstatement of the access road or carpark, snow grooming and avalanche control work, control, limit or restrict public access to the specific area of the Land where the activity is to be carried out for a reasonable period as required to undertake the work.

#### Weed and pest management

- 15. The Concessionaire must ensure that:
  - a) Machinery and equipment is cleaned and checked to remove soil that could contain seeds or exotic plants prior to entering the Land, and must take all practicable steps to avoid the introduction of exotic seeds or plants;
  - b) No imported soil is brought onto the Land. Where the Concessionaire plans to deposit soil over the surface of any newly contoured slopes or batters, the soil must be from the Concession Activity work area;
  - c) No soil is to be moved upslope from lower areas (to prevent the further spread of weeds); and
  - d) Any exotic plant species introduced through the course of any works are removed.
- 16. The Concessionaire must develop and implement within the first year of the concession and to the Grantors satisfaction, a weed and pest management plan to detail how weed and pest species will be controlled on the Land during the term of the Concession.
- 17. The Concessionaire must maintain all creeks, drains, ditches and watercourses and keep them clean and clear of weeds and obstructions, while ensuring that fish passage (if relevant) is maintained.
- 18. To minimise the introduction of weed species, the Concessionaire must ensure that all machinery, tools and equipment used on the Land is cleaned and weed free prior to being brought onto the Land. Any gravel, other materials and construction material used for any approved works must be sourced from an approved weed free source.

#### **Kea protection**

- 19. The Concessionaire must replace exposed lead on existing buildings within the first year of this Concession and shall not introduce lead products to the Land.
- 20. The Concessionaire must use all reasonable endeavours to ensure kea-proof materials are used in building construction including avoiding exposed rubber, soft plastics and other, similarly vulnerable, materials. If the use of these materials is unavoidable the Concessionaire will take all reasonable steps to render the materials inaccessible to kea and/or tamper-proof by kea.

The Concessionaire must ensure a kea-safe policy is followed during any building or renovation. This will include ensuring that surplus or waste materials are removed each day or rendered inaccessible to kea.

The Concessionaire must ensure that all ski field fixtures, fittings, wiring, safety features and equipment are kea proof. This includes ensuring that:

- a) safety pads around ski-tow towers are made of kea resistant material;
- b) snowmobile vinyl seats are to be replaced/covered with robust material;
- c) there is no exposed wiring that might harm kea, and
- d) all early warning systems, wiring or sensors are secured in conduit or protective cases.

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23. The Concessionaire must install signage advising the public not to feed kea or leave food or other kea attractants around.

#### Freshwater

24. The Concessionaire must keep records of water use for snowmaking and potable water and provide these records to the Grantor if requested.

#### Fuels and other hazardous waste

- 25. The Concessionaire must complete the 'Bulk Fuel Request for Details Form' for each diesel storage tank with a volume of greater than 250 litres.
- 26. Any waste or rubbish must be disposed of in an approved manner off the Land at a Council approved site. Waste held on the Land prior to its removal must be stored in a manner so as to ensure it does not become a contaminant or is not blown by wind or present a potential hazard to wildlife.
- 27. The Concessionaire must ensure that all site personnel using hazardous materials are trained in hazardous material, waste and fuel handling and spill contingency and emergency procedures.
- 28. The Concessionaire must ensure that all vehicles, machinery, and hazardous materials, including paints, fuels and other chemicals, are stored in a secure enclosed facility onsite, including the provision of any spill clean-up kits used to contain and/or absorb all hazardous substances used in the concession activity.
- 29. The Concessionaire must use clean fuels in preference to fossil fuels wherever reasonably practicable.
- 30. In the event of any hazardous substance spill the Concessionaire must:
  - a) Take all practicable measures to stop the flow of the substances and prevent further contamination onto the Land or water;
  - b) Immediately contain, collect and remove the hazardous substances and any contaminated material, and dispose of all such material in an appropriate manner at an authorised facility;
  - c) Notify the Grantor as soon as practicable;
  - d) Undertake any remedial action to restore any damage to the land; and
  - e) Take all measures to prevent any reoccurrence.

#### Use of explosives

31.

The Concessionaire may use explosives for the purposes of operational snow area safety management in accordance with industry best practice, industry standards and any audited safety plan owned by the Concessionaire.

- 32. The Concessionaire's safety plan must address risks associated with all explosives activities and include means to avoid, remedy or minimise adverse effects.
- 33. The Concessionaire must ensure that explosive charges are placed so there is minimal potential for adverse effects to be caused to natural features and wildlife present on the Land.

#### Maintenance of the Concessionaire's buildings and structures

- 34. The Concessionaire is authorised to perform the following maintenance work under this Concession on the Land:
  - a) interior maintenance and modification of any building or structure;
  - b) exterior maintenance of any building, stationary plant item or structure on the Land where such maintenance does not alter the external footprint of that building or structure, and where consent from the Grantor is not otherwise required under this Concession.
- 35. The Concessionaire must (at its cost) operate, maintain and repair its buildings, structures and facilities such as equipment sheds, utility huts, lift infrastructure, fuel containment, pumps, pipes, conduits, cables, reservoir, fences, drains, culverts, safety barriers and other similar permitted devices and apparatus on the Land to required standards, codes of practice and legislative requirements. The Concessionaire must, at the Grantor's request, provide the Grantor with documentary evidence of compliance with the said requirements.
- 36. Further to Schedule 2, Clause 9.6 and Clause 9.7, the Concessionaire must remove any building or structure from that Land that has not been used for its approved purpose for two (2) years and remediate the Land to the satisfaction of the Grantor.
- 37. Where the Concessionaire intends to change the purpose of any approved building or structure, approval from the Grantor must be sought.

#### Ski Areas Association of New Zealand (SAANZ) Guidelines

38. The Concessionaire must ensure that the operation of the ski area is consistent with the current SAANZ guidelines, including safety, reporting, public awareness and avalanche hazard management.

#### Rock picking and terrain modification

41.

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- 39. The Concessionaire may undertake snow-grooming activities within the Licence Land, provided that this causes minimal adverse effects to natural values on the Land.
- 40. The Concessionaire may remove rocks that, as a result of frost heave processes, are likely to cause damage to snow groomers on ski trails and access ways on the Land.

Other terrain modification, including further changes to the ski area, must be approved in advance by the Grantor. The Concessionaire is advised that where the scale and the effects of the works proposed are:

- a) not minor or technical and materially increase the adverse effects of the Concession Activity; or
- b) will result in a material change in the location of the activity;

The Grantor will require the Concessionaire to seek a formal variation of the Concession under section 17ZC.

#### Vegetation Rehabilitation

42. The Concessionaire must develop within the first year of the Concession a vegetation rehabilitation plan in consultation with the Grantor to reinstate the Land to the same or better condition it was before any recent or historic earthworks. This includes revegetation with appropriate native species found on the Land.

#### Vehicle Parking

43. The Concessionaire must ensure that ski field vehicles including snow grooming machinery are parked in designated areas away from indigenous plant communities.

#### **Potable Water and Wastewater Systems**

- 44. Where the Concessionaire provides wastewater systems or drinking water to users of the Land, including but not limited to, members of the public, its contractors, staff or third parties, the Concessionaire must take all necessary steps to ensure the water supply or wastewater system meets regulatory standards and will meet the costs associated with any upgrades that may be necessary in order to comply with wastewater or drinking water legislation, including the Water Services Act 2021
- 45. The Concessionaire will co-operate fully with the Grantor's representatives with regard to sharing information and liaising with regulators in respect of any wastewater or drinking water supplies.
- 46. For the purposes of this Concession "drinking water" means water used for:
  - a) human consumption;
  - b) oral hygiene;
  - c) preparation of food, drink and other products for human consumption; or
  - d) washing of utensils that are used for eating and drinking, or for preparing, serving or storing food or drink for human consumption.
- 47. The Concessionaire must ensure that its drinking water supplies are registered in accordance with Water Services Act 2021.

#### Aircraft Use

- 48. The Concessionaire may only use aircraft (or procure their use) to support health and safety work, essential structure or facility maintenance, search and rescue activities, avalanche management and to respond to medical emergencies.
  - The Concessionaire and any pilot of the aircraft authorised by this Concession must hold the applicable aviation documentation and privileges to conduct the Concession Activity under the Civil Aviation Rules and must comply with Civil Aviation law requirements applying to the Concession Activity.

#### Calculation of Concession Fees based on Gross Annual Revenue

- 50. For the purposes of this Concession:
  - a) The phrase Gross Annual Revenue means the entire gross receipts of every kind from the conduct of the Concession Activity during each

Concession Year, or part of a Concession Year (if relevant), without any reserve or deduction for inability or failure to collect, but excluding bona fide refunds and credits and Goods and Services Tax;

- b) The Statement of Gross Annual Revenue is comprised of the following items:
  - i. A set of audited financial accounts for the Concession Year just gone (or part-year if relevant); and
  - ii. A statement signed by the Concessionaire as to the Concessionaire's Gross Annual Revenue for the Concession Year (or part-year if relevant) in which the revenue streams are clearly delineated by activity type; and
  - iii. A statement signed by the Concessionaire setting out how many people have used the Concessionaire's various services and facilities each month during the Concession Year (or part-year if relevant) just gone.
- c) The Concession Year runs from 1st March to 28th February.
- 51. Anyone conducting commercial activities within the Lease and Licence Area must hold a concession or other authorisation to do so. This Concession is personal to the Concessionaire. Clause 8 and the co-siting provisions of Schedule 2 make it clear that third parties must not operate on the Concessionaire's behalf unless they have been given express permission to do so by the Grantor.
- 52. Notwithstanding clause 8.1 of Schedule 2, the Grantor acknowledges that the Concessionaire will, from time-to-time, rely on third parties to construct, maintain or service facilities and structures which the Concessionaire owns and operates. To the extent that the third party is providing the services to the Concessionaire and is not itself offering services to the public or other parties then the Grantor may treat that third party service provider as a contractor or agent of the Concessionaire's.
- 53. Where the Grantor gives the Concessionaire prior notice, the Concessionaire must provide the Grantor with information regarding all such service providers. The information will include:
  - a) The names of the service providers;
  - b) A clear description of the nature of the services performed by each provider;
  - c) The duration and frequency of those services and their value; and

this information must, unless otherwise stipulated, be supplied to the Grantor on the same date as the Statement of Gross Annual Revenue falls due.

Where the Grantor forms the view that a third party service provider is itself providing commercial services to the public or that the arrangement is being used to circumvent the calculation of the Concessionaire's own gross revenue then the Grantor may review and amend the conditions of this Concession and/or require the third party to seek its own concession. These options are in addition to the enforcement rights and powers available to the Grantor under the Reserves Act 1977 and the Conservation Act 1987.

55. By way of examples only, the following arrangements are likely to result in the Grantor taking the actions described in clause 54 in this Schedule 3:

- a) Where a third party sells food or beverage from the Concessionaire's café and the revenue obtained from those sales is not accounted for in the Concessionaire's own Gross Annual Revenue calculations.
- b)
- c) Where a third party sells lift passes, seasons' passes or multi-field passes that enable people to use the Concessionaire's structures or facilities and the revenue obtained from those sales is not accounted for in the Concessionaire's own Gross Annual Revenue calculations.
- d)

61.

- e) Where a third party provides guided sightseeing, ski-school, bike hire or similar services and the revenue obtained from providing those services is not accounted for in the Concessionaire's own Gross Annual Revenue calculations.
- 56. For the avoidance of doubt, where the Concessionaire sells lift passes, seasons' passes, guiding services or other services permitted by this Concession and the sales take place in a location other than on the Land those sales must also be included in the Concessionaire's own Gross Annual Revenue calculations. In this way, internet sales, or the sale of tourism packages by the Concessionaire which incorporate use of the Concessionaire's structures, facilities or services on the Land must be accounted for.
- 57. Further to clause 6 of Schedule 2, when reviewing the Concession Fee the Grantor may adopt a different rent setting formula in order to achieve market value for the Concession Activity and the Grantor is not confined to altering the gross revenue percentage.

#### Records, books and Statements of Gross Annual Revenue

- 58. The Concessionaire must maintain full and accurate books of accounts and records from which Gross Annual Revenue, in respect of each Concession Year or part-year (where relevant), can be ascertained. The Concessionaire must issue to, or record in respect of, each customer a receipt of serially numbered sales slip or cash register record for each transaction.
- 59. The Concessionaire must keep and preserve for at least one year after the end of each Concession Year or part-year (where relevant) all sales slips, dockets, cash register tapes, hire purchase agreements, bank deposit records, tax returns (including Goods and Services Tax returns) and other evidence of Gross Annual Revenue for each year.
- 60. In accordance with section 17ZB of the Conservation Act 1987 the Grantor may require the Concessionaire to produce a complete statement of audited financial accounts and other relevant information, including those items referred to in clause 59 above, in order to verify any rent, fees, royalties, compensation or bond.
  - If, having reviewed the Concessionaire's financial documentation, the Grantor establishes that the Concessionaire has under-reported its Gross Annual Revenue the Grantor may, in addition to using the Grantor's enforcement powers, give notice to the Concessionaire that the Concessionaire must pay the adjusted amount and the Concessionaire will pay the Grantor in accordance with any such instructions or timeframes as the Grantor may reasonably impose.

- 62. Not later than 3 months after the end of each Concession Year, or part-year (in the case of the first year and final year), the Concessionaire will provide the Grantor with the Statement of Gross Annual Revenue for that Concession Year or part-year (if relevant) in order that the Grantor may prepare an invoice in respect of the Concession Activity Fee for the relevant Concession Year or part-year.
- 63. The Concessionaire will pay the Concession Activity Fee on or before the payment date specified in the Grantor's invoice.

#### **Review of Conditions**

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64. In addition to the express opportunities the Grantor has to review conditions elsewhere in this Concession, the Grantor may, on each Concession Fee Review Date, and after consulting with the Concessionaire, delete, vary or add any condition to more effectively manage the Concession Activity.

# **SCHEDULE 4**

Purpose	Building	Location South Fost		Construction
	Area (m2)	South	East	D C I
Generator Shed	40	43°565985	170°39851	Roof- corrugated iron Exterior-weather
				board iron Foundation- wooden piles
T Bar drive station	10	43°563654	170°395093	Roof-Rib iron Exterior- corrugated iron
station				Foundation- concrete
Ski Hire rental	30	43°563756	170°394922	Roof- corrugated iron Exterior- weather
				board iron Foundation-
Ski Patrol First	9	43°56375	170°394920	wooden piles Roof- corrugated iron
Aid	9	43 303/3	170 394920	Exterior-weather board°"
				Foundation- wooden piles Roof- corrugated
Café, Ticket Sales	42	43°563758	170°394822	iron Exterior- weather
	×			board iron Foundation-
			201 - 20 7 - 2	wooden piles Roof-iron container
Ski Hire storage	15	43°563756	170°394823	Exterior-container iron
Ski School		43°563757	170°394822	Foundation- Roof- corrugated
Administration	8	43 303/3/	1/0 394022	iron Exterior-hardboard
0				Foundation- wooden piles
Ski Storage	15	43°563756	170°394822	Roof- iron container Exterior-iron
				container Foundation-
Administration	15	43°56375	170°394821	Roof- iron container
office		10 0 0/0	, 0,1	Exterior-container Foundation-
		-		Roof- iron
Storage	15	43°563755	170°394821	container Exterior-fibre glass
				container Foundation-

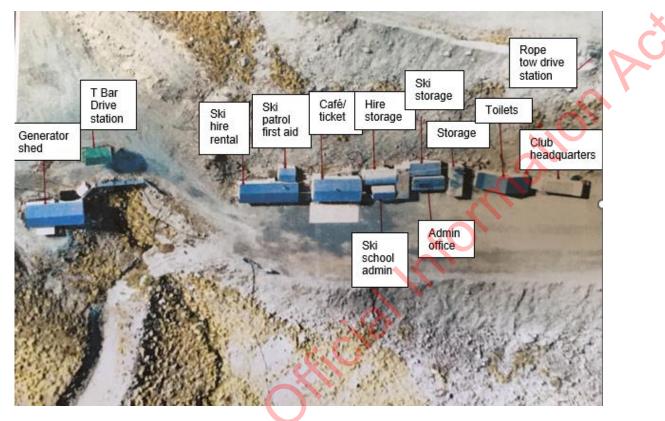
## Table 1 – Lease Land structure specifications

	Toilet Block	30	43°563754	170°394821	Roof- corrugated iron Exterior-plywood Foundation- concrete base	
	Ski Club headquarters	30	43°563753	170°394822	Roof- iron container Exterior-container Foundation-	NC ^X
	Staff Accommodation	54	43°564558	170°394347	Roof- corrugated iron Exterior-plywood Foundation- wooden piles	50,
	Chairlift Drive Station	144	43°563219	170°394558	Roof- corrugated iron Exterior-corrugated iron Foundation-	
	Top Chairlift operation hut	15	43°55994	170°338791	concrete Roof- iron container Exterior-iron container Foundation-	
	Top T Bar operation hut	5	43°56331	170°40273	Roof- Rib iron Exterior-corrugated iron Foundation- concrete	
	Pump Shed	15	43°56585	170°39758	Roof- iron container Exterior-iron container Foundation-	
	Repeater, phone, webcam	4.5	43°56837	170°40381	Roof- iron container Exterior-iron Foundation-	
	Workshop	30	43°56685	170°39754	Roof- iron container Exterior-iron Foundation-	
2	Race Dept and Storage	30	43°56715	170°39749	Roof- iron container Exterior-iron container Foundation-	
8-010	Platter lift Drive Station	10	43°564048 170°394680	170°394680	Roof- iron container Exterior-iron Foundation- concrete	
Ť	Weather Shelter	4	43°56677	170°39781	Roof-Rib iron Exterior-rib iron Foundation- concrete	

						Roof- Rib iron
Rope Tow Drive 3 43°563756 170°394818 Roof- Iron Exterior-iron Exterior-iron Concrete Storage container 30 43°564750 170°394313 Roof-Iron Container Exterior-iron Concrete Storage container 4 43°561930 170°40176 Exterior-Irong Bass Container 4 43°561930 170°40176 Exterior-Irong Container 4 43°561930 170°40176 Exterior-Irong Bass Container 4 43°561930 170°40176 Exterior-Irong Container 4 43°561930 170°40176 170°40176 170°40176 170°40176 170°40176 170°40176 170°40176 170°40176 170°40176 170°40176 170°40176 170°40176 170°40176 170°40176 170°40176 170°40176 170°40176 170°40176 170°40176 170°40176 170°40176 170°40176 170°40176 170°40176 170°40176 170°40176 170°40176 170°40176 170°40176 170°40176 170°40176 170°40176 170°40176 170°40176 170°40176 170°40176 170°40176 170°40176 170°40176 170°40176 170°40176 170°40176 170°40176 170°40176 170°40176 170°40176 170°40176 170°40176 170°40176 1		Weather Shelter	4	43°56664	170°39773	Exterior- rib iron Foundation-
Storage container       30       43°564750       170°394331       Root-iron         wi-fi link tower       4       43°561930       170°40176       Exterior - iron		Rope Tow Drive Station	3	43°563756	170°394818	Roof- iron container Exterior-iron Foundation-
Vi-fi link tower 4 43°561930 170°40176 Exterior - input		Storage container	30	43°564750	170°394331	Roof- iron container Exterior-fibre glass container
		Wi-fi link tower	4	43°561930	170°40176	
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				- 38 -		

# **SCHEDULE 4A – Lease Land Maps**

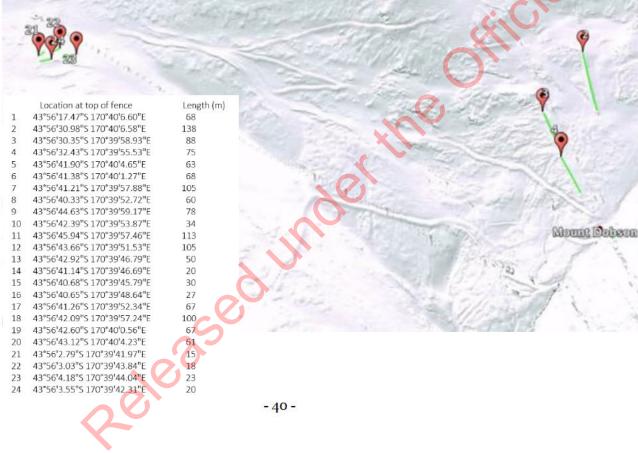
# Map 1 – Lease Land (main base area)



Map 2 – Lease Land (structures outside main base area)



(Note: Only the footprint of the buildings are authorised as Lease Land)



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# Map 3 – Snow fence locations

Concession Number: 82598-SKI

Proposed Intence Boundry

# SCHEDULE 4B – Lease Land Photographs of Buildings and Structures

Figure 1 – Generator Shed



Figure 2 – T Bar Drive Station



# Figure 3 – Ski Hire Building



Figure 4 – Café and Ticket Sales Building





# Figure 5 – Ski School Administration Building

# Figure 7 – Toilets



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## Figure 9 – Chairlift Drive Station



Figure 10 – Top Chair Lift Operators Hut





#### Figure 11 – Top of the T Bar Operators Hut

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# Figure 13 – Repeater (phone/webcam)



Figure 14 – Workshop container



# Figure 15 – Race Dept and storage



#### Figure 17 – Weather shelter



Figure 18 – Weather shelter



# <image>

# Figure 19 – Storage container

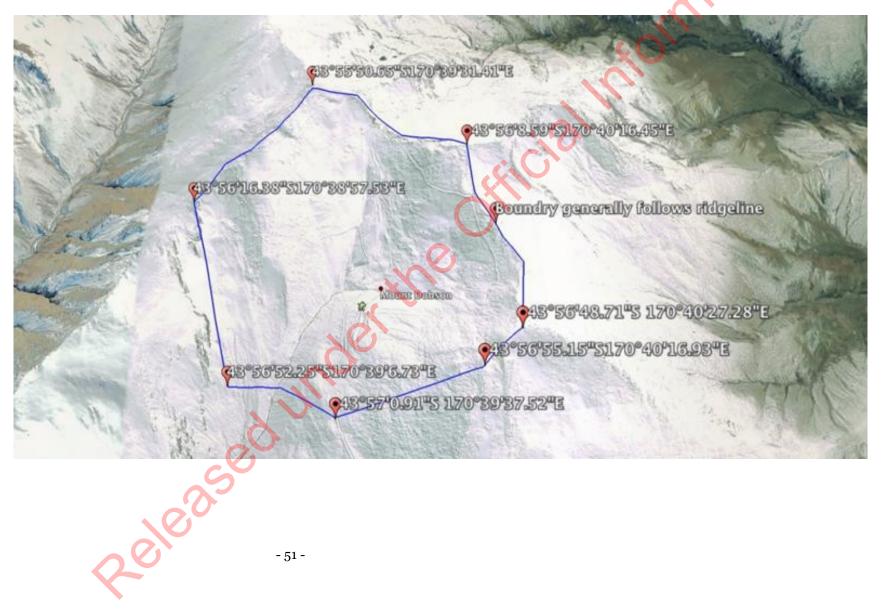
Figure 20- Wi-fi link tower



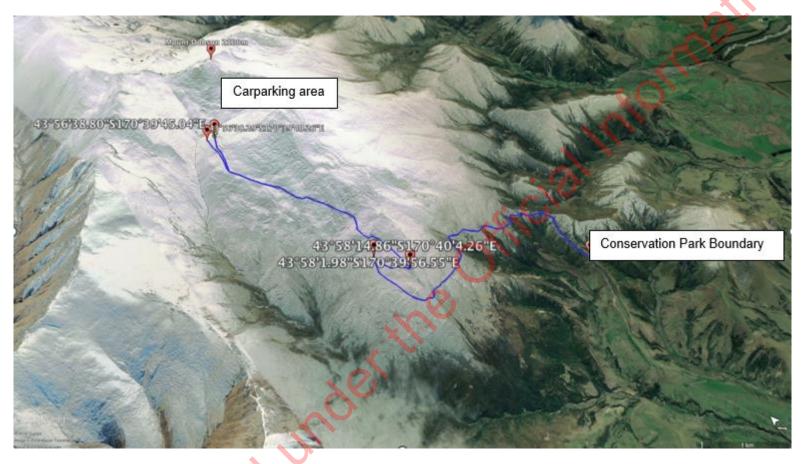
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# SCHEDULE 5





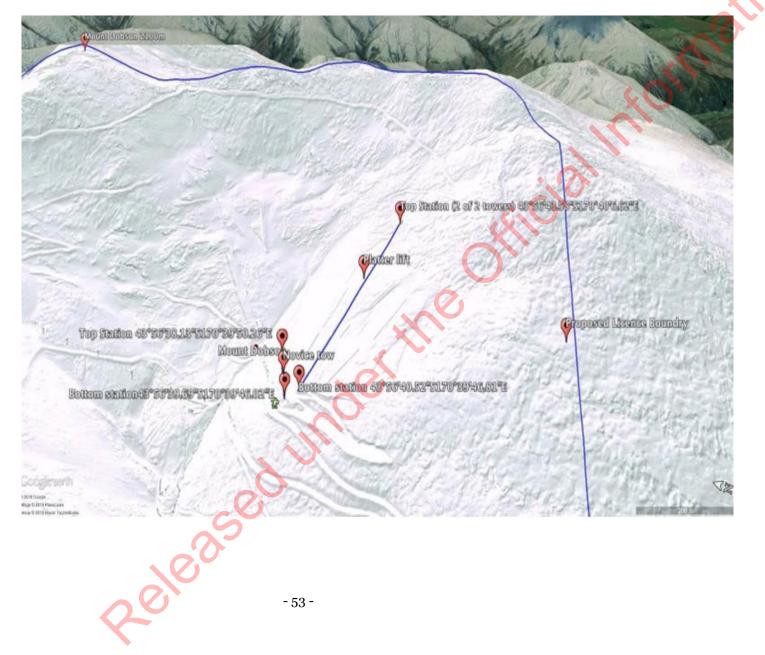
Map 2 – Licence Land – Access Road and Carpark



**Released** -52-

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Concession Number: 82598-SKI
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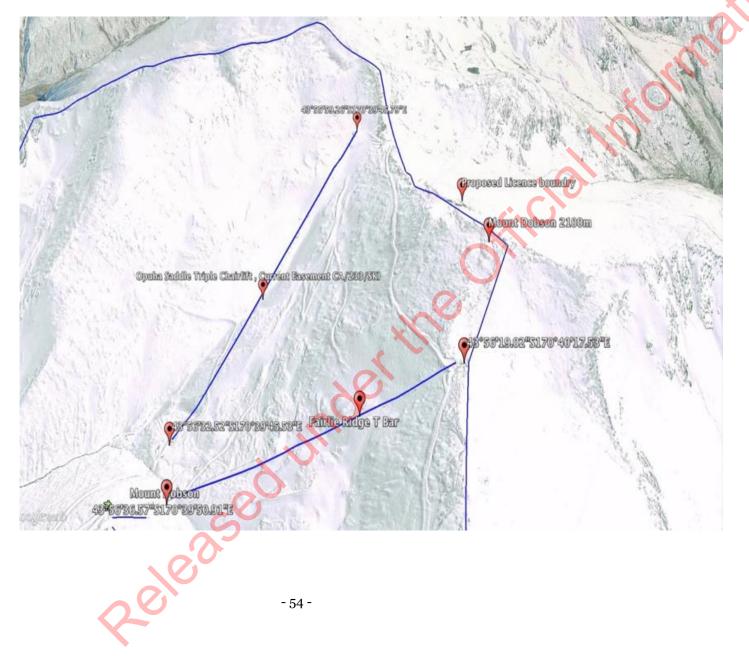
## Map 3A - Ski lift infrastructure



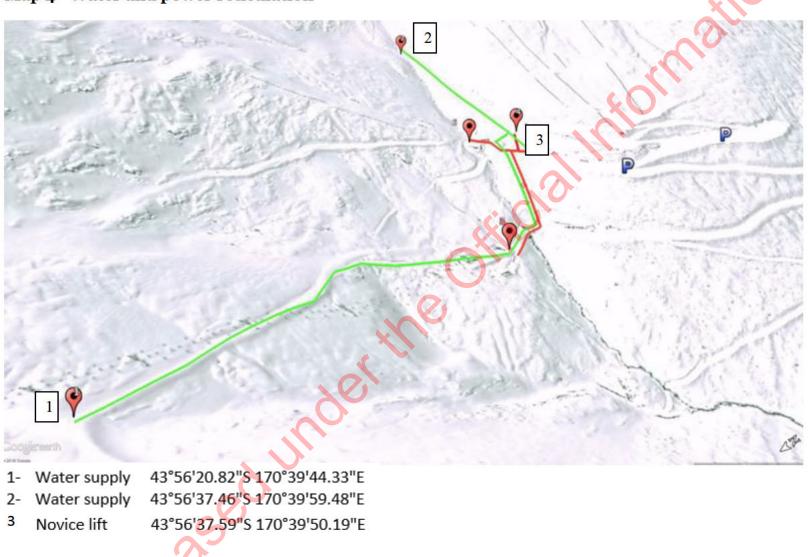
# Concession Number: 82598-SKI

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# Map 3B – Ski lift infrastructure



Map 4 - Water and power reticulation



Concession Number: 82598-SKI

Item 5

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Concession number: CA/160/SKI

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DATED 20 Munch 2000

Between

# THE MINISTER OF CONSERVATION

("the Grantor")

and

# **BROKEN RIVER SKI CLUB INCORPORATED**

("the Concessionaire")

CONCESSION DOCUMENT (LICENCE)



20102500

Department of Conservation Te Papa Atawhai

Chcco-184

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THIS DOCUMENT dated

#### PARTIES:

- THE MINISTER OF CONSERVATION, ("the Grantor") 1.
- 2 BROKEN RIVER SKI CLUB INCORPORATED("the Concessionaire")

#### RECITALS

- The land described in this Document as the Site is a conservation area as defined in A. section 2(1) of the Conservation Act 1987.
- **B**. The Grantor has agreed to grant the Concessionaire a licence under the Conservation Act 1987.
- C. The Grantor is satisfied that the requirements of Part III B of the Conservation Act 1987 have been met

#### TERMS AND CONDITIONS

The Grantor GRANTS to the Concessionaire a licence under section 17Q of the Conservation Act 1987 to carry out the Concession Activity on the Site for the Term and at the Concession Fee (subject to review) specified in Schedule I on the terms and conditions set out in this Document.

#### DEFINITIONS AND INTERPRETATION 1.00

1.01 In this Document unless the context otherwise requires:

"Concession Activity"	means the Concession Activity specified in Item 2 of Schedule I			
"Conservation Management Plan"	has the meaning ascribed to this term in section $2(1)$ of the Conservation Act 1987			
"Conservation Management Strategy"	has the meaning ascribed to this term in section 2(1) of the Conservation Act 1987			
"Department"	means the Department of Conservation			
"Director-General"	means the Director-General of Conservation			
"Site"	means the site specified in Item 1 of Schedule I			
1.02 In this Document unless the context	In this Document unless the context otherwise requires:			

In this Document unless the context otherwise requires:

- any reference to any of the parties by their defined terms includes that party's a. successors in title;
- h. schedules and annexures form part of this Document and have effect accordingly;

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- c. whenever words appear in this Document that also appear in Schedule I, then those words shall mean and include the details appearing after them in that Schedule;
- d. any provision of this Document to be performed by two or more persons shall bind those persons jointly and severally;
- e. reference to a person includes individuals, bodies corporate, associations (whether corporate or not) and trusts;
- f. words importing the singular shall import the plural and vice versa;
- g. words importing one gender shall import other genders;
- h. references to a statute or statutory provision, or order or regulation made under it, includes that statute, provision, or regulation as amended, modified, re-enacted or replaced from time to time; and
- i. where the consent or approval of the Grantor is required under any provision of this Document, such consent or approval shall be required for each separate occasion notwithstanding any prior consent or approval obtained for like purpose on a prior occasion.

#### 2.00 CONCESSION FEE

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- 2.01 The Concessionaire shall pay the Concession Fee plus Goods and Services Tax in advance to the Grantor in the instalments and on Concession Fee Payment Dates specified in Schedule I in the manner directed by the Grantor.
- 2.02 If the Concessionaire is in default in payment of the Concession Fee for fourteen (14) days after a Concession Fee Payment Date, then the Concessionaire shall pay interest on the unpaid fee from the Concession Fee Payment Date until the date of payment at the Penalty Interest Rate.
- 2.03 The Concessionaire shall upon request supply the Grantor with a complete statement of audited financial accounts and any other information relevant to the Concession Activity. The parties acknowledge that any information supplied by the Concessionaire to the Grantor may be subject to the provisions of the Official Information Act 1982 and the Privacy Act 1993.

#### 3.00 OTHER CHARGES

3.01

In addition to the Concession Fee, the Concessionaire shall pay to the Grantor on demand and in the manner directed by the Grantor all rates, levies, taxes, duties, assessments, charges, and other outgoings ("Other Charges") which may be charged, levied or reasonably assessed by any Government Department, or local or territorial authority as a result of a statutory power, or which become payable in relation to the

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Site or the Concessionaire's occupation or activity on the Site to any Government Department or local or territorial authority as a result of a statutory power.

3.02 In the event that this Concession is surrendered by the Concessionaire with the consent of the Grantor, the Concessionaire shall continue to be liable for and shall pay upon demand to the Grantor all Other Charges in respect of its occupation of and activity on the Site which may be due for the current concession fee instalment period notwithstanding that such period may not expire until after the date of surrender.

#### 4.00 CONCESSION ACTIVITY

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- 4.01 The Concessionaire shall not use the Site for any purpose other than the Concession Activity.
- 4.02 The Concessionaire shall take out and maintain and pay all fees for all licences, permits, authorisations, consents, and renewals as may be necessary for the proper conduct of the Concession Activity. The Concessionaire shall not do or suffer to be done any act whereby any such licence, permit or authorisation may be forfeited or suspended or the renewal refused.

#### 5.00 COMPLIANCE WITH STATUTES

5.01 The Concessionaire shall at all times comply with all statutes, ordinances, regulations, by-laws or other enactments affecting or relating to the Site or affecting or relating to the Concession Activity.

#### 6.00 INDEMNITY

- 6.01 The Concessionaire shall indemnify and keep indemnified the Grantor against all claims by any person in respect of any injury, loss or damage (including fire damage) caused or suffered or any other liability arising as a result of or out of any acts or omissions of the Concessionaire whether by itself or by its servants, agents, contractors, clients or invitees, or otherwise caused as a consequence of its occupation of the Site or as a result of the conduct of the Concession Activity. This indemnity shall continue after the expiration or other determination of this Concession in respect of any such acts or omissions occurring or arising before its expiration or determination.
- 6.02 Without in any way limiting the liability of the Concessionaire under Clause 6.01, the Concessionaire shall take out and keep in force during the term of the Concession (including any renewal) a policy or policies of insurance with an insurer approved by the Grantor against any liability (including statutory liability) that may arise out of the Concessionaire's occupation of the Site and conduct of the Concession Activity. The policy or policies of insurance shall be for a sum not less than the amount specified in Item 11 of Schedule I. The Concessionaire shall provide the Grantor with a copy of a certificate of currency for the policy or policies of insurance before commencing the Concession Activity and on each renewal of the policy or policies of insurance.

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6.03 The Concessionaire shall if required by the Grantor at any time during the term of this Concession provide as surety a trading bank, insurance company or bond guarantor who shall be approved by the Grantor and who shall execute (in the case of two or more jointly and severally) in favour of the Grantor a guarantee or bond in such amount as the Grantor may reasonably require having regard to the type or scale of the operations of the Concessionaire on the Site. Such guarantee or bond shall not expire and shall remain effective until such time as all conditions of this Concession have been complied with.

#### 7.00 LAND MANAGEMENT

- 7.01 As required by Section 17W(7) of the Conservation Act 1987 the Concessionaire shall act in accordance with every relevant Conservation Management Strategy and Conservation Management Plan for the time being in force, including any amendments to such Strategy or Plan, whether the Strategy or Plan or amendment was approved before, on or after the date on which the Concession became effective. Any breach or contravention by the Concessionaire of any relevant Conservation Management Strategy or Conservation Management Plan, or both shall be deemed to be a breach of this Concession.
- 7.02 The Concessionaire shall comply with all conditions imposed by the Grantor in granting the Concession including those expressed or implied in this Document and those specified in Schedule II.

#### 8.00 STRUCTURES & SITE ALTERATIONS

- 8.01 The Concessionaire shall not erect or bring on to the Site any structure, install any facility, nor alter the Site in any way without the prior written consent of the Grantor.
- 8.02 The Grantor may in its sole and absolute discretion impose any reasonable terms and conditions (including a review of the Concession Fee) as it considers appropriate to any approval given under this clause and may also decline granting any such approval.
- 8.03 The Concessionaire shall pay to the Grantor all costs associated with applications for approval under this clause determined at the standard rates then applying in the Department for cost recovery of staff time and expenses.
- 8.04 The Concessionaire shall upon request by the Grantor submit written engineering or building plans and details to the Grantor for approval before:
  - a. erecting any structure on the Site;
  - b. bringing any structure on to the Site;
  - c. installing any facility; or
  - d. altering the Site in any way.

The Concessionaire shall not commence any work until the Grantor has given its written approval.



- 8.05 The Concessionaire shall keep and maintain its structures on or alterations to the Site in good repair.
- 8.06 The Concessionaire shall insure and keep insured its structures on the Site against loss, damage or destruction by fire and such other risks as the Grantor may reasonably determine.
- 8.07 Subject to any conditions set out in Schedule II imposed by the Grantor, at the expiry or earlier termination of this Concession, the Concessionaire shall remove its structures from the Site and reinstate the Site to its condition at the commencement of the term and replant the Site with indigenous vegetation of a similar abundance and diversity as at the commencement of the term.
- 8.08 Any structures remaining on the Site at the termination of this Concession shall become the property of the Grantor. The Concessionaire shall reimburse the Grantor for any cost incurred in removal of structures from the Site or reinstatement of the Site in the event that the Concessionaire has not complied with the provisions of Clause 8.07 at the termination of this Concession.

# 9.00 PROTECTION OF THE ENVIRONMENT

- 9.01 The Concessionaire shall not, unless authorised in writing by the Grantor, whether by act or omission:
  - a. interfere with, remove, damage, or endanger the natural features, animals, plants, or historic resources on the Site; or
  - b. bring any plants or animals onto the Site; or
  - c. deposit debris, rubbish, or other dangerous, or unsightly matter, nor contaminate any water body.
- 9.02 The Concessionaire shall ensure that its clients and invitees do not carry out any acts prohibited under this clause.
- 9.03 The Concessionaire shall immediately report to the Grantor any act in contravention of Clauses 9.01 and 9.02 and wherever possible the names and addresses of any persons carrying out such acts and shall provide the Grantor with details of the circumstances surrounding any such incidents.
- The Concessionaire, during the term of this Concession, shall be requested to fund, at a fair and reasonable level, and to undertake a programme, approved by the Grantor, to monitor and report on the environmental effects of the Concessionaire's use of, and activities upon, the land described in section 1 of Schedule I. The results of the programme are to be provided to the Grantor on a regular pre-arranged basis.

10.00 **FIRES** 

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- 10.01 The Concessionaire shall not light any fire in the open air without the specific written permission from the Grantor
- 10.02 For the purpose of clause 10.01 "Open Air" has the same meaning ascribed to it in the Forest and Rural Fires Act 1977.
- 11.00 ADVERTISING
- 11.01 The Concessionaire shall not erect or display any signs or advertising on the Site without the prior written approval of the Grantor. At the expiry or termination of this Concession the Concessionaire shall remove all signs and advertising material and make good any damage caused by the removal.
- 11.02 The Concessionaire shall ensure that all its advertising and promotional material specifies that the Concession Activity operates under a concession from the Grantor on land administered by the Department and in all cases shall quote the concession number as shown on the cover of this Document.
- 11.03 The Concessionaire shall, when required by the Grantor, include information in its advertising and promotional material which assists its clients to understand the features and values of the natural and historic resources of the Site and the surrounding area. The Concessionaire shall obtain information from and have regard to the views of the Tangata Whenua in preparing such information.
- 12.00 EMPLOYMENT OF STAFF
- 12.01 The Concessionaire shall ensure that the activity it conducts under this Concession is conducted at all times by a person or persons suitably trained and qualified to carry out the activity. The Concessionaire shall provide the Grantor with evidence of the competency and qualification of its employees if the Grantor so requests.
- 12.02 The Concessionaire shall comply with all statutes relating to employment of staff.
- 13.00 <u>SAFETY</u>
- 13.01 The Concessionaire shall operate the Concession Activity in a safe and reliable manner and shall comply with all statutes, bylaws and regulations, and all notices and requisitions of any competent authority relating to the conduct of the Concession Activity.
- 13.02 The Concessionaire shall notify the Grantor of any natural events or activities on the Site or in the surrounding area which may endanger the public or the environment.
- 13.03 Before commencing the Concession Activity, the Concessionaire shall prepare a safety plan and have it audited by a suitably qualified person approved by the Grantor. The Concessionaire shall not commence the Concession Activity until:

- a. the person appointed to audit the safety plan has certified the safety plan as suitable for the Concession Activity; and
- b. the Concessionaire supplies the Grantor with a copy of the safety plan certified under paragraph a. of this clause.

Receipt of the certified safety plan by the Grantor shall not in any way limit the obligations of the Concessionaire under clause 13.01 and shall not be construed as implying any responsibility or liability on the part of the Grantor.

#### 14.00 TEMPORARY SUSPENSION

- 14.01 The Grantor may temporarily suspend this Concession if in the opinion of the Grantor there is a temporary risk to public safety or the safety of the Department's staff or the safety of other concessionaires whether arising from natural events such as earthquake, landslip, volcanic activity, or flood, or from fire danger, or whether arising in any other way including the activities of the Concessionaire, its clients or invitees.
- 14.02 If in the opinion of the Grantor the activities of the Concessionaire, its clients or invitees are having or may have an adverse effect on the environment and the Grantor is of the opinion that the effect can be avoided, remedied, or mitigated to an extent satisfactory to the Grantor, then the Grantor may suspend this Concession until the Concessionaire remedies, avoids or mitigates the adverse impact to the satisfaction of the Grantor.
- 14.03 The Grantor may suspend this Concession while it investigates any of the circumstances contemplated in clauses 14.01 and 14.02 and also while it investigates any potential breach or possible offence by the Concessionaire under the Conservation Act 1987 or any of the Acts mentioned in Schedule I of that Act.
- 14.04 During any period of temporary suspension the Concession Fee payable by the Concessionaire shall abate in fair proportion to the loss of use by the Concessionaire of the Site.
- 14.05 The Grantor shall not be liable to the Concessionaire for any loss sustained by the Concessionaire by reason of suspension of the Concession under this clause.

#### 15.00 ASSIGNMENT

15.01 The Concessionaire shall not transfer, sublicense, assign, mortgage, or otherwise dispose of the Concessionaire's interest under this Concession or any part thereof without the prior written consent of the Grantor. The Grantor may in its discretion decline any application for consent under this clause.



- 15.02 Sections 17P, 17S, 17T, 17U, 17W, 17X, 17ZB and 17ZC of the Conservation Act 1987 apply to applications for 'consent under this dlause unless the Grantor in its discretion decides otherwise.
- 15.03 If the Grantor gives consent under this clause, the Concessionaire shall remain liable to observe and perform the terms and conditions of the Concession throughout the term including any renewals and shall procure from the transferee, sublicensee or assignee a covenant to be bound by the conditions of this Document.
- 15.04 The Concessionaire shall pay the costs reasonably incurred by the Grantor incidental to any application for consent, whether or not such consent is granted.
- 15.05 Any change in the shareholding of the Concessionaire altering the effective control of the Concessionaire shall be deemed to be an assignment and shall require the consent of the Grantor.
- 16.00 TERMINATION
- 16.01 The Grantor may terminate this Concession by notice in writing to the Concessionaire if:
  - a. the Concession Fee or any other money payable to the Grantor under this Document is in arrears and unpaid for fourteen (14) days after any of the days appointed for payment whether it has been lawfully demanded or not; or
  - b. the Concessionaire breaches any terms of this Document; and
    - i. The Grantor has notified the Concessionaire in writing of the breach ;and
    - ii. The Concessionaire does not rectify the breach within 7 days of receiving notification;
    - or

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- c. the Concessionaire ceases to conduct the Concession Activity, or in the reasonable opinion of the Grantor, the services provided by the Concessionaire are manifestly inadequate; or
- d. the Concessionaire is convicted of an offence under the Conservation Act 1987 or any of the Acts listed in the First Schedule to that Act; or

the Concessionaire enters into any composition with or assignment for the benefit of its creditors or is adjudged bankrupt, or being a company has a receiver appointed, or is put into liquidation or is placed under statutory management; or

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

Sec 9(2)(a)

- 16.02 If the Grantor terminates the Concession under this clause all rights of the Concessionaire shall absolutely cease but the Concessionaire shall not be released from any liability to pay the Concession Fee or other moneys up to the date of termination or for any breach of any term up to the date of termination.
- 16.03 The Grantor may exercise its right under this clause to terminate the Concession notwithstanding any prior waiver or failure to take action by the Grantor or any indulgence granted by the Grantor for any matter or default.

#### 17.00 GRANTOR'S DIRECTIONS

17.01 The Concessionaire shall comply with all reasonable notices and directions of the Grantor concerning the activities conducted by the Concessionaire on the Site or the conduct of any person on the Site under the authority of this concession.

#### 18.00 INFORMATION

- 18.01 The Concessionaire shall refer all requests it receives for official information as defined in the Official Information Act 1982 to the Department immediately upon receipt of the request and shall supply all information that may be required to satisfy any request for information under that Act.
- 18.02 The Concessionaire shall upon request supply the Grantor with information about the conduct of the Concession Activity. The Grantor shall treat information supplied under this clause as confidential subject to the Official Information Act 1982.

#### 19.00 POWERS, RIGHTS & AUTHORITIES

19.01 All powers, rights and authorities of the Grantor under this Concession and any notice required to be given by the Grantor may be exercised and given by the Director-General or any officer, servant, employee or agent of the Director-General.

#### 20.00 NOTICES

- 20.01 Any notice to be given under this Concession by one party to the other shall be in writing and made by personal delivery, by pre-paid post or by facsimile addressed to the receiving party at the address or facsimile number set out in Item 12 of Schedule I. A notice given in accordance with this clause shall be deemed to have been received:
  - in the case of personal delivery, on the date of delivery;
  - in the case of a letter, on the third working day after posting; and

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c. in the case of facsimile, on the date of dispatch.

Sec 9(2)(a)	

#### 21.00 COSTS

21.01 The Concessionaire shall pay the Grantor's legal costs and expenses of and incidental to preparing and executing this Document or any extension or variation of this Document (including any stamp duty payable). The Concessionaire shall also pay the costs of the Grantor in enforcing or attempting to enforce its rights and powers under this Document if the Concessionaire is in default.

#### 22.00 RELATIONSHIP OF PARTIES

- 22.01 Nothing expressed or implied in this Document shall be construed as:
  - a. constituting the parties as partners or joint venturers;
  - b. conferring on the Concessionaire any right of exclusive occupation or use of the Site;
  - c. granting any estate or interest in the land to the Concessionaire;
  - d. preventing the Grantor from granting similar concessions to other persons; or
  - e. derogating from the rights of the Grantor and the public to have access across the Site.

#### 23.00 OFFENCES

- 23.01 Where any breach of this Concession by the Concessionaire also constitutes an offence under the Conservation Act 1987 or any of the Acts listed in the First Schedule to that Act:
  - a. no waiver or failure to act by the Grantor under this Document shall preclude the Grantor from prosecuting the Concessionaire; and
  - b. no failure by the Grantor to prosecute the Concessionaire shall preclude the Grantor from exercising its remedies under this Document.
  - c. any action of the Grantor in prosecuting the Concessionaire shall not preclude the Grantor from exercising its remedies under this document.

#### 24.00 SEVERABILITY

24.01 Any illegality or invalidity or unenforceability of any provision in this Document shall not affect the legality, validity, or enforceability of any other provision.

#### 25.00 ENTIRE UNDERSTANDING

25.01 Except as provided by legislation, this Document and any written variation agreed by the parties contains the entire agreement between the parties in relation to the Concession hereby granted.

#### 26.00 DISPUTE RESOLUTION & ARBITRATION

26.01 If any dispute arises between the parties in connection with this Concession, the parties shall without prejudice to any other rights they may have under this Document, attempt to resolve the dispute by negotiation or other informal dispute resolution techniques agreed by the parties.

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- 26.02 If the parties are unable to resolve the dispute by negotiation or other informal means within twenty-one (21) days of written notice by one party to the other of the dispute (or such further period as the parties agree in writing) either party may refer the dispute to arbitration in accordance with the Arbitration Act 1996.
  - a. If the dispute is referred to arbitration:
    - i The arbitration will be conducted by one arbitrator appointed by the parties.
    - ii If the parties cannot agree on an arbitrator within seven days the appointment will be made by the President of the Canterbury District Law Society or that person's nominee.
    - iii The arbitration will be conducted in accordance with the rules in Schedules 1 and 2 of the Arbitration Act 1996.
- 26.03 It is agreed between the parties that all matters relating to this Concession document shall be governed by New Zealand Law and any dispute between the parties shall be settled either by arbitration in New Zealand or in a New Zealand Court.

#### 27.00 CONCESSION FEE REVIEW

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- 27.01 The Grantor shall review the Concession Fee on the Concession Fee Review Dates in the following manner:
  - a. The Grantor shall commence the review by not earlier than three (3) months before a Concession Fee Review Date or at any time up to the next following Concession Fee Review Date giving written notice to the Concessionaire specifying the Concession Fee considered by the Grantor to be the market value for the Concession at the review dates having regard to the factors set out in section 17Y(2) of the Conservation Act 1987.
  - b. The Concessionaire may dispute the proposed new Concession Fee by giving notice in writing to the Grantor within twenty-eight (28) days after receipt of the Grantor's notice. If the Concessionaire does not give notice to the Grantor under this clause then the Concessionaire shall be deemed to have accepted the new Concession Fee specified in the Grantor's notice.

Immediately following receipt by the Grantor of the Concessionaire's notice under subclause b., the parties shall endeavour to agree the new Concession Fee, but if they cannot agree within twenty-eight (28) days then the new Concession Fee shall be determined by an independent valuer (acting as an expert and not as arbitrator) to be agreed by the parties and failing agreement within a further fourteen (14) days then:

(1) Each party shall appoint a valuer and give written notice of the appointment to the other party within fourteen (14) days of the parties failing to agree upon a valuer.

Sec 9(2)(a)

- (2) If the party receiving a notice fails to appoint a valuer within the fourteen (14) day period then the valuer appointed by the other party shall determine the new Concession Fee and such determination shall be binding on both parties.
- (3) The valuers appointed before commencing their determination shall appoint an umpire who need not be a registered valuer.
- (4) The valuers shall determine the current market Concession Fee of the Site and if they fail to agree then the Concession Fee shall be determined by the umpire.
- (5) Each party shall be given the opportunity to make written or verbal representations to the valuers or the umpire subject to such reasonable time and other limits as the valuers or the umpire may prescribe and they shall have regard to any such representations but not be bound thereby.

When the new Concession Fee has been determined the valuers shall give written notice thereof to the parties. The notice shall provide as to how the costs of the determination shall be borne and such provision shall be binding on the parties.

d. Until the new Concession Fee is determined, the Concession Fee payable by the Concessionaire from the review date shall be the Concession Fee specified in the Grantor's notice. Upon determination of the new Concession Fee, an adjustment shall be made and paid by the Grantor and Concessionaire, if applicable.

#### 28.00 LICENCE COLLATERAL WITH LEASE

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28.01 This licence is collateral to, and coexistent with, concession lease No. CA/161/SKI dated 2000. The documents together comprise the concession for the operation of the Broken River Ski Area. Default under the lease shall be deemed to be a default under this licence and the Grantor can take such actions she considers appropriate under this licence or the said lease.

SIGNED on behalf of the Grantor, the MINISTER OF CONSERVATION by Cheryl Anne Colley

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Community Relations Manager Canterbury pursuant to a delegation dated the 20 May 1998

) ) ) ) ) RIVER ) The ) Common ) Seal ) of ) corporat

in the presence of: "

Occupation: Public Servicet

Address: Christchurch

SIGNED by Broken River Ski Club Incorporated as Concessionaire by affixing its seal in the presence of

Sec 9(2)(a)

President.

Secretary:.

#### SCHEDULE I

#### FURTHER DEFINITIONS

#### 1. Site:

Those areas of land within Pt R 4694, R 3288 and section 40556, Blocks VIII and XII Malvern S D in Craigieburn Conservation Park within the catchment of Broken River and described below as;

- 1. That area commonly called the Broken River Ski Area and generally known as Broken River Basin and Alan's Basin.
- 2. The ski field access road from State Highway 73 (at the intersection of the State Highway and Cave Stream) to the day lodge (Palmer Lodge) in Broken River Basin at 1700 metres above sea level.
- The access road related car parking areas;
  - adjacent to the tractor shed (above and below the tractor shed).
  - at the bottom terminal of the funicular railway goods lift (Hanomag Carpark).
- 4. The walking tracks from that corner of the access road known locally as Icy Corner to the bottom of the access ski tow.
- 5. The vehicle access tracks from Palmer lodge to the Main Tow and Rugby Tow Sheds in Broken River Basin.

and generally indicated in red on the attached map.

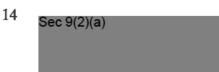
#### 2. Concession Activity:

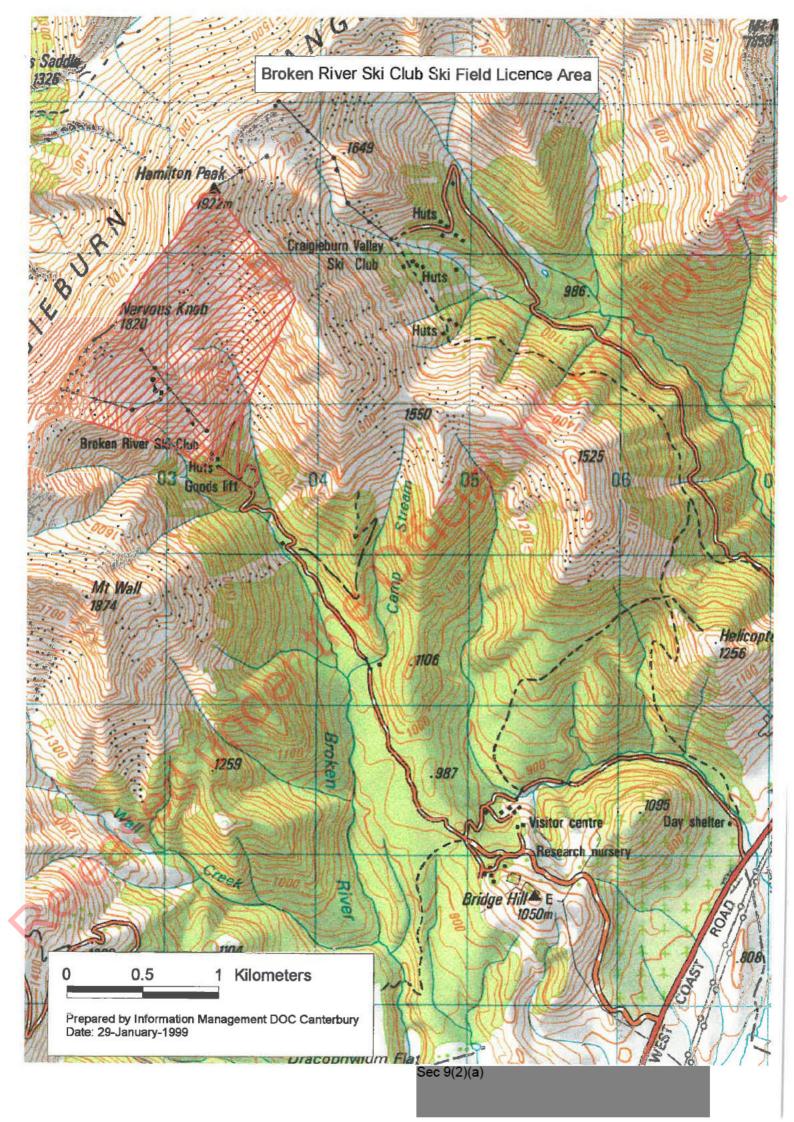
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1. The exercise of full management and control of all activities relevant to the operation and maintenance of an alpine downhill snow ski field. This includes;

a) The maintenance and operation of ski lifts and tows as described in collateral Lease No CA/161/SKI.

- b) The maintenance and operation of a funicular railway goods lift as described in collateral Lease No CA/161/SKI.
- c) The provision of goods (by sale or hire) and services normally available at a skifield (including ski instruction, ski hire and the retail sale of food and ski activity related items) from their premises in their Licence area approved by the Grantor.
- d) Carrying out snow grooming activities within the constraints of the conditions in Schedule II.
- e) The provision of ski patrol and snow safety services including avalanche control measures which require the use of explosives.





2. The maintenance and operation of accommodation lodges and ancillary buildings and services as described in collateral Lease No CA/161/SKI including the operation and maintenance of water supply lines, water storage tanks, electricity reticulation lines, telephone cables and sewage systems.

3. The maintenance and operation of vehicle access road and tracks, car parks and walking tracks as defined in item 1 above.

4. The provision of accommodation for commercial gain in the buildings itemised in collateral lease CA/161/SKI outside of the ski season, with the prior permission of the Grantor.

#### 3. Term:

30 years commencing on First of May 1998.

#### 4.

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- a) Renewal: No right of renewal.
- b) **Right of first refusal:** If, at the expiry date of the licence, the Grantor wishes to again licence the Site, the Grantor shall offer to the Concessionaire a right of first refusal to the licence of the site on terms and conditions no less favourable than the Grantor proposes in respect of any third party. If the Concessionaire does not accept those terms and conditions within a period of three (3) months then the Grantor shall be free to offer a licence for the Site to any third party on those terms and conditions.
- 5. Final expiry date: 30 April 2028
- 6. Concession Fee:

The concession fees for the first three years of the life of the concession shall be: Sec 9(2)(i)

Sec 9(2)(i)

1.1.

Plus GST.

The gross income shall include all revenue generated by the provision of goods and services by the Concessionaire, and includes, but is not limited to, money taken for tow fees, ski instruction, food, accommodation, supply of goods (canteen) and services (including the provision rental equipment and equipment storage) provided within the Conservation Park.

It does not include:

- Ski Club membership fees (as these are not related to the use of the Club on field facilities).
- Any fund raising activities of the club that do not take place on Conservation Area.
- 7. Concession Fee instalments: Annually
- 8. Concession Fee Payment Dates: On 1st May in every year from and including 1999
- 9. Penalty Interest Rate: Current Westpac Banking Corporation overdraft interest rate plus 2%
- 10. Concession Fee Review Dates: 1st May in 2001, 2004, 2007, 2010, 2013, 2016, 2019, 2022, 2025, and

2028.

11. Insurance:

One Million Dollars (\$1,000,000)

#### 12. Address for Notices:

Grantor: The Regional Conservator Department of Conservation Private Bag 4715 Christchurch Concessionaire: Broken River Ski Club Inc. P O Box 2718 Christchurch

Phone (03) 379 9758 Fax (03) 365 1388 (03) 318 7270 * (03) 318 7270 *

Sec 9(2)(a)

* On field administration during the ski season (from early July to mid/late September)

#### SCHEDULE II

#### SPECIAL CONDITIONS

(Clauses 7.02, 8.07, 9.04. 10.01)

- 1. The Concessionaire shall operate all ski tows, goods lifts and any other machinery, or devices, to the standard or code of practice currently accepted by the agency with the lawful authority to set, accept, or otherwise oversee the proper construction or operation of such ski tows, goods lifts, machinery or other devices, and shall, from time to time at the Grantor's request, provide the Grantor with documentary evidence of compliance with the appropriate standard, code of practice, or other such controlling or regulating procedure.
- 2. Where any activity of the Concessionaire is not covered by any standard, code of practice or other regulating mechanism, the Concessionaire shall, at the Grantor's request, and to the Grantor's satisfaction, provide such documentation as is agreed by the Grantor and the Concessionaire, to show such activity is being carried out in the safest practicable manner taking into account current technology and management regimes.
- 3. Where the Concessionaire has been required by the Grantor to provide documentation in conditions 1 and 2 above, the Concessionaire shall provide such documentation to the Grantor within thirty (30) days of the date of any written advice of the need to provide the documentation or such other longer or shorter time as is mutually agreed between the Grantor and the Concessionaire.
- 4. The Grantor may require at anytime and at the Concessionaire's expense, an independent review and audit, by a suitably qualified person approved by the Grantor, of the Concessionaire's safety plan and is implementation. Evidence of this review and audit shall be provided to the Grantor within fifteen (15) working days of the Grantor's request.
- 5. The Concessionaire shall provide such facilities as considered necessary for the welfare and safety of the public on the Site and, as agreed with the Grantor, such facilities shall be available free of charge to the public, clearly identified, and maintained to the Grantor's satisfaction.

The Concessionaire shall be entitled to refuse service or access to the ski lifts and tows to any person in the Licence area by reason that the actions or condition of that person are, in the Concessionaire's opinion, prejudicial to their own safety, or public safety.

7. The Concessionaire shall not use or operate, any motor driven engine or plant whatsoever within Craigieburn Forest Conservation Park which is not provided with a safe and efficient means of containing any exhaust flames or sparks.



- 8. The Concessionaire shall keep all stored hydrocarbon fuels in appropriate containment to prevent spills from contaminating the natural environment.
- 9. The Concessionaire shall not have or keep or permit to be brought on, or had or kept on the Site any cats, dogs or other animals.
- 10. The Concessionaire shall not allow any firearm to be brought onto, or held on, the Site.
- 11. The Concessionaire shall only carry out snow grooming operations when there is sufficient snow depth to prevent any damage to the indigenous vegetation.
- 12. During the term of the licence, the Grantor shall be entitled to send any officer of the Department of Conservation on any of the activities authorised by this licence for the purpose of assessing the impact thereof on conservation values, and the implications of the service offered to clients, on the Department's responsibility to visitors in general.
- 13. Work programmes:

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- a) The Concessionaire shall provide the Grantor, at the Christchurch Conservancy Office (or at any other office agreed to by the Grantor in writing) with an annual summer work programme for approval, no later than the 1st December each year. Consideration of any work programme activity not submitted by the 1st of December shall be at the Grantor's discretion.
- b) The Concessionaire shall ensure the work programme contains sufficient information and documentation for the Grantor's full and proper consideration of the proposed work.
- c) The Concessionaire may carry out the following work programme activity with out obtaining specific approval by way of the process prescribed in 13
   (a) above;
  - The maintenance of the surface of any road or track under the control of the Concessionaire and the maintenance of any watertable, culvert or other runoff water control device.
  - ii) The removal of sapling mountain beech trees up to a diameter of 10 centimetres (at 1.5 metres above ground level) or branches thereof where such saplings or branches are overhanging any road or walking track under the control of the Concessionaire.
  - iii) The interior maintenance and modification of any building.



- iv) The exterior maintenance of any building, stationary plant item or other fixed asset of the Concessionaire where such maintenance does not alter that outside appearance of the building.
- v) Emergency work where failure to do the work will be prejudicial to the immediate continued safe use and existence of the facility.

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