

Parties

HER MAJESTY THE QUEEN

in right of New Zealand

and

TE RUNANGA O NGATI AWA

KO TE WHAKAAETANGA TAKETAKE

HEADS OF AGREEMENT

21 December 1998

KO TE WHAKAAETANGA TAKETAKE

HEADS OF AGREEMENT

Ngā kupu i roto i te reo Māori / The text in Māori:

I HANGAIA TĒNEI WHAKAAETANGA TAKETAKE i te rua tekau mā tahi o ngā rā o Tihema 1998.

I WAENGANUI I:

- (1) **TE TAPAIRU TE KUINI** o Aotearoa, ko tōna māngai ko te Minita e Whakahaere ana i ngā Whiriwhiri mō Te Tiriti o Waitangi (te “Karauna”).
- (2) **TE RŪNANGA o NGĀTI AWA**, he Poari Kaitiaki Māori he mea whakapūmau i raro i te Ture Poari Kaitiaki Māori 1955 me te Ture o Te Rūnanga o Ngāti Awa 1988, ko ōna māngai ko ngā kaiwhiriwhiri i whakamanahia (te “Rūnanga”).

NĀ, I TE MEA

- A. **KEI TE HIAHIA** te Karauna me te Rūnanga ki te whakarite i tētahi Whakaaetanga Taketake i runga i te wairua mahi tahi e hiahiatia ana kia tutuki ai ngā kerēme katoa o nehe rā a Ngāti Awa, tae atu ana ki ērā i whakarārangihia i WAI 46 i te aroaro o te Rōpū Whakamana i te Tiriti o Waitangi.
- B. **KOIA NEI**, ka whakatakoto ngā rōpū nei, i runga i te tikanga here kore, i ngā take kua whakaaehia whānuitia e rāua kia whakaurua ki roto ki tētahi Kāwenata Whakataunga hei whakatinana i te whakataunga o ngā kerēme a Ngāti Awa, me te whakaaetanga hoki a ngā rōpū ki te whakahaere i ngā whiriwhiri i runga i te pono, hei whakatatū i ngā whakaritenga o taua Kāwenata Whakataunga.
- C. **E WHAKAAE ANA** ēnei rōpū e rua kāore te Whakaaetanga Taketake nei i te hanga here-ā-ture i waenganui i a rāua, ā, ehara tēnā i tōna tikanga, ā, i tua atu e whakaae ana ngā rōpū nei ko tētahi Kāwenata Whakataunga tērā ka whakaaehia, mā te Rūnanga me tōna iwi whānui me te Karauna rawa e whakamana.

WHAKAAETANGA WHĀNUI

1. Ka whakaaehia whānuitia e ngā rōpū nei ngā take kua whakarārangihia i roto i te Tapiritanga ki tēnei Whakaaetanga Taketake, arā, te tuhinga o te reta, tae atu ana ki ōna kupu āpiti, o te rua tekau mā tahi o ngā rā o Tihema 1998 mai i te Minita e Whakahaere ana i ngā Whiriwhiri mō Te Tiriti o Waitangi, te Hōnora Douglas A M Graham, ki te Tiamana o Te Rūnanga o Ngāti Awa, Tākuta Hirini Moko Mead.

NGĀ WHIRIWHIRINGA MŌ TE KĀWENATA WHAKATAUNGA

2. Ka whakaae ngā rōpū nei ki te whiriwhiri i runga i te pono, tētahi ki tētahi, hei whakatatū i ngā whakaritenga o te Kāwenata Whakataunga, me te āta mahi ki te turaki i ngā ārai whakarararu i ēnei whiriwhiri e mahia ana i runga i te pono.

TE ĀHUA O TE WHAKAAETANGA TAKETAKE

3. Ka whakaae ngā rōpū e rua nei, tētahi ki tētahi, ehara i te mea ko te tikanga o tēnei Whakaaetanga Taketake he hanga here-ā-ture nā tētahi o ēnei rōpū ki tētahi atu, nā tētahi o ngā rōpū nei rānei hei painga mō tētahi atu rōpū tuatoru. Ka whakaae anō hoki ngā rōpū nei, arā, e whakatinanahia ai tētahi whakataunga tērā ka whakaaehia i waenganui i a rāua, he maha ngā take whai kiko hei whakatutuki, me whakaae rawa ngā whakaritenga o te Kāwenata Whakataunga, ā, mā te ture e whakatau.

MANA WHAKAHAERE

4. E whakaae ana ngā rōpū me tino whiwhi te Rūnanga i te mana whakahaere mai i a Ngāti Awa whānui, arā, e whakamana ana i te Rūnanga kia uru ki roto i te Kāwenata Whakataunga mō Ngāti Awa whānui, hei whakatau i ngā kerēme a Ngāti Awa i runga i ngā whakaritenga e whakarārangihia ana i roto i taua Kāwenata Whakataunga. Ka whakaae te Rūnanga mā Ngāti Awa whānui e whakamana tēnei tono.

WHAKAAETANGA KI TE AROTAKE

5. Ka whakaae ngā rōpū mēnā kāore anō kia whakatutukihia te Kāwenata Whakataunga i te ono (6) o ngā marama i muri i te rā o te hainatanga o tēnei Whakaaetanga Taketake, me arotake ngātahi rāua mehemea ka whakahaere tonutia tēnei Whakaaetanga Taketake. Mehemea i te mutunga o te arotake ka whakaritea e ngā rōpū e kore e taea e rāua te whakaae ki tētahi take e pā ana ki te Kāwenata Whakataunga, ka taea e rāua te whakakore i tēnei Whakaaetanga Taketake.

TE KĀWENATA WHAKATAUNGA

6. Ka whakaae ngā rōpū nei mā te Kāwenata Whakataunga e whakakapi tēnei Whakaaetanga Taketake mai i te rā ka hainatia te Kāwenata Whakataunga. He here kei runga i te Kāwenata Whakataunga, arā, me whakature te ture māna hei whakatinana tēnei whakataunga.

The text in English / Ngā kupu i roto i te reo Pākehā:

THIS HEADS OF AGREEMENT is made on the 21st day of December 1998.

BETWEEN:

- (1) **HER MAJESTY THE QUEEN** in right of New Zealand, acting by the Minister in Charge of Treaty of Waitangi Negotiations (the "Crown")
- (2) **TE RUNANGA o NGATI AWA** a Maori Trust Board constituted pursuant to the Maori Trust Boards Act 1955 and Te Runanga o Ngati Awa Act 1988, acting by its mandated negotiators (the "Runanga")

WHEREAS

- A. **THE** Crown and the Runanga wish to enter into a Heads of Agreement, in the spirit of cooperation necessary to achieve a settlement of all historical claims of Ngati Awa, including those set out in WAI 46 before the Waitangi Tribunal.
- B. **ACCORDINGLY**, the parties record, on a without prejudice basis, the matters which the parties have agreed in principle are to be contained in a Deed of Settlement to effect a settlement of the claims of Ngati Awa, and the agreement of the parties to negotiate in good faith to settle the terms of such Deed of Settlement.
- C. **THE** parties both acknowledge that this Heads of Agreement does not create and was not intended to create legal relations between them, and the parties further acknowledge that any Deed of Settlement that may be agreed must be ratified by the Runanga and its constituents, and by the Crown.

AGREEMENT IN PRINCIPLE

1. The parties record their agreement in principle to the matters set out in the Appendix to this Heads of Agreement, which comprises the text of a letter, and its appendices, dated 21 December 1998 from the Minister in Charge of Treaty of Waitangi Negotiations, the Right Honorable Douglas A .M Graham to the Chairman of Te Runanga o Ngati Awa, Dr Hirini Moko Mead.

NEGOTIATION OF THE DEED OF SETTLEMENT

2. The parties agree to negotiate with each other in good faith to settle the terms of the Deed of Settlement and to use their reasonable endeavours to remove any obstacles to such good faith negotiations proceeding.

THE NATURE OF THE HEADS OF AGREEMENT

3. The parties acknowledge to each other that this Heads of Agreement is not intended to create legal obligations by either party to the other party or by either party in favour of any third party. The parties also acknowledge that the implementation of any settlement that may be agreed between them will require the resolution of a number of practical issues, agreement on the terms of the Deed of Settlement and the enactment of settlement legislation.

MANDATE

4. The parties acknowledge that the Runanga must obtain a mandate from Ngati Awa whanui authorising the Runanga to enter into the Deed of Settlement on behalf of Ngati Awa whanui, to settle Ngati Awa's claims on the terms set out in any such Deed of Settlement. The Runanga agrees to seek such mandate from Ngati Awa whanui.

AGREEMENT TO REVIEW

5. The parties agree that if they have not, by the date which is six (6) months after the date of this Heads of Agreement, entered into a Deed of Settlement, the parties will jointly review the continued operation of this Heads of Agreement. If, as a result of such review, the parties conclude that they will be unable to reach agreement on any matter relating to the Deed of Settlement, they may terminate this Heads of Agreement.

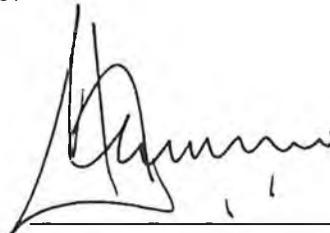
DEED OF SETTLEMENT

6. The parties agree that the Deed of Settlement will supercede this Heads of Agreement from the date the Deed of Settlement is signed. The Deed of Settlement will be conditional upon the enactment of legislation required to give effect to any such settlement.

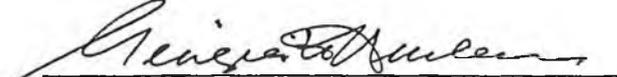
I WHAKAHAERETIA i Te Whanganui a Tara i te rua tekau mā tahi o ngā rā o Tihema 1998 /

EXECUTED at Wellington on 21 December 1998.

SIGNED for and on behalf of)
HER MAJESTY THE QUEEN in right)
of New Zealand by DOUGLAS ARTHUR)
MONTROSE GRAHAM, Minister in)
Charge of Treaty of Waitangi Negotiations,)
in the presence of:)



Witness:



Signature

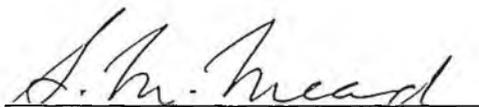
Minister of the Crown

Occupation

Wellington

Address

SIGNED for and on behalf of TE)
RUNANGA O NGATI AWA by)
DR HIRINI MOKO MEAD, Chairman,)
in the presence of:)



Witness: LAINE HARVEY



Signature

SOLICITOR

Occupation

AUCKLAND

Address

SIGNED for and on behalf of TE
RUNANGA O NGATI AWA by
JOSEPH MASON, Secretary,
in the presence of:

)
)
)
)
Joseph Mason

Witness: LAYNE HARVEY

[Signature]
Signature

SOLICITOR
Occupation

AUCKLAND
Address

SIGNED for and on behalf of TE
RUNANGA O NGATI AWA by
~~Kei Wilson~~ MERITO, Board Member,
in the presence of:

)
)
)
)
[Signature]

Witness: LAYNE HARVEY

[Signature]
Signature

SOLICITOR
Occupation

AUCKLAND
Address



In the presence of:

[Signature] P. N. H. Nganga.

Wikepa Te Aravaa

[Signature]

Te Rauatehua Cameron

Larry Paul

Ngahua Brownson	Wayne Moki Penatoto
DeOuchou Phillis	Kiani Kingi.
G. Ten Desoe	Tevehi Biddle
Erica & Moki	Whanaoa Simpson.

Wharekaihua Coates	<i>[Signature]</i> Ngamaichi
	HUIA ELLIOTT

Apul ai Ramana

Katerua Umuhari	TO RANUI HAKOPO
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<i>[Signature]</i> Sufin	Kataraina Paul
<i>[Signature]</i> Papioko	Hoko Teonga Maito
<i>[Signature]</i> Peni	Te Lawera

J Peni	Hohi R Rangai
H Himone	Rangitohu David Paul.

P Rangipi	<i>[Signature]</i> Ramonini
Awhi Endra.	<i>[Signature]</i> H. H. H. H.



Office of the
**Minister in Charge of Treaty of Waitangi
Negotiations**

Te Tari o Te
**Minita Nōna te Mana Whakarite Take e pā ana ki
Te Tiriti o Waitangi**

Without Prejudice

21 December 1998

Dr Hirini Mead
Chief Ngati Awa Negotiator
P O Box 960
WELLINGTON

Tena koe

**CROWN OFFER FOR FULL AND FINAL SETTLEMENT OF ALL NGATI AWA
HISTORICAL CLAIMS**

1. I am honoured to present you with the Crown's proposal for a full, final and comprehensive settlement of all Ngati Awa historical claims. I acknowledge the efforts of many generations within Ngati Awa to seek redress for your claims. This has involved years of work researching the claims, presenting them to the Waitangi Tribunal and elsewhere and negotiating with the Crown. This offer is made in recognition of the efforts of those people and with the intention of honouring their work and the dignity with which they presented the case of te iwi o Ngati Awa.
2. Since presentation of the preliminary settlement offer in May this year the Crown and Ngati Awa have been discussing the terms of a final settlement package. This offer is the result of those negotiations and earlier negotiations throughout 1997.
3. Importantly, the offer represents a broad acknowledgement by the Crown that Ngati Awa has suffered historical injustices that must be redressed. Our hope is that through a fair and final settlement, an enduring relationship can be established between the Crown and Ngati Awa, and that the mana and economy of the iwi can be enhanced.
4. The settlement offer is made up of a Crown apology, fiscal redress, mana recognition redress and an overall settlement quantum. Please note that this is a comprehensive settlement offer, made on a without prejudice basis, and that the Crown wishes to negotiate a full and final settlement of all Ngati Awa claims. The main elements of this comprehensive offer are set out below. Elements of redress included in the offer remain conditional on the resolution of cross claims.

5. If Ngati Awa is prepared to proceed on the basis outlined in this offer, the next step is for us to sign a Heads of Agreement. Te Runanga o Ngati Awa would seek ratification of the Heads of Agreement by Ngati Awa through a process to be determined during negotiation. The Heads of Agreement would not be legally binding, but would record the terms of the proposal and contain commitments to negotiate and agree on a Deed of Settlement, and obtain the necessary ratification to execute it. The Government would seek its mandate through the introduction of legislation to give effect to the Deed of Settlement. Te Runanga o Ngati Awa would seek that mandate through the ratification by Ngati Awa of the Deed of Settlement through a process agreed during negotiation.

CROWN APOLOGY

6. The cornerstone of the settlement offer is the Crown apology and acknowledgements. There has been some discussion of and agreement on the core elements and the extent of an apology and Crown acknowledgements. The Crown acknowledgements and broad Crown apology would refer to:
 - a. the raupatu as it occurred in the eastern Bay of Plenty being unjust and a breach of the Treaty;
 - b. the loss of life, devastation of property, and loss of lands and property;
 - c. the relocation of hapu, devastation of social structure and rangatiratanga, and labelling as tangata hara;
 - d. the significant contribution made by land confiscated from Ngati Awa to the wealth and development of New Zealand;
 - e. a further reduction of Ngati Awa's lands under the Compensation Court, Native Land Court system and Public Works takings;
 - f. lack of Crown recognition of the grievance until 1988;
 - g. loss of the wharehenui Mataatua; and
 - h. the 1988 statutory pardon.

MANA RECOGNITION REDRESS

7. In offering the mana recognition redress the Crown has considered the nature of the claims, the redress sought, and the instruments and interests available to the Crown. The offer includes several interests and instruments that are designed to recognise and enhance the mana of Ngati Awa within its rohe. Specific items of redress are contingent on resolution of any cross claims and appropriate Public Works Act clearances, and the Crown's offer is subject to the matters set out in this letter in paragraphs 62 to 65, as well as other express provisions relating to specific redress.

Wahi Tapu

8. The Crown offers to gift title to the following properties, subject to management by Te Runanga o Ngati Awa under any existing reserve status and continued public access:
 - a. Kaputerangi Historic Reserve;
 - b. Te Paripari Pa Historic Reserve;

- c. Otitapu Pa in the Mangaone Scenic Reserve (subject to agreement on the area);
 - d. Matahina A5 at Lake Matahina;
 - e. Stratum title to Matahina A4 (CT 65B/912 – copy supplied to Ngati Awa negotiators on 3 December 1998 and attached as Appendix One) at the Matahina Dam.
9. As an alternative to management by Ngati Awa, the Crown offers a Protected Private Land Agreement under s77 of the Reserves Act 1977 in respect of Otitapu Pa. Existing reserve status and continued public access would remain a condition. Te Runanga o Ngati Awa would be able to revert to management responsibility at its election.
 10. Subject to the outcome of the Public Works Act offer back process, the Crown offers to gift the title to the Waipatoto urupa (formerly Pt Matahina A1D – now Sec 1 SO 60978). Ngati Awa may make representations to the Chief Executive of Land Information New Zealand Limited as to their views regarding the identification of the former owner of the urupa under section 40, until such time as an offer of the property, in terms of section 40, has been accepted by another party.
 11. ECNZ is willing, with the Crown's support, to construct a plaque that acknowledges the wahi tapu at the Omutu Pa site. Te Runanga o Ngati Awa has indicated it will also seek a second plaque in respect of the Omutu urupa site from ECNZ.
 12. The Crown offers to vest the following wahi tapu in Te Runanga o Ngati Awa as the administering body under section 26 of the Reserves Act 1977:
 - a. Tauwhare Pa Scenic Reserve; and
 - b. Whakapaukorero Maunga in the Matata Scenic Reserve.

Other Reserves

13. The Crown offers to gift the title to 10 hectares of each of the following reserves, subject to management by Te Runanga o Ngati Awa of those areas under the existing reserve status, protection of important conservation areas and continued public access:
 - a. Western Recreation Reserve in the general area of the former Te Putere Reserve; and
 - b. Port Ohope Recreation Reserve.
14. The location of the specific areas to be transferred within each of the reserves will be agreed with Te Runanga o Ngati Awa.

Moutohora

15. This offer includes a Statutory Acknowledgement and Deed of Recognition over Moutohora. In recognition of your interest in management the Crown proposes, in addition to the Statutory Acknowledgement and Deed of Recognition, the creation of a management board made up predominantly of Ngati Awa members, with one member from the Department of Conservation. This board would oversee the management and policy development for the island and approve any conservation initiatives on the island.

Putauaki

16. The Crown offers to provide a facilitation role, within reasonably practicable limits, for a period of up to 2 years following the signing of a Deed of Settlement, to explore the current owners' willingness to divest their interests in Putauaki and to liaise with relevant iwi interests to help develop appropriate options for acquiring Putauaki from the current owners. The role will, of necessity, be neutral. The key principles governing the facilitation role will be set out in the Deed of Settlement.

Cultural Heritage

17. The Crown offers Te Runanga o Ngati Awa the option to record in the Deed of Settlement a list of sites within the rohe, on Crown-owned land, which Ngati Awa consider to be wahi tapu, for the purpose of the public record. The Crown will not be required to acknowledge any assertions by Te Runanga o Ngati Awa of the association of Ngati Awa with these sites.

Specific Use Rights for Minerals

18. The Crown offers recognition of use rights of hangi stones at specific Crown owned sites and recognition of use rights (or possible transfer of ownership) of Crown owned red ochre/kokowai and paruparu at specific Crown sites to be identified by Ngati Awa. Access by Ngati Awa for extraction would be provided under the access arrangement provisions of the Crown Minerals Act or in a manner consistent with those provisions under settlement legislation.
19. The Crown offers to facilitate discussion between Environment Bay of Plenty and Te Runanga o Ngati Awa on the question of the devolution of the power to grant resource consents for sand mining and metal extraction.

Nohoanga

20. The Crown offers Ngati Awa exclusive temporary occupation of a total of nine Nohoanga of approximately 1 ha for the purposes of lawful and non-commercial fishing and gathering of natural resources. The reserves within which the sites will be selected were identified on the basis of their proximity to mahinga kai areas and the availability of Crown land. Four of the Nohoanga would be at the following reserves and would be subject to any necessary resource consent requirements:
- a. Awaiti Wildlife Refuge Reserve (subject to Fish and Game Council agreement);
 - b. Te Awa a te Atua Wildlife Management Reserve;
 - c. Thornton Wildlife Management Reserve (subject to Fish and Game Council agreement); and
 - d. Ohope Recreation Reserve.
21. Each 1ha site will be determined by agreement in the course of negotiations between Ngati Awa and the Crown.
22. The Crown offers up to four further Nohoanga entitlements at suitable inland sites and one additional entitlement at a suitable site adjacent to a waterway, again subject to any necessary resource consent requirements, such sites to be agreed between the Crown and Ngati Awa (Appendix Two sets out a summary of the Nohoanga entitlements).

Iwi Liaison Committee, by attendance at a meeting to be held with the WDC by mutual arrangement (Appendix Five identifies the street name changes sought by Te Runanga o Ngati Awa).

FISCAL REDRESS

36. In developing the offer, the Crown considered factors such as the nature and extent of the claims, the redress sought in negotiations and the availability of Crown assets for use as redress. Specific items of redress are also contingent on resolution of any cross claims and appropriate Public Works Act clearances, and the offer is subject to the matters set out in this letter in paragraphs 62 to 65, as well as other express provisions relating to specific redress.
37. The total redress quantum would be \$42.39 million. From this quantum will be deducted the agreed amounts of:
 - a. \$2 million paid to Ngati Awa in 1996 for costs of transporting and establishing Mataatua Wharenui in Whakatane;
 - b. \$850,000 claimant funding forwarded to the Ngati Awa negotiators as an advance against settlement; and
 - c. \$390,000 being the value of the Whakatane Telecom site returned to Ngati Awa in 1995.
38. In addition to the total redress quantum:
 - a. the Crown has offered up to \$1 million for the settlement of Ngati Awa ancillary claims, and offers any balance remaining from that sum after settlement of these claims in response to the specific claims of Te Rangihouhiri and Hikakino relating to the Sim Commission. The Crown offers any residue of the balance of this \$1 million remaining after settlement of the ancillary claims and responding to the claims of Te Rangihouhiri and Hikakino to be paid to Te Runanga o Ngati Awa; and
 - b. the Crown offers \$1 million to be gifted to Ngati Awa to assist with the purchase of land and development of that land for re-establishment of the Mataatua complex.
39. The Crown and Ngati Awa agree to develop wording for inclusion in the Deed that demonstrates that the deduction of the \$2 million from the redress quantum does not contravene clause 8 of the 1996 *Deed of Settlement concerning the Wharenui Mataatua*.
40. The redress quantum can be taken as cash or used to purchase Crown assets within the rohe that are specified in the offer. If Te Runanga o Ngati Awa acquires the entire Rotoehu and Kaingaroa forest lands contained in the offer, it would receive the accumulated rentals (approximately \$7.63 million as at the date of this document).
41. The Crown will pay interest on the \$42.39 million redress quantum, adjusted for the size and timing of payments made prior to the Deed becoming unconditional, from the date of the signing of the Deed of Settlement until such time as the settlement is made unconditional through the passage of settlement legislation. For the avoidance of doubt, interest will not be paid on those items paid to Ngati Awa prior to the signing of the Deed, which includes the deductions from the redress quantum specified above. This rate will be the Government stock rate as at 11am on the last business day before the signing of the Deed of Settlement. The rate will be for a term corresponding to the time expected to make the Deed of Settlement unconditional through the passage of legislation. The term

on which this is based will be agreed and finalised during the negotiations and incorporated into the Deed (Appendix Six provides further information on the calculation of the rate of interest payment).

42. The Crown offers the commercial property redress package outlined below which comprises:
- a. a right of first refusal for properties that are not currently available for disposal; and
 - b. an offer to sell the properties specified below at a price to be agreed prior to the Deed or, failing agreement by the date the Deed is signed, at a price to be determined in accordance with a process to be set out in the Deed. In either case, the purchase price is at market value and will be paid for out of the quantum monies.

(Appendix Seven contains a flowchart setting out valuation processes).

Crown-owned Forest Lands

Kaingaroa Forest

43. The Crown offers for purchase by Te Runanga o Ngati Awa the land comprising the Matahina A1B, A1C and A6 blocks within the Kaingaroa Forest, which currently have accumulated rentals of around \$6.87 million. This offer is contingent on the provision of Deeds with Tuhoe and Ika Whenua to the Crown's satisfaction confirming that cross claims to these particular blocks have been resolved.

Rotoehu Forest

44. The Crown offers for purchase by Te Runanga o Ngati Awa the land comprising the Rotoehu East forestry licence which currently has accumulated rentals of around \$757,000. This offer is contingent on the provision of Deeds with Ngati Pikiao, Ngati Makino, Tuwharetoa ki Kawerau and Ngati Rangitahi to the Crown's satisfaction confirming that cross claims to these particular blocks have been resolved.

Transfer of Forest Lands

45. The Crown owns the land only. The licence holder owns the trees. The licences have a 5-year initial period, which would have expired in 1995. Therefore, the termination period for the licence will commence on 30 September following the submission of a termination notice. The termination period for these licences is 35 years. Te Runanga o Ngati Awa has indicated that the acquisition of the forest land is essential to the conclusion of a Deed of Settlement, and therefore the value of this land must be agreed for inclusion in any such Deed of Settlement, but will be based on settlement legislation that will:
- a. deem the Waitangi Tribunal to have made a binding recommendation in respect of the licensed land; and
 - b. ensure that the compensation provisions in the Crown Forest Assets Act 1989, that may be invoked following a binding ruling of the Waitangi Tribunal, will not apply.

(Appendix Seven provides further forestry valuation information).

Right of First Refusal

46. The Crown does not automatically offer a Right of First Refusal as a part of settlement. However, in this case the Crown proposes a Right of First Refusal to purchase certain specified Crown-owned properties, based on the following principles:
- a. the Right of First Refusal is to be applied to a limited number of specific Crown-owned properties, not subject to cross claim or third party interests and encumbrances, within the Ngati Awa rohe;
 - b. these specific properties must be identified in the Deed of Settlement;
 - c. the Crown has the right to value the properties in the market; and
 - d. the Right of First Refusal will apply for a limited period of time.
47. On the basis of these principles, a right of first refusal is offered of at least 33 and up to 39 Crown owned properties to be specified in the Deed of Settlement. This Right of First Refusal will apply for 50 years.

Te Mahoe Village

48. The Crown offers for purchase by Te Runanga o Ngati Awa title to the residential properties including the hostel previously owned by ECNZ at Te Mahoe and Te Teko. Any sale would be conditional on commitments made to the current tenants, in particular that the rent would remain at the present level for 12 months.

School Land

49. The Crown offers for purchase by Te Runanga o Ngati Awa land on which the following schools are situated:
- a. Whakatane High School;
 - b. Trident High School (Whakatane);
 - c. Apanui School (Whakatane);
 - d. Apanui Education Centre - Te Whare Wananga o Awanuiarangi (Whakatane);
 - e. Edgecumbe School;
 - f. Te Teko School;
 - g. Paroa School (Whakatane)
 - h. Matata School; and
 - i. Ohope School.
50. If the land is selected, it will be sold subject to a leaseback to the Ministry of Education under 40 year renewable leases and on terms otherwise usually found in long term ground leases. The Crown will specify those terms as soon as possible so that the negotiations for the purchase price can start at the same time the details of the Deed are negotiated. If Te Runanga o Ngati Awa objects to the terms of the proposed leaseback,

then the parties will try to agree those terms before the Deed is signed. Failing agreement by the time the Deed is signed, the Deed will contain a mechanism for establishing those terms prior to the market value being determined.

Owairaka Boys Home

51. Te Runanga o Ngati Awa has sought a right of first refusal over the Owairaka Boys Home in Auckland, on the basis of Ngati Awa's historical association with the site. Subject to a suitable agreement with relevant parties, including the Auckland City Council, the Crown will seek exemption from the requirement for an open market sale in favour of a preferential sale to Te Runanga o Ngati Awa. This will not be possible until the Protection Mechanism and Sites of Significance processes are completed.

Other Crown Land

52. The Crown offers for purchase by Te Runanga o Ngati Awa, at a price determined through the agreed valuation procedure, surplus Crown properties held for settlement purposes in the Land Bank and Crown Settlement Portfolio for the area (Appendix Eight identifies Crown land currently available for settlement purposes).

53. Similarly and in addition, the Crown also offers, at a price agreed using the valuation procedure, the old Whakatane Courthouse, the Army Hall and the old Whakatane Police Station and associated houses. The Police houses are subject to existing tenancies. Subject to the written agreement of New Zealand Post Properties Ltd. and the negotiation of a suitable commercial lease with New Zealand Post and other existing tenants in the building, the Whakatane Postshop Building may also be available for purchase.

Landcorp Farm

54. The Crown offers for purchase by Te Runanga o Ngati Awa title to the Landcorp property Mt Edgecumbe Station.

Whakatane Hospital

55. Eastbay Health has provisionally indicated its support in principle for a proposal where the Whakatane Hospital land is transferred to Te Runanga o Ngati Awa under an "evergreen" lease-back arrangement. Eastbay Health has indicated that this agreement is conditional on

- a. finalisation of legal advice,
- b. there being no net cost to Eastbay Health,
- c. there being no constraints on the land use by Eastbay Health, and
- d. Eastbay Health being able to pursue its strategic direction outlined in its Business Plan.

56. The Crown offers to facilitate transfer negotiations between Te Runanga o Ngati Awa and Eastbay Health.

Whakatane Airport

57. If:

- a. The Crown considers that all or any part of the Whakatane Airport land, being all the land currently administered by the Whakatane District Council for airport purposes, is not required for airport purposes; and
- b. The Crown exercises its statutory right to revoke the reservation of that land (or part of it) as a reserve,

then the relevant land will automatically be transferred to Te Runanga o Ngati Awa. This offer will not have any effect on either the Whakatane District Council's current management of the land for airport purposes, nor will the Crown's right to cancel the reserve status of the airport be affected in any way. The price for the land will be agreed in the Deed of Settlement.

CROSS CLAIM RESOLUTION

58. The Crown acknowledges that cross-claims may be an impediment to the timely progression of claims of Ngati Awa through to settlement. The Crown offers to assist with, and facilitate, cross-claim resolution meetings between Ngati Awa and representatives of iwi interests overlapping with those of Ngati Awa. Officials would wish to work with Te Runanga o Ngati Awa to arrange meeting times and dates, and venues for the proposed meetings. The Crown would be assisted by Te Runanga o Ngati Awa in terms of the organisations that should be contacted to meet with Te Runanga o Ngati Awa and the Crown. Each meeting would provide for officials to make a formal presentation to all parties about the need to resolve cross-claims, and the types of checks and balances that may be put in place to adequately preserve the settlement interests of less advanced claims.

ANCILLARY CLAIMS

59. The three ancillary claims within the rohe will be negotiated by the Crown with the ancillary claimants alongside, but separate from, the broader Ngati Awa claim. However, all of these claims must be settled together (Ngati Awa's claim and the 3 ancillaries). A total redress quantum of up to \$1 million is offered for the settlement of the ancillary claims. The ancillaries are Wai 79 concerning Awakeri Springs and the Pukaahu Domain, Wai 247 concerning the quarry site in the Waiohau C26 block, and Wai 248 concerning the quarry site in the Rangitaiki 60C block. Initial meetings have been held with these claimants and the Crown hopes to reach agreement on these claims soon. These agreements will be attached to the Deed of Settlement for the Ngati Awa claim area, with any necessary legislative changes included in the Ngati Awa settlement legislation.

60. For the avoidance of doubt, Ngati Awa will not be required to contribute to the redress offered by the Crown to the ancillary claimants from within Ngati Awa's own settlement quantum.

61. After discussions with Te Runanga o Ngati Awa, the Crown notes that it is an objective of the two hapu, Te Rangihouhiri and Hikakino, to acquire land within their traditional rohe. The Crown therefore offers, in response to the specific claims of those two hapu, to allocate any balance of funds remaining from the \$1million sum after settlement of the ancillary claims as a contribution towards the intended purchase of land in the Matata region for the two hapu. Any further balance of funds remaining from within the \$1million

earmarked for ancillary claims, after settlement of the three ancillary claims, and subject to the Crown's response to the specific claims of the two hapu from within any such balance, will be paid to Te Runanga o Ngati Awa.

NGATI AWA ACKNOWLEDGEMENTS AND AGREEMENTS

62. The Crown's offer is subject to a number of matters, including:

- a. Te Runanga o Ngati Awa's acknowledgement in the Deed of Settlement of the full and final settlement of all of Ngati Awa's historical claims founded on rights arising in or by the Treaty of Waitangi, the principles of the Treaty of Waitangi, statute, common law (including customary law and aboriginal title), fiduciary duty or otherwise, and the discharge of the Crown from any further obligations in that regard. However, nothing in the Settlement Deed will extinguish any aboriginal title or customary rights that Ngati Awa may have. Neither will the settlement constitute or imply any acknowledgement or acceptance by the Crown that such title or rights exist in any particular case;
- b. the removal of the jurisdiction of the Courts and Tribunals to inquire into those claims or the validity of the final settlement and its adequacy;
- c. agreement by Te Runanga o Ngati Awa to support the passing of any legislation required to give effect to a settlement;
- d. the cessation of the Land Bank and Crown Settlement Portfolio in relation to Ngati Awa;
- e. the cessation of the application of statutory provisions providing for the imposition of memorials on land within the Ngati Awa claim area, and any similar provisions affecting the manner in which the Crown may deal with such land, in light of outstanding Treaty and other claims by Ngati Awa;
- f. the cessation of the operation of the Crown Forest Assets Act with respect to Ngati Awa;
- g. the discontinuance of any outstanding Court proceedings in respect of the claims to be settled;
- h. an acknowledgement that the Crown has provided Ngati Awa with further claimant funding of \$250,000 up to the date of the Heads of Agreement, and of any further claimant funding provided to Ngati Awa after that date, which will not be deducted from Ngati Awa's redress, as a reasonable contribution towards Ngati Awa's negotiation costs.
- i. an agreement that the settlement will be administered for the benefit of all members of Ngati Awa; and
- j. an acknowledgement by Ngati Awa that in negotiating a fair and final settlement of all of Ngati Awa's claims, the Crown will have acted honourably and reasonably.

OTHER MATTERS

63. The Crown offer is also subject to the following matters:

- a. unless specified otherwise, all assets to be transferred or vested under the settlement will be transferred or vested at market value, and subject to existing encumbrances (such as leases, licences or other use rights). These standard terms of transfer would be in addition to any specific terms of transfer applicable to a specific asset. In addition, no special exemptions will be offered in respect of such transfers or vesting from applicable statutory or regulatory regimes, such as the Public Works Act;
- b. taxation matters:
 - i. Subject to obtaining the consent of the Minister of Finance, Te Runanga o Ngati Awa will be indemnified against income tax and GST on the redress quantum;
 - ii. Interest on the redress quantum is income and will attract income tax liability, if the recipient of the income is liable to tax on its income. The indemnity will not be granted in respect of tax on that interest income;
 - iii. Subject to (iv), nor will an indemnity be granted by the Crown in respect of any tax liability arising in connection with the acquisition of property by Te Runanga o Ngati Awa whether it uses its own funds or uses or credits funds available from the redress quantum for such acquisition;
 - iv. Again, subject to obtaining the consent of the Minister of Finance, Te Runanga o Ngati Awa will also be indemnified against taxation liabilities arising on the gifting of properties to Ngati Awa pursuant to settlement. However, Te Runanga o Ngati Awa shall reimburse the Crown for any taxation benefits Te Runanga o Ngati Awa directly or indirectly receives from such gifting of from any subsequent disposal of any gifted property;
- c. the Deed would provide for payment to Ngati Awa of accumulated rentals in respect of Crown forest assets acquired by Ngati Awa pursuant to the settlement. This would be in addition to the redress amount referred to above and accordingly is not required to be included within the scope of the indemnity referred to above; and
- d. the final Settlement Deed will be conditional on ratification by Ngati Awa through an agreed process and on the passing of legislation required to give effect to that settlement.

64. Te Runanga o Ngati Awa has indicated that the inclusion of the indemnity is an essential item of redress.

CONCLUSION

65. It is important to note that substantial tracts of the settlement offer are contingent on resolution of cross claims. Given the extensive area subject to cross claims, it would not be possible to proceed to settlement without resolving in some way the overlapping claims. I am aware that Ngati Awa is working with Tuwharetoa ki Kawerau to resolve the major cross claim and with other iwi to resolve cross claims on the forest blocks. I urge Te Runanga o Ngati Awa to continue with these constructive efforts towards resolution.

66. This settlement offer outlines in general terms the Crown's response to the redress sought by Te Runanga o Ngati Awa during negotiations, taking into account the Crown's policy parameters, relativities with other settlements and existing precedents. Clearly

there would need to be more detailed development with Te Runanga o Ngati Awa of many aspects of the proposed settlement in the process of finalising the Deed of Settlement.

67. This is a comprehensive Crown response to the redress Te Runanga o Ngati Awa seeks in respect of Ngati Awa's claim. There are likely to be many issues that Te Runanga o Ngati Awa will want to consider further and discuss among yourselves. I look forward to ongoing negotiation leading to settlement of the claims.

68. It is hoped that this settlement and the removal of the grievance will give further vibrancy to Ngati Awa and lead to an expanded role for Ngati Awa in the eastern Bay of Plenty with greater strength and cohesion for the iwi.

Yours sincerely

Douglas Graham
Minister in Charge of Treaty of Waitangi Negotiation

Appendix One: Stratum Title CT65B/912 (formerly Matahina A4)

Attached

Reference:
Prior CT: GN B499075.1
Document No.: B499075.4



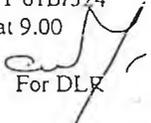
65B/912

CERTIFICATE OF TITLE UNDER LAND TRANSFER ACT 1952

This Certificate dated the 27th day of August One Thousand Nine Hundred and Ninety Eight under the seal of the District Land Registrar of the Land Registration District of SOUTH AUCKLAND
WITNESSETH that HER MAJESTY THE QUEEN for use indirectly in connection with water power development is seised of an estate in fee simple (subject to such reservations, restrictions, encumbrances and interests as are notified by memorial endorsed hereon) in the land hereinafter described, delineated on the plan hereon, be the several admeasurements a little more or less, that is to say: All that parcel of land containing 4045 square metres, more or less being SECTION 2 SURVEY OFFICE PLAN 60978



Subject to a right to operate for water power development purposes easement over the part herein marked W DPS77091 appurtenant to Lot 1 DPS77091 CT 61B/324 created by Transfer B499075.10 - 27.8.1998 at 9.00


For DLR

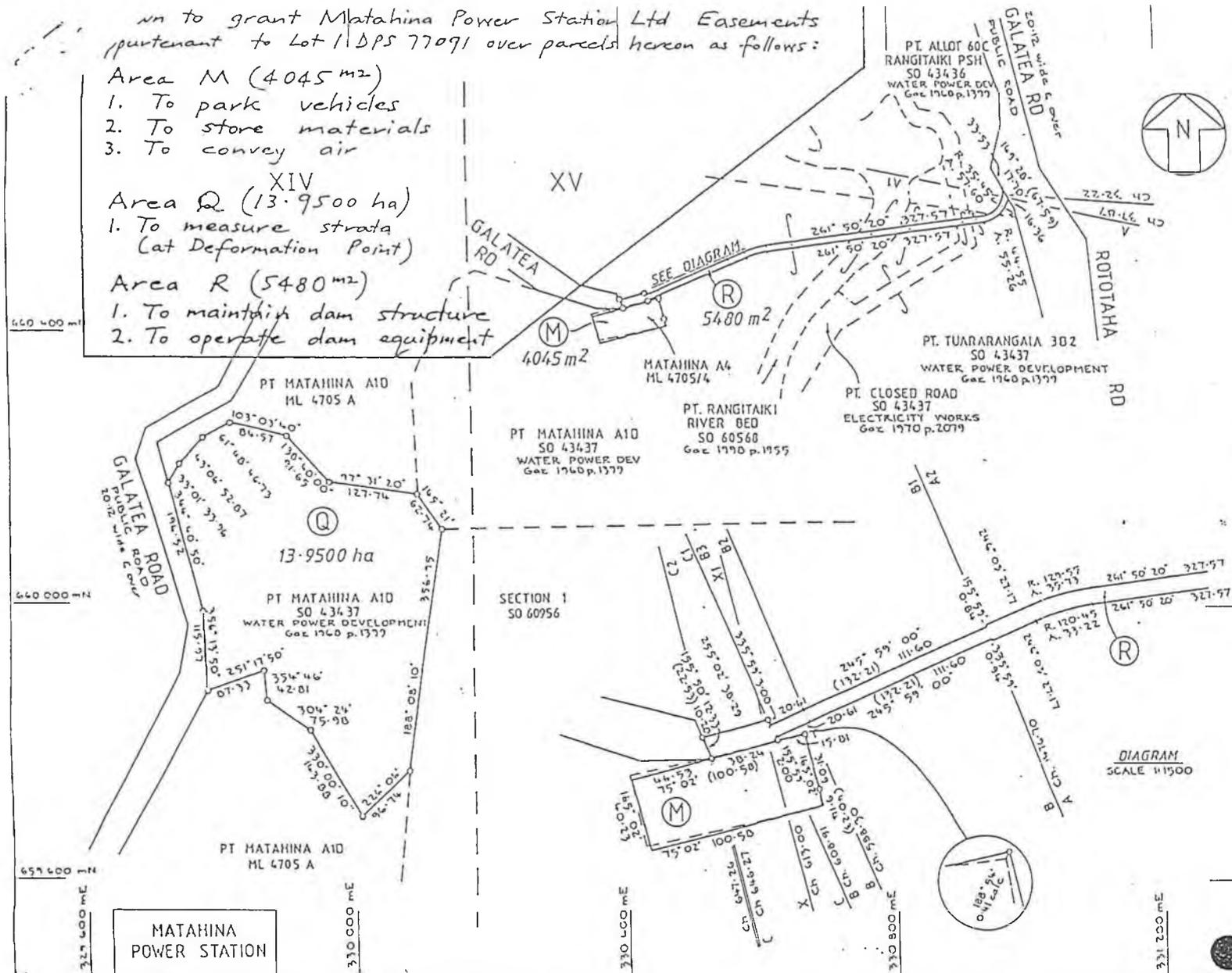
65B/912

to grant Matahina Power Station Ltd Easements
 pursuant to Lot 1 DPS 77091 over parcels hereon as follows:

Area M (4045 m²)
 1. To park vehicles
 2. To store materials
 3. To convey air

XIV
 Area Q (13.9500 ha)
 1. To measure strata
 (at Deformation Point)

Area R (5480 m²)
 1. To maintain dam structure
 2. To operate dam equipment



Approvals
 E.C.N.Z. Approval as to

AREA SCHEDULE		
Land to be Set Apart		
SHOWN	DESCRIPTION	AREA
Q	PT. MATAHINA A10 Gaz 1960 p.1377	13 9500 ha
M	PT. MATAHINA A4 & PT. MATAHINA A10 Gaz 1960 p.1377	4045 m ²
R	PT. MATAHINA A4, PT. MATAHINA A10, PT. RANGITAIKI RIVER BED PT. TUARARANGAIA 302, PT. CLOSED ROAD & PT. ALLOT 60C RANGITAIKI PARISH Gaz 1960 p.1377 & Gaz 1970 p.2079 Gaz 1970 p.1775	5480 m ²

- NOTES:
- Sections A-11 to A-12 & C-1 to C-2 under construction at time of survey.
 - Boundary between B-B1 and B-B2 (concrete dam) is along bottom face of emb.
 - Levels are in terms of BM C1510 - 77.901m Matoriki EOS Datum.
 - 'M' and 'R' are stratum estates.

Total Area 14.9025 ha
 Comprised in Gaz 1960 p.1377, Gaz 1970 p.2079, Gaz 1970 p.1775

L. DENIS JOHN McDONALD.....
 Registered Surveyor and holder of an annual practicing certificate for who act as a registered surveyor pursuant to section 25 of the Survey Act 1980 hereby certify that this plan has been made from surveys conducted by me or under my direction, that such plans and surveys are correct and have been made in accordance with the Survey Regulations 1972 or any regulations made in substitution thereof.
 Dated at ROTORUA this 7th day of July 1978. Signature *[Signature]*

Field Book _____
 Reference Plans LIS 92463, SO 43936, SO 56365, SO 60560, ML 4705/4
 Examined _____ Correct

Approved as to Survey
 _____ Chief Surveyor
 Deposited this _____ day of _____ 19__

District Land Registrar
 Received 7-7-98
 Instructions 320205
 SO 60978
 SHEET 1 of 2

DISTRICT SOUTH AUCKLAND
 Survey Blk. & Dist. XIV, XV Rangitaiki Upper
 NZMS 261 Sheet _____ Record Map No. _____

LAND TO BE SET APART

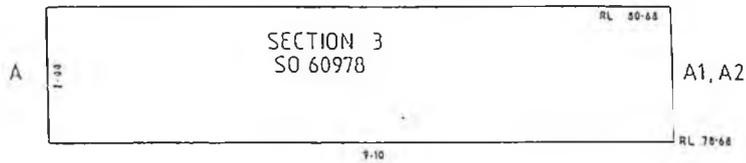
TERRITORIAL AUTHORITY WHAKATANE DISTRICT
 Surveyed by TERRALINK NZ LTD.
 Scale 1:4000 Date MAY, JUNE, 1998

Approvals

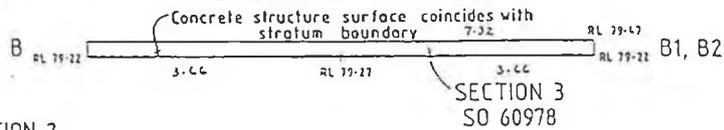
E.C.N.Z. Approval as to Layout

[Signature]

Standard profile for stratum cross section between A-A1 and A-A2

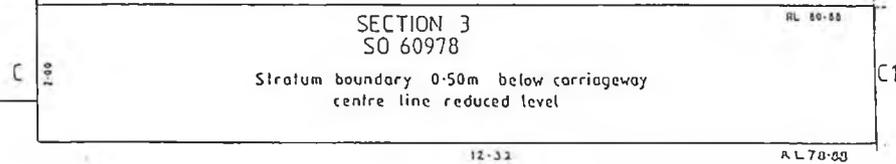


Standard profile for stratum cross section between B-B1 and B-B2



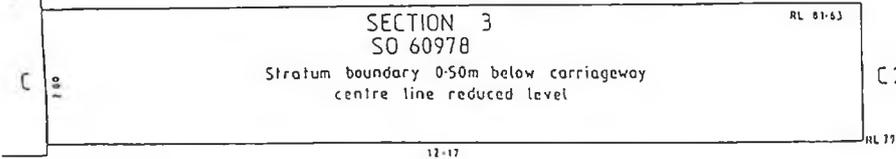
SECTION 2 SO 60978 STRATUM

Profile for stratum cross section C-C1



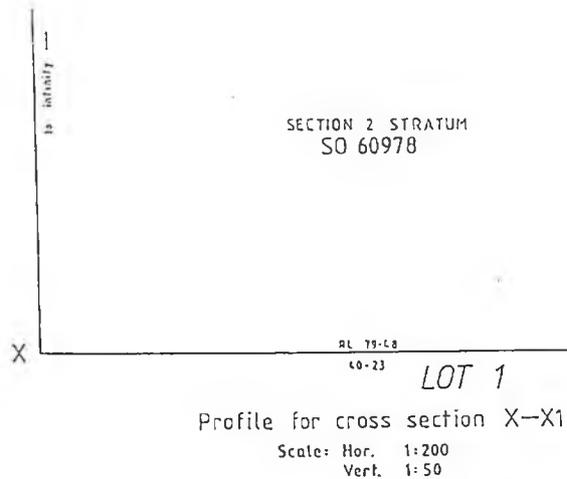
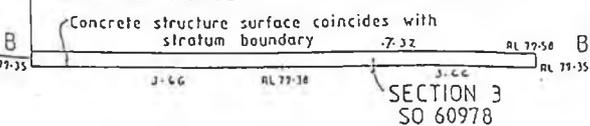
SECTION 2 SO 60978 STRATUM

Profile for stratum cross section C-C2



SECTION 2 SO 60978 STRATUM

Profile for stratum cross section B-B3



LOT 1

SEC 3 STRATUM SO 60978

Road Formation CL/RL 79-46

LOT 1

LEVEL DATUM:- MOTURIKI EDS
 NOTE:
 1. SECTIONS 2 & 3 SO 60978 ARE STRATUM ESTATES EXCLUDED FROM LOT 1 HEREON

Total Area _____

Comprised in _____

I, DENIS JOHN McDONALD Registered Surveyor and holder of an annual practicing certificate do hereby certify that this plan has been made from surveys executed by me or under my direction, that both plan and survey are correct and have been made in accordance with the Survey Regulations 1977 or any regulations made in substitution thereof.

Dated at ROTORUA this 22 day of July 1978 Signature *[Signature]*

Field Book _____ Traverse Book _____

Reference Plans _____

Examined _____ Correct _____

Approved as to Survey _____

Chief Surveyor _____

Deposited this _____ day of _____ 19 _____

District Land Registrar

5020203
DPS 77091

LAND DISTRICT SOUTH AUCKLAND
 Survey Blk. & Dist. XIV XV Rangitaiiki Upper
 N7MS 761 Sheet Record Map No.

LOT 1 BEING A SUBDIVISION OF PT ALLOT 5903A & PT ALLOTS 5903D MATATA PSH, PT ALLOTS 60C RANGITAIKI PSH, PTS TUARARANGAIA 302, PT MATAHINA A4, PT MATAHINA A10, CLOSED ROAD, CROWN LAND AND PT. RANGITAIKI RIVER BED

TERRITORIAL AUTHORITY WHAKATANE DISTRICT
 Surveyed by TERRALINK NZ LTD
 Scale Hor 1:50, Vert. 1:50 Date MAY, JUNE 1978

TRANSFER

Land Transfer Act 1952

This page does not form part of the Transfer.

TRANSFER
Land Transfer Act 1952

there is not enough space in any of the panels below, cross reference to and use the approved annexure schedule: no other format will be received

and Registration District

SOUTH AUCKLAND

Certificate of Title No. All or Part? Area and legal description - Insert only when part or Stratum, CT

4045 square metres being Section 2 SO 60978 (the "Servient Land")

Transferor Surnames must be underlined

~~HER MAJESTY THE QUEEN IN RIGHT OF NEW ZEALAND acting through THE COMMISSIONER OF CROWN LANDS pursuant to Section 40 of the Public Works Act 1951~~ for use Indirectly in connection with water Power Development
Transferee Surnames must be underlined

MATAHINA POWER STATION LIMITED

State or Interest or Easement to be created: Insert e.g. Fee simple; Leasehold in Lease No ...; Right of way etc

EASEMENTS (continued page 2 Annexure Schedule)

Consideration

ONE DOLLAR (\$1.00)

Operative Clause

For the above consideration (receipt of which is acknowledged) the TRANSFEROR TRANSFERS to the TRANSFÉREE all the transferor's estate and interest described above in the land in the above Certificate(s) of Title and if an easement is described above such is granted or created

Dated this 25th day of August 19 98

Attestation

~~Commissioner of Crown
Lands for and on behalf of
Her Majesty the Queen~~

Signed on behalf of Her Majesty the Queen by Sarah Caroline Buchanan in terms of a delegation given by the Minister of Lands pursuant to Section 4B of the Public Works Act 1981

Signature of common user or Transferor

Signed in my presence by the Transferor
Signature of Witness

Witness to complete in BLOCK letters
(unless typewritten or legibly stamped)

Witness name KERRY JOHN TWYDLE

Occupation PROPERTY OFFICER

Address C/LAND INFORMATION NZ, WELLINGTON

Certified correct for the purposes of the Land Transfer Act 1952

Certified that no commission duty is payable by virtue of Section 24(1) of the Stamp and Cheque Duties Act 1971

WL98252007

Solicitor for the Transferee

Annexure Schedule

Insert below:-

"Mortgage", "Transfer", "Lease" etc

Transfer

dated

25th August 1998

page

2

of

3

pages

Continuation of "Estate or Interest or Easement to be created"

The Transferee shall have the right over that part of the Servient Land marked 'W' on DPS 77091 (the "Easement Land") for any and all requirements and purposes of the Transferee's business relating to the operation of the Matahina Power Station and its associated dam, tunnels, structures, plant and equipment including (without limitation) the full right, liberty and licence for the Transferee and any other person authorised by the Transferee (whether expressly or impliedly) with or without any vehicles laden or unladen with materials, machinery and implements from time to time and at all times and at no charge:

- (a) to place, park and leave on the Easement Land at any time vehicles, machinery and implements of any description, shape, size or design, whether owned, leased or hired by the Transferee, any related company of the Transferee, or any employee, agent, contractor, or workman of the Transferee;
- (b) to place, leave and store upon the Easement Land at any time plant, equipment and materials of any description, whether or not owned by the Transferee;
- (c) to construct, install monitoring equipment in, maintain and convey air through, any inspection or ventilation shaft, leading from the dewatering tunnel or the diversion tunnel to the surface of the Easement Land;
- (d) to undertake such works as the Transferee considers prudent to prevent potential damage to the integrity of the Matahina Dam, its associated tunnels, structures, plant and equipment; and
- (e) to go pass and repass with or without vehicles, machinery and implements over and along the Easement Land;

such rights to be forever appurtenant to the land of the Transferee being Lot 1 DPS 77091, comprised in Certificate of Title 618/324.

Restrictions on the Transferee's Use

1. (a) The Transferee acknowledges and accepts the significance of the Servient Land as Wahi Tapu and will not carry out any work or do anything on the Easement Land which may materially impact on the integrity of the Servient Land as Wahi Tapu.
- (b) The Transferee shall keep the surface of the Easement Land clean and if any material work is required in connection with the use by the Transferee of the Easement Land the Transferee shall first obtain written consent from the Transferor for such work which consent shall not be unreasonably withheld or delayed or subject to conditions or the payment of money where such work is incidental to the uses included within the Transferee's rights granted by this instrument.
- (c) Under no circumstances shall the Transferee carry out any development work on the Easement Land, to the intent that the Transferee's use of the Easement Land shall be limited to the rights granted pursuant to this instrument.

If this Annexure Schedule is used as an expansion of an instrument, all signing parties and either their witnesses or their solicitors must put their signatures or initials here.

[Handwritten signatures and initials]

Annexure Schedule

TRANSFER

Dated

25th April 1998

Page

3

of

11

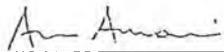
Pages

Continuation of "Estate or Interest or Easement to be created"

Disputes

- 2. (a) The Transferor and the Transferee (the "parties") acknowledge that they wish to avoid or minimise any differences or disputes which might arise out of or from the terms of this instrument. The parties therefore agree that if any difference or dispute arises between them over the interpretation of this instrument, or in relation to any other matter arising under this instrument, that they will actively, openly and in good faith discuss their differences or dispute with a view to achieving a prompt resolution;
- (b) if the parties cannot resolve a dispute or difference between them within 20 days of the notification by one party to the other of a dispute or difference arising then, unless otherwise expressly provided in this instrument, they will without prejudice to any other right, explore whether such dispute or difference can be resolved by agreement between them using informal dispute resolution techniques such as mediation. The rules governing any such technique if adopted will be agreed between the parties or as selected by the organisation known as "LEADR" (Lawyers Engaged in Alternative Dispute Resolution);
- (c) If the parties cannot agree on any dispute resolution technique within a further 10 business days of any dispute or difference being considered for referral to any informal dispute resolution technique, then the dispute or difference shall be settled by reference to arbitration. Except as otherwise expressly provided in this instrument the reference shall be to a single arbitrator appointed by the President of the New Zealand Law Society (or any successor), such arbitration to be carried out in accordance with the Arbitration Act 1996 and the substantive laws of New Zealand.

Signed for and on behalf of)
 MATAHINA POWER STATION LIMITED)
 by:)

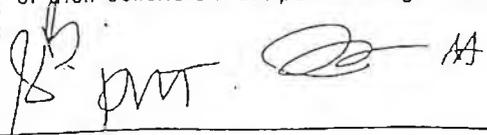


 Director



 Director

If this Annexure Schedule is used as an expansion of an instrument, all signing parties and either their witnesses or their solicitors must put their signatures or initials here.



Appendix Two: Summary of Terms of nohoanga entitlements

(Statutory entitlements created under settlement legislation: specific entitlements entered into (in statutory form) by Runanga and relevant land-holding agent)

1. Renewable 10 year camping entitlements, with exclusive occupation rights over entitlement area for up to 210 days a year (excluding 1 May to 15 August).
2. Purpose is to permit members of the iwi to occupy temporarily land close to a lake or river on a non-commercial basis, so as to have access to the lake or river for lawful fishing and gathering of natural resources.
3. May only be granted over land meeting certain criteria:
 - 3.1. crown owned land;
 - 3.2. not National Park, marginal strip, nature reserve, esplanade reserve, scientific reserve, or any part of an unformed legal road (including road reserve) within 20 metres of a waterway;
 - 3.3. approximately 1 hectare in size;
 - 3.4. suitable for temporary occupation;
 - 3.5. situated sufficiently close to the lake or river to permit convenient access to it;
 - 3.6. be land to which lawful access exists;
 - 3.7. existing practices and patterns of public use at the time of nohoanga is granted must not be unreasonably impaired by its granting;
 - 3.8. public access must not be unreasonably excluded to the waterway;
 - 3.9. public access along the waterway must not be impeded.
4. Holders of entitlements may;
 - 4.1. occupy the entitlement land for up to 210 days a year (excluding 1 May to 15 August) to the exclusion of other person (other than agents of the Crown or persons empowered by statute undertaking their normal functions in relation to the land). The holder(s) must leave the land in substantially the same condition as it was in at the beginning of the period when occupation may commence each year, except for temporary effects normally associated with the type of occupation;
 - 4.2. erect temporary shelters while occupying the land (which must be removed when occupation ceases from time to time);
 - 4.3. with the consent of the land-holding agent, undertake activities on the entitlement land reasonably necessary to enable the land to be used for a nohoanga. The land-holding agent has complete discretion in this regard.
5. The Crown is not restrained in any way for alienating entitlement land. If it alienates land adjacent to the entitlement land, or changes its classification or status, so that lawful access to the entitlement land no longer exists, the Crown must, subject to any

statutory or regulatory requirements, ensure that the holder continues to have the same type of access to the entitlement land as it had prior to that action (at least until the nohoanga is terminated, if applicable).

6. The holder of a nohoanga and activities undertaken on the entitlement land are subject to all legal requirements (for example, if a nohoanga is on reserve land administered by a local council and a by-law requires that camping permits be applied for, the holder of the entitlement must apply for the permit before occupying the entitlement land) and land and water management practices. In carrying out such land/water management practices, the land-holding agent must have regard to the nohoanga, notify the Runanga of activities, which may affect the holder of the nohoanga, and avoid unreasonable disruption to the holder. However, a nohoanga may be suspended by the land-holding agent (after consulting the Runanga and having particular regard to its views) if necessary for management reasons. The holder may have an additional occupation period outside the normal entitlement period, equal to the period of suspension.
7. Rights under an entitlement are assignable by the Runanga to a limited range of responsible groups, but without prejudice to the Crown's rights, powers and remedies against the Runanga. The Runanga and its assignees may grant sub-entitlements to members of the iwi, on terms consistent with the original entitlement. The Crown is not obliged to deal directly with any such sub-entitlement holders.
8. The Crown may require special terms to apply to individual nohoanga (for example, exclusion of dogs in a sensitive wildlife area or adjacent to a grazing area). Specific variations to the standard terms may be negotiated on a case by case basis.
9. Rates are not payable by the holder of an entitlement, but service charges under section 7 of the Rating Powers Act 1988 are payable in proportion to the period of entitlement to occupy.
10. Nohoanga may be terminated if:
 - 10.1. the land is alienated;
 - 10.2. the land is destroyed or permanently detrimentally affected by any natural cause;
 - 10.3. the entitlement is over reserve land required for its original specified purpose (e.g.: road reserve);
 - 10.4. if lawful access no longer exists (subject to the requirement to provide other access referred to in paragraph 5).
11. If so terminated, the Crown must take reasonable steps to grant a replacement entitlement.
12. The Crown may also terminate entitlements if the holder defaults of any of its obligations, and, if capable of remedy, fails to remedy the default to the Crown's reasonable satisfaction. In this case, the Runanga may apply to the Minister of Maori Affairs for a replacement nohoanga, but only after the expiry of two years.
13. Similar constraints apply to nohoanga as apply to statutory acknowledgements (see paragraph 10 of Appendix 3 A).

Appendix Three: Summary of Terms of Statutory Acknowledgements and Deeds of Recognition

A. Statutory Acknowledgement (land/water bodies)

(Statutory instrument included in settlement legislation)

1. Applies to:
 - 1.1 sites (including rivers, lakes, and wetlands) of special significance to an iwi;
 - 1.2 Crown-owned and controlled land only.
2. With respect to water bodies:
 - 2.1 does not apply to rivers or watercourses flowing into or out of a lake or wetland;
 - 2.2 does not apply to tributaries flowing into a river.
3. The Crown acknowledges a statement (made by the iwi's representation body (the "Runanga")) of the cultural, spiritual, historic, and traditional association of the iwi with the special site. The text of the statement is quoted in the legislation (in a schedule).
4. Consent authorities under the RMA 1991 are required by regulation to send to the Runanga summaries of any applications received for activities within, adjacent to, or impacting directly on the special sites, before the consent authority decides whether or not to notify the application under the RMA. This requirement is for information purposes only.
5. In deciding whether or not the Runanga is a person who should be heard and/or notified under sections 93, 94 or 274 of the RMA 1991, consent authorities and the Environment Court are required to have regard to the statutory acknowledgement (without derogating from their obligations under Part II of the RMA).
6. In deciding whether the Runanga is a person "directly affected" in terms of sections 14 and 20(1) of the Historic Places Trust 1993, the Historic Places Trust and the Environment Court must have regard to the statutory acknowledgement.
7. The statutory acknowledgement may be cited by the Runanga, and any member of the iwi, in submissions to and proceedings before a consent authority, the Environment Court or the Historic Places Trust, concerning relevant activities within, adjacent, or impacting directly on the special sites. The statutory acknowledgement is not binding as deemed fact upon those bodies. The iwi is not precluded from stating to the relevant bodies any other association to the special sites.
8. Where a statutory acknowledgement has been made, the land managing/administering Minister and the Commissioner of Crown Lands, as applicable, may enter into a Deed of Recognition with the Runanga, providing for the Runanga to be consulted and regard has to its views relating to the special association and concerning the management of the special site.
9. If a site over which a Deed of Recognition applies is alienated by the Crown, the Deed is automatically terminated.

10. Statutory acknowledgements and Deeds of Recognition have no purposes other than those listed above. They do not:
 - 10.1. affect any other decision-making function at law;
 - 10.2. have the effect of giving away greater weight to the iwi's association to a special site that would exist if not statutory acknowledgement or Deed of Recognition existed;
 - 10.3. affect the lawful interests and rights of any third party;
 - 10.4. have the effect of granting, creating, or providing evidence of any estate, interest, or rights in a special site.
11. Local authorities must attach information to plans recording the statutory acknowledgements, for public information purposes. Unless adopted by the relevant local authority, such information does not form part of the plan.

B. Deeds of Recognition (land/water bodies)

(Contractual document)

1. Having been empowered through the creation of a statutory acknowledgement, the Crown may agree with the Runanga to enter into a Deed of Recognition in respect of a special site.
2. The provisions limiting the effect of a statutory acknowledgement to its express purposes (see paragraph 10 above) apply equally to a Deed of Recognition.
3. With respect to water bodies, as the Crown manages the land beneath the water only, a Deed of Recognition applies only to that land (statutory acknowledgements apply to the whole water body, not just the land beneath the water).
4. The Crown may only undertake limited management functions in respect of a particular site. Entry into a Deed of Recognition does not imply that the Crown should increase its management functions, or resume any function from a third party to whom it has been delegated. The Crown is only required to provide for the Runanga's input into any management it actually undertakes on the special site.
5. As noted above in paragraph 9 of Section A, the Crown may alienate land which is subject to a Deed of Recognition, whereupon the Deed is terminated.
6. If there is a change of management of the special site, (either of the manager or the management regime) the Crown will take reasonable steps to facilitate the negotiation of a new or amended Deed of Recognition.

Appendix Four: List of place name changes

Current Name	Name
Thornton	Thornton/Okorero
Braemar Springs	Braemar Springs/Te Wai u o Pukemaire
Volkner Rocks	Paepae o Aotea
[no existing name apparent]	Te Putere
Raurima	Rurima (spelling correction only)
[no existing name apparent]	Te Kupenga
[no existing name apparent]	Whakapaukorero
Richmond	Richmond/Te Awa a Te Atua
[no existing name apparent]	Te Kaokaoroa

Appendix Five: List of street name changes sought

Current Name	Proposed Name
Matata	
Arawa St	Ngati Awa St
Warbrick Tce	Te Ramaapakura St
Heale St	Pangaiipaia
Pioneer	Te Rangitakina
Pollen St	Hikakino St
Simpson St	Kirimangu St
Division St	Hakaraia St
St John St	Paraharaha St
Tohi St	Nga Potiki St
Nesbitt St	Te Hura St
Wilson St	Te Rangihouhiri St
Pakeha St	Te Rangatai St
Mair St	Te Tawera St
Richmond St	Umutahi St
Clarke St	Heremita St
Macpherson St	Hepeta St
Clem Elliot Dr	Ngaatua St
Poroporo	
Selwyn Rd	Awahohonu Rd
Station Rd	Raueka St
Langenburger Rd	Paeraatu Rd
Fergusson Rd	Otamaura Rd
Kope Rd	Kopeopeo Rd
Thornton Rd	Okorero Rd
Te Rahu Rd	Poroporo Rd
Poroporo Rd	Tawari Rd
Mason Rd	Kowiri Rd
Airport Rd	Owhaiti Rd
Sullivan Rd	Motueka Rd
Golf Links Rd	Taiwhakaea Rd
Murphy Rd	Kiwinui Rd
Ranapia Rd	Pareaatua Rd

Appendix Six: Terms of interest rate calculation

1. The Crown will pay interest from the date of the signing of the Deed of Settlement until such time as the settlement is made unconditional through the passage of settlement legislation.
2. Interest will be calculated on the redress quantum adjusted for the size and timing of payments made prior to the Deed becoming unconditional.
3. The interest rate will be the Government stock rate as at 11am on the last business day prior to the signing of the Deed.
4. The rate will be from Government stock whose term most closely reflects the time expected to make the Deed unconditional through the passage of legislation.
5. The term on which this is based will be finalised during the course of negotiations.
6. Should the time between signing the Deed and the legislation becoming unconditional exceed the term of the chosen Government stock, the interest rate will be reset at expiry of the Government stock term.
7. Interest is not compounding.
8. The Deed will specify the trading screen that contains the rate for the chosen Government stock.
9. The Crown will provide a printout from the screen as at the time/date specified in the Deed.

Appendix Seven: Valuation methodology

The flow chart below shows processes for valuation of properties depending on whether the value is determined pre or post signing of the Deed.

Issues to highlight are:

- Agreed pre-Deed valuations are entered in the Deed, are binding values on both parties and will be included in settlement (ie they must be sold by vendor and purchased by Ngati Awa at agreed value).
- Both parties share arbitration costs.
- Once Ngati Awa selects the properties that may be used for settlement, it cannot add or substitute properties to this list.
- Pre-deed valuations are to be assessed as at the date Ngati Awa selects the properties (one date for all pre-Deed properties).
- Post-Deed valuations are to be assessed as at the date of the Deed.
- Valuations will be subject to adjustment if the properties are damaged or destroyed or if the vendor agencies fail to maintain them to transfer date.
- Timeframes have not been included; however, each stage (e.g. short time to negotiate) will have a specified time frame.
- Post-Deed arbitration process is binding on both parties (i.e. the Crown must sell at arbitrated value and Ngati Awa must purchase the property at arbitrated value).

Crown provides list of Assets that could be used for settlement (where possible they will have indicative values).



Ngati Awa selects properties it wants to consider purchasing (once list agreed no further additions or substitutions).



Vendor Agencies provide Ngati Awa with property information to enable valuations to be undertaken.



Ngati Awa select which properties are to be valued pre-Deed as opposed to post-Deed.

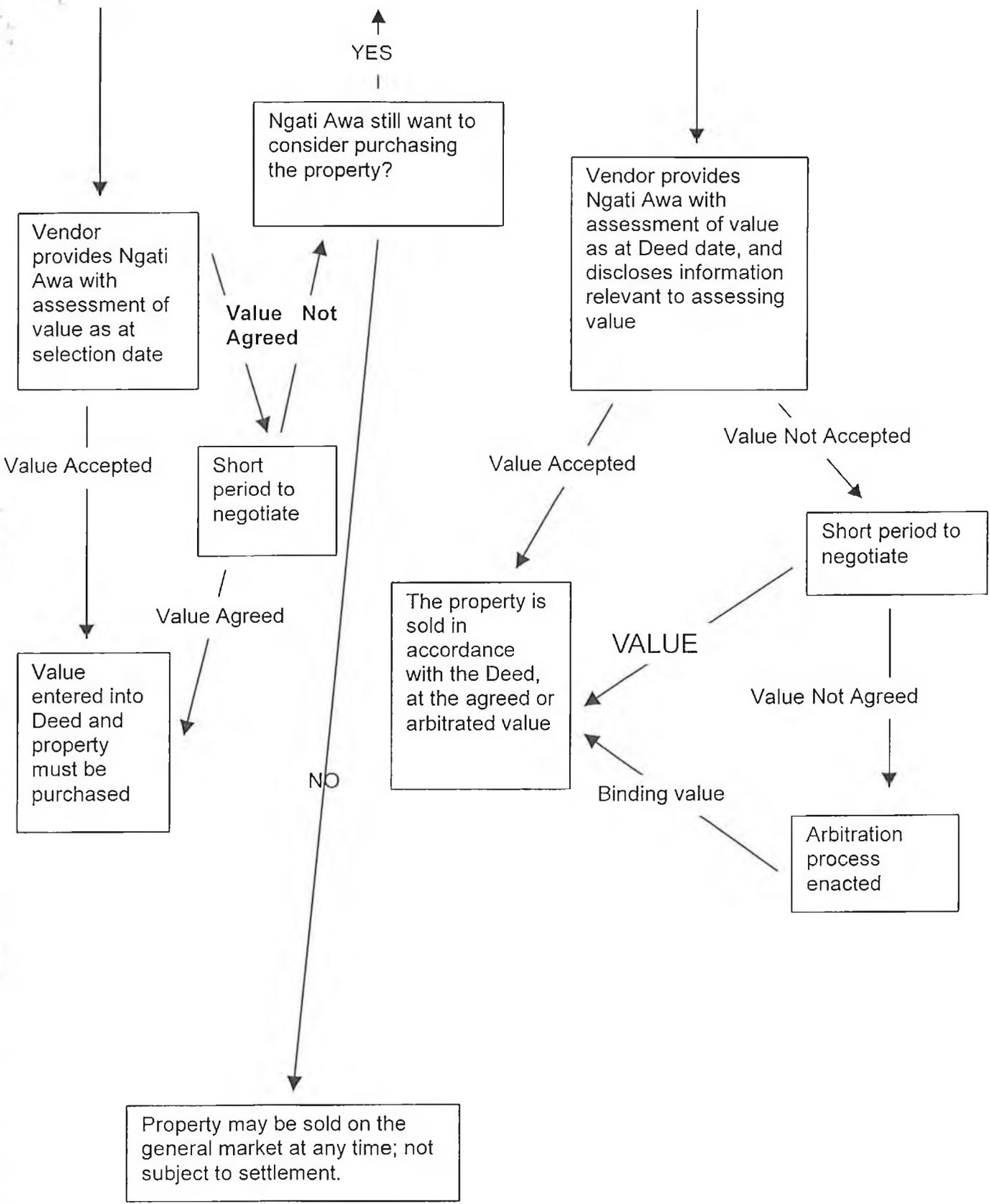


Valuation Date is date Ngati Awa select property (2nd step above).



Valuation Date is date Deed is signed.





1. The Vendor provides Ngati Awa with an assessment of value as at the selection date. If the value is accepted, the value is entered into the deed and the property must be purchased. If the value is not agreed, there is a short period to negotiate. If the value is agreed, the value is entered into the deed and the property must be purchased. If the value is not agreed, Ngati Awa is asked if they still want to consider purchasing the property. If YES, the Vendor provides Ngati Awa with an assessment of value as at the deed date, and discloses information relevant to assessing value. If the value is accepted, the property is sold in accordance with the deed, at the agreed or arbitrated value. If the value is not accepted, there is a short period to negotiate. If the value is not agreed, the arbitration process is enacted. The arbitration process results in a binding value, which is then used to determine the value entered into the deed and the property must be purchased. If the value is agreed, the value is entered into the deed and the property must be purchased. If the value is not agreed, the property may be sold on the general market at any time; not subject to settlement.

Forestry Valuation Issues

This note provides an outline of the facts involved with the transfer and valuation of Crown forestry licensed land. These issues should be considered when applying the flowchart for the commercial property valuation process to forestry.

To assist with this process, attached is a table comparing the current status of Crown forest land with its status after the Waitangi Tribunal makes a recommendation or is deemed to have made a recommendation in respect of the land. For the land selected by Ngati Awa, the relevant column is the Return of Land to Maori. These issues will be considered when valuing the land. The other columns refer to current status and the management issues for the Crown of land not selected by Ngati Awa.

In all instances Ngati Awa should refer to the specific licences already provided, the relevant legislation, and seek independent advice as to the issues involved.

Land to be transferred

- The Crown owns the land only. The licence holder owns the trees. This differs to the cutting rights that are normally sold by a landowner. Consequently, the land and the rights associated with being licensor (as defined in the licence) will pass to Ngati Awa.
- The licences have a 5-year initial period, which would have expired in 1995. Therefore, the termination period for the licence will commence on 30 September following the submission of a termination notice. The termination period for these licences is 35 years. Note, land will be returned earlier than the 35 year period if it is no longer required to protect, manage, harvest and process the crop in existence at the commencement of the termination period.
- The licences will be transferred as they are (i.e. they will not be split or otherwise subdivided).

Settlement Legislation in relation to Licensed Land

- The legislation will deem that the Waitangi Tribunal has made a binding recommendation in respect of the licensed land that Ngati Awa selects for settlement. Refer to Ngai Tahu bill for how this is worded.
- The settlement legislation will ensure that the compensation provisions in the Crown Forest Assets Act 1989 (e.g. those outlined in the first schedule of the Act) will not apply. The Crown will be negotiating the value of the land to be returned in accordance with the principles in the flowchart note. No further compensation is to be provided.

LICENCE CHANGES ON TRIBUNAL RECOMMENDATION

As already discussed, the termination provisions of a Crown forestry licence are dependent on the recommendation of the Waitangi Tribunal. The table illustrates how some terms and conditions are affected by the Tribunal's recommendations:

[In this table, "CFA Act" means the Crown Forest Assets Act 1989]

	Prior to Tribunal Recommendation	Tribunal Recommendation	
		Return of Land to Maori	Land Not Liable for Return to Maori
Status of land	Crown forest land under CFA Act	Freehold	Crown forest land under CFA Act
Termination provisions of licence (Section 17 CFA Act)	None	<p>Licence will terminate at the sooner of:</p> <ul style="list-style-type: none"> the 30th September next following the expiration of 35 years from transfer to Māori (except that if there is any unexpired portion of an initial fixed term, the 35 years will run from the 30th September next following the expiry of such initial term); or completion of harvesting of the crop which is on the land at the beginning of the 35-year termination period. <p>During the 35 year termination period, any land no longer required to protect, manage, harvest and process the remaining crop in accordance with accepted forestry practice, is to be surrendered from the licence.</p>	<p>Crown may (but is not required to) give a termination notice. The licence will terminate at the later of:</p> <ul style="list-style-type: none"> the 30th September next following the expiration of 35 years from the giving of the notice; and the 30th of September next following the expiration of a period of 70 years from the commencement date of the licence. <p>(Note that there is no progressive surrender of the licence during the 35 year termination period)</p>
Restriction on land use by Licensee	None (Clause 2.1 of licence)	Licensee may only protect, manage, harvest and process the trees on the land at the beginning of the termination period. (Section 17(4)(c)(i) of CFA Act)	None (Section 17(5)(c) of CFA Act)
Compensation for improvements at termination	Not applicable	No compensation	Licensor pays market value

Protective covenants and public access easements (Sections 18 – 28 of CFA Act)	Apply as in licence	Protective covenants and public access easements cease to apply on termination of licence. Māori may also request earlier termination of covenants and easements (Sections 23, 28 CFA Act).	Protective covenants and public access easements cease to apply on termination of licence. (Note there is no provision for the licensee or the land owner to request earlier termination of covenants and easements, apart from the provisions of sections 21 and 26 CFA Act)
Licence fees	Licence fees transferred to Crown Forestry Rental Trust (Section 34 CFA Act).	Licence fees retained by Licensor (Section 34 CFA Act).	Licence fees retained by Licensor
Sale of land by licensor	Licensor (Crown) not able to sell or otherwise dispose of the land and/or licence (Section 35 CFA Act).	Maori able to sell or otherwise dispose of land.	Licensor (Crown) not able to sell or otherwise dispose of the land and/or licence (Section 35 CFA Act).
Claims to Waitangi Tribunal	Land subject to claim by Māori.	Land no longer subject to claim by Maori (Section 37 CFA Act).	Land no longer subject to claim by Maori (Section 37 CFA Act).
Public entry on foot (Clause 6.2 of licence)	Public have right of entry	Public have no automatic right of entry	Public have right of entry
Wahi Tapu (Clause 6.3 of licence)	Crown may require exclusion or protection of licensed land found to be Wahi tapu	No provision for exclusion of Wahi tapu	Crown may require exclusion or protection of licensed land found to be Wahi tapu
Responsibility for Clauses 9, 10 of licence	Crown	Crown	Crown
Provision of Information (Clause 11.5 of licence)	Licensee required to supply information to Crown to enable it to fulfil obligations to Māori	No such requirement on licensee	No such requirement on licensee
Liability of licensor (Clause 16.3.2 of Licence)		May be less restrictive than in other situations	
Traditional entry rights by Maori to land (Clause 16.4 of Licence)	Not provided for	Allowed	Not provided for
Special Management Conditions (Appendix C of licence)	Generally apply while Crown owns land	Usually do not apply if Crown ceases to own land (will depend on specific requirements of individual licences)	Generally apply while Crown owns land

28-30 Islington Street	Kawerau	Lots 145 & 146 DP S4716 Pt Allotment 315 Parish of Matata	9C/158 & 9C/159	0.17	7281/215
14 Morrison Road	Taneatua	Sec 24 Village of Taneatua	25B/1260	0.40	7230/32
52D Stewart St	Whakatane	Pt Sec 3 of pt allot 5 Parish of Waimana-DP 9845	53C/539	0.63	
39 Churchill Street	Whakatane	Lot 10 DPS 5786	55B/829	0.10	
7 Landing Road	Whakatane	Lot 1 DP 37084	55B/637	0.10	
132 Douglas Street	Whakatane	Lot 45 DPS 10000	55B/638	0.07	
65 Alexander Avenue	Whakatane	Lot 1 DPS 1046	53B/757	0.11	
17 James Street	Whakatane	Pt Lot 68 DP 11385 & Pt Allot 476 Parish of Waimana	49B/475	0.09	
23 Beach Street	Whakatane	Lot 24 DP 16278	CT 57B/639	0.12	7107/616
57 Churchill Street	Whakatane	Lot 1 DPS 8664	51D/211	0.16	7103/19800
Cnr Pyne St/O'Rouke Place	Whakatane	Lots 1 & 2 DPS 57637	48C/808 & 48C 809 Sth Auckland Reg	0.29	7101/522/01

Appendix Eight: Land banked and surplus properties

Street	City	Legal Description	Title Ref	Land Area	GV Roll No
Bridge Street (1-Lot 6)	Edgecumbe	Lot 6 DPS 612191 Blk 3 Rangitaiki Upper SD	C/T 50A/402	0.20	
Bridge Street (2-Lot 4))	Edgecumbe	Lot4 DPS 61291 blk3 Rangitaiki Upper SD	C/T 50A/400	0.82	
Bridge Street (3-Lot 5)	Edgecumbe	Lot5 DPS 612191 Blk3 Rangitaiki Upper SD	CT 50A/401	0.16	
Tawa / Main Streets	Edgecumbe	Lot 2 DPS 61291 Blk 3 Rangitaiki Upper SD	C/T 50A/398	0.17	
3 Tawa Street	Edgecumbe	Lot 2 DP 66342	55B/724	0.08	7170/001/28D
5 Tawa Street	Edgecumbe	Lot 1 DP 66342	55B/723	0.08	7170/001/28C
15 Tawa Street	Edgecumbe	Lot 9 DP 52680	44D/723	0.09	7170/001/27C
19 Tawa Street	Edgecumbe	Lot 3 DP 61291	50A/399	0.70	7170/001/29
28 Hardie Avenue	Kawerau	Lot 87 DP S.34297	31A/545 (Sth Akld Reg)	2.43	
River Rd & Porrit Dr.	Kawerau	Lot 2 DPS 54629	46B/246	1.55	
13 Hadley Place	Kawerau	Lot 93 DPS 27243	52A/248	0.09	
164 Valley Road	Kawerau	Lot 60 DPS 26115	52A/251	0.09	
Flat 3 383 River Rd	Kawerau	Undivided 1/6 share Allot 775 & 776 Parish of Matata	55B/283	0.17	
Flat 1 22A Marshall St	Kawerau	Allot 1132 Parish of Matata SO 48463	55B/283	0.10	
55A Fenton Mill Road	Kawerau	Allot 1041 Parish of Matata SO 47411	55B/226	0.10	
Hilldale	Kawerau	Lot 1 DPS 68332	54D/492	253.58	
42 Ballance Street	Kawerau	Lot 104 DPS 4502	56D/637	0.08	
Flat 6, 381-383 River Road	Kawerau	1/6th share in 1967m2 - being Allots 775 & 776 - Flat 6 DPS67337	55B/286	0.03	7287/1
Onslow Street	Kawerau	Lot 135 DPS 4501 and Lot 157 DPS 4754	59C/692	1.07	7281/29900