

THE JOINT TRUSTEES

and

WĀHIAO TŪHOURANGI O WHAKAREWAREWA

and

NGĀTI WHAKAUE PARTIES

and

TE PUIA | NZMACI LIMITED PARTNERSHIP

and

THE CROWN

and

THE NEW ZEALAND MAORI ARTS AND CRAFTS INSTITUTE

**AGREEMENT TO INTRODUCE A BILL VESTING
THE BUSINESS OF THE NEW ZEALAND MAORI ARTS
AND CRAFTS INSTITUTE**

[Date]

K. Keegan

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AGREEMENT TO INTRODUCE A BILL VESTING THE MACI BUSINESS

THIS AGREEMENT is made between

THE JOINT TRUSTEES

and

WĀHIAO TŪHOURANGI O WHAKAREWAREWA

and

NGĀTI WHAKAUE PARTIES

and

TE PUIA | NZMACI LIMITED PARTNERSHIP

and

THE CROWN

and

THE NEW ZEALAND MAORI ARTS AND CRAFTS INSTITUTE (as to part 3 only)

PURPOSE OF THIS AGREEMENT

The purpose of this agreement is to –

- provide for the introduction of a bill providing for the vesting of the MACI business in Te Puia | NZMACI Limited Partnership, being a limited partnership all ownership interests in which are held, directly or indirectly, by –
 - the Wāhiao Tūhourangi o Whakarewarewa; and
 - the Ngāti Whakaue Parties; and
- thereby, –
 - recognise the long association of Wāhiao Tūhourangi o Whakarewarewa and the Ngāti Whakaue Parties with –
 - * the Whakarewarewa Thermal Springs Reserve and the Southern Arikikapakapa Reserve, on which MACI is located; and
 - * MACI; and
 - further enhance the relationship between –
 - * Wāhiao Tūhourangi o Whakarewarewa and the Ngāti Whakaue Parties; and
 - * the Crown.

1: BACKGROUND AND AGREEMENT

MACI

- 1.1 The New Zealand Maori Arts and Crafts Institute (**MACI**) –
- 1.1.1 is a body corporate established by section 4(1) of the New Zealand Maori Arts and Crafts Institute Act 1963 (the **Act**); and
- 1.1.2 has functions under section 14 of the Act in relation to –
- (a) Māori culture; and
 - (b) Māori arts and crafts; and
 - (c) scenic and tourist attractions; and
- 1.1.3 carries on, to assist in performing its functions, –
- (a) a business deriving income from tourists and others, including from a Māori cultural and dinner experience, a guided thermal experience, and the sale of traditional Māori arts and crafts; and
 - (b) a training school in relation to traditional Māori carving and weaving.

MACI's location on reserves

- 1.2 MACI operates on the following recreation reserves in Rotorua (the **Whakarewarewa Valley Land**):
- 1.2.1 the Whakarewarewa Thermal Springs Reserve:
- 1.2.2 the Southern Arikikapakapa Reserve.

Deed providing for vesting of reserves on which MACI located

- 1.3 By deed dated 5 August 2008 (the **land vesting deed**), the Crown, Ngāti Whakāue and Tūhourangi Ngāti Wāhiao, and the Te Pūmāutanga Trustees (on behalf of the Affiliate Te Arawa Iwi/Hapu) agreed or acknowledged that –

Vesting of reserves

- 1.3.1 the Whakarewarewa Valley Land is of significant cultural, traditional, historical and spiritual importance to Ngāti Whakāue and Tūhourangi Ngāti Wāhiao (clause 1.6 of the land vesting deed); and
- 1.3.2 the Crown must propose for introduction legislation vesting the fee simple estate in the Whakarewarewa Valley Land (and the Roto-a-Tamaheke Reserve) in a trust to be established by –
- (a) Ngāti Whakāue; and
 - (b) Tūhourangi Ngāti Wāhiao (clauses 2.1 and 2.2.6); and

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1: BACKGROUND AND AGREEMENT

- 1.3.3 Ngāti Whakaue and Tūhourangi Ngāti Wāhiao must establish a trust which the Crown is satisfied (and has notified Ngāti Whakaue and Tūhourangi Ngāti Wāhiao that it is satisfied) –
- (a) will be appropriate to receive the Whakarewarewa Valley Land (and the Roto-a-Tamaheke Reserve); and
 - (b) will have a structure that provides for –
 - (i) representation of Ngāti Whakaue and Tūhourangi Ngāti Wāhiao; and
 - (ii) transparent decision-making and dispute resolution processes; and
 - (iii) accountability of Ngāti Whakaue and Tūhourangi Ngāti Wāhiao; and
 - (c) can demonstrate the broad support of Ngāti Whakaue and Tūhourangi Ngāti Wāhiao as appropriate to receive the Whakarewarewa Valley Land (and the Roto-a-Tamaheke Reserve) (clause 4.5); and

MACI

- 1.3.4 the Crown had agreed, in principle, and subject to the resolution of the matters specified in the land vesting deed, to vest the MACI business in an entity representative of Ngāti Whakaue and Tūhourangi Ngāti Wāhiao (clause 6.2); and
- 1.3.5 the Crown and Ngāti Whakaue and Tūhourangi Ngāti Wāhiao had agreed to enter into discussions with a view to resolving all matters in relation to the vesting of the MACI business including, amongst other matters, the following:
- (a) how to ensure, after the vesting, that the functions in relation to Māori culture, and Māori arts and crafts, that MACI has under the Act, continue to be performed and monitored:
 - (b) any other obligations or restrictions in relation to vested operations or assets:
 - (c) an appropriate corporate structure, accountability regime, and tax status for the entity representative of Ngāti Whakaue and Tūhourangi Ngāti Wāhiao that is to receive the MACI business:
 - (d) the legal mechanisms to effect the vesting:
 - (e) the completion of legal documentation setting out the agreement in relation to the vesting (clause 6.3).

1.4 In paragraph 1.3 –

- 1.4.1 the capitalised terms have the meaning provided for those terms in the land vesting deed; and

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1: BACKGROUND AND AGREEMENT

1.4.2 MACI business has the meaning provided in clause 6.1.1 of the land vesting deed.

Formation of the Joint Trust

1.5 By deed dated 29 August 2008, Ngāti Whakaue and Tūhourangi Ngāti Wāhiao established the Joint Trust for purposes which included enabling the Beneficiary to –

1.5.1 hold title to the following:

- (a) the Whakarewarewa Thermal Springs Reserve:
- (b) the Southern Arikikapakapa Reserve:
- (c) the Roto-a-Tamaheke Reserve (clause 3.1(b) of the Joint Trust deed); and

1.5.2 incorporate, or assist in the incorporation of, a company, or other suitable legal entity, that is able to take on the business known under the style and brand as “Te Puia” and which occupies part of the Lands, and to hold shares in that company on behalf of the Beneficiary, Ngāti Whakaue and Tūhourangi Ngāti Wāhiao or any other person or group (clause 3.1(d)).

1.6 The Joint Trust deed provides, amongst other matters, that –

1.6.1 for an Initial Period, –

- (a) the Trust is to be an initial trust; and
- (b) the initial trustees are to be initial trustees for the Provisional Beneficiary (the Ngāti Whakaue Interest and the Tūhourangi Ngāti Wāhiao Interest) (clause 4.1 of the Joint Trust deed); and

1.6.2 the Trustees are hold the Trust Property upon trusts for the Final Beneficiary in place of the Provisional Beneficiary –

- (a) on written advice to the Trustees as to the identity of the Final Beneficiary; and
- (b) upon the date of the expiry of the Initial Period (clause 4.3); and

1.6.3 that Final Beneficiary is the hapu and the individuals who are determined to be the beneficial owners of the Whakarewarewa Thermal Springs Reserve, the Southern Arikikapakapa Reserve, and the Roto-a-Tamaheke Reserve in whatever proportions (if any) as a consequence of either –

- (a) agreement by the Ngāti Whakaue Interest and the Tūhourangi Ngāti Wāhiao Interest; or
- (b) the findings of the Beneficial Determination Procedure (clause 1.1).

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1: BACKGROUND AND AGREEMENT

- 1.7 The capitalised terms used in clauses 1.5 and 1.6 that are defined in the Joint Trust deed have the meanings provided for those terms in that deed.
- 1.8 The Crown, in accordance with clause 2.1.1 of the land vesting deed, gave notification that the Crown was satisfied that the Joint Trust met the requirements referred to in clause 1.3.3.

Whakarewarewa and Roto-a-Tamaheke Vesting Act 2009

- 1.9 The Whakarewarewa and Roto-a-Tamaheke Vesting Act 2009 received the Royal assent on 6 November 2009 after the introduction of a bill in accordance with the land vesting deed.
- 1.10 That Act (sections 6, 11, 12, and 13(b) and (c)) vests in the Joint Trustees –
- 1.10.1 the fee simple estate in, and requires those trustees to grant to MACI registrable leases of, the Whakarewarewa Valley Land; and
 - 1.10.2 the fee simple estate in Roto-a-Tamaheke Reserve.

Leases of the Whakarewarewa Reserves to MACI

- 1.11 The Joint Trustees leased the Whakarewarewa Valley Land to MACI by two leases entered into on 16 November 2010.

Determination of the Final Beneficiary of the Joint Trust

- 1.12 The Joint Trustees endeavoured between late 2009 and early 2012, but were unable, to enable the Final Beneficiary under the Joint Trust deed to be determined by agreement between the Ngāti Whakaeue Interest and the Tūhourangi Ngāti Wāhiao Interest as to the beneficial owners of the following:
- 1.12.1 the Whakarewarewa Thermal Springs Reserve:
 - 1.12.2 the Southern Arikikapakapa Reserve:
 - 1.12.3 the Roto-a-Tamaheke Reserve.
- 1.13 The Joint Trustees appointed an arbitration panel (composed of Bill Wilson QC, Erima Henare and Kevin Prime) to determine the entitlement to the reserves referred to in clause 1.12.
- 1.14 The arbitration panel –
- 1.14.1 heard evidence and submissions at various hearings between 19 November 2012 and 9 May 2013; and
 - 1.14.2 gave an interim decision in writing on 7 June 2013 and a final decision on 21 November 2014; and
 - 1.14.3 noted in that decision that –
 - (a) the second schedule to the Joint Trust deed, which sets out the Beneficial Entitlement Determination Procedure, –

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1: BACKGROUND AND AGREEMENT

- (i) specifies in clause 15.4 the matters to which the arbitration panel must have regard (paragraph 10); and
 - (ii) sets out in clause 15.7 the powers of the arbitration panel (paragraph 12); and
- (b) references in the decision to –
- (i) the three Ngāti Whakaue hapu were to the Ngāti Whakaue hapu of Ngāti Hurungaterangi, Ngāti Taeotu, and Ngāti Te Kahu o Ngāti Whakaue (paragraph 14); and
 - (ii) the three Ngāti Wāhiao hapu were to the three Ngāti Wāhiao hapu of Ngāti Huarere, Ngāti Hinganoa and Ngāti Tukiterangi who occupy the Whakarewarewa Village (paragraph 17); and
- 1.14.4 concluded that –
- (a) the three Ngāti Whakaue hapu and the three Ngāti Wāhiao hapu should share jointly and equally in the ownership of the Whakarewarewa Thermal Springs Reserve (and Te-Roto-a-Tamaheke Reserve) (paragraph 68); and
 - (b) the three Ngāti Wāhiao hapu and the Pukeroa Oruawhata Trust should share jointly and equally in the ownership of the Southern Arikikipapa Reserve (paragraph 68); and
 - (c) having made the decision, the parties should be given the opportunity to confer in an attempt to agree on how the decision should be given practical effect, including what is to be the continuing role (if any) of the Joint Trust (paragraph 69).

1.15 The Joint Trustees are satisfied that –

1.15.1 the following individuals are the Final Beneficiary:

- (a) individuals comprising the three Ngāti Whakaue hapū of Ngāti Hurungaterangi, Ngāti Taeotu, and Ngāti Te Kahu o Ngāti Whakaue:
- (b) individuals comprising the three Ngāti Wāhiao hapū of Ngāti Huarere, Ngāti Hinganoa and Ngāti Tukiterangi:
- (c) the beneficial owners under the Pukeroa Oruawhata Trust; and

1: BACKGROUND AND AGREEMENT

- 1.15.2 the above individuals are the Final Beneficiary for the reasons set out in the decision of the arbitration panel.

Terms of Negotiations in relation to vesting of MACI's business

- 1.16 The Crown and the Joint Trustees entered into terms of negotiation (signed by the Crown in July 2014 and by the Joint Trustees in August 2014) –

- 1.16.1 setting out the scope, objectives, and general procedures for the negotiations the parties will conduct in order to negotiate the vesting of the MACI business; and

- 1.16.2 in which it was agreed or recognised, amongst other matters, that –

- (a) legislation is required to vest the MACI business in an entity representative of Ngāti Whakaue and Tūhourangi Ngāti Wāhiao (clause 1.6.1 of the terms of negotiation); and
- (b) one of the principal purposes of the Joint Trust, as set out in clause 3.1(d) of the Joint Trust deed, is to establish a replacement Te Puia entity (clause 2.1); and
- (c) the Joint Trustees have advised the Minister of Māori Affairs that they have the authority to approve negotiated outcomes on behalf of Ngāti Whakaue and Tūhourangi Ngāti Wāhiao to satisfy clause 3.1(d) of the Joint Trust deed and to conclude negotiations, subject to endorsement of final arrangements as required by the terms of negotiation (clause 2.2); and
- (d) in May and June 2014, the Joint Trustees undertook an open, transparent and fair hui and postal ballot process to confirm their authority referred to in paragraph 1.17.2(c) (clause 2.3); and
- (e) the Crown acknowledged the outcome of that process and that it was happy to proceed with the Joint Trustees on the basis outlined in the terms of negotiation (clause 2.3); and
- (f) the Minister of Māori Affairs has been duly authorised by Cabinet to negotiate the terms and conditions of an agreement to vest the MACI business in a Representative Entity (clause 2.5); and
- (g) the Joint Trustees advised the Crown of the need to further consider –
 - (i) the definition of Tūhourangi Ngāti Wāhiao in clause 5.2 of the terms of negotiation in light of the terms of the Joint Trust (and the duties of the Joint Trustees) and subsequent decision of the arbitration panel (referred to in clauses 1.14.2 to 1.14.4); and
 - (ii) whether that definition needs to be altered for the purposes of this agreement (clause 5.3); and
- (h) before vesting legislation can be introduced, a Representative Entity will be in place that –

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1: BACKGROUND AND AGREEMENT

- (i) has been endorsed by the collective groups in clause 5 of the terms of negotiation (in a manner to be agreed by both parties); and
- (ii) is in a form which both parties agreed adequately represents the collective groups in clause 5; and
- (iii) is accountable to, and acts for the benefit of, the collective groups in clause 5; and
- (iv) has an appropriate corporate structure, accountability and governance regime and tax status to receive and operate the MACI business; and
- (v) is approved by the Crown (clause 12.1).

1.17 The capitalised terms used in clause 1.17 that are defined in the terms of negotiation have the meanings for those terms provided in those terms.

Negotiations in relation to vesting of MACI's business

1.18 Intensive negotiations have been held between the Crown, and the Joint Trustees, –

1.18.1 to resolve the conditions set out in the land vesting deed in relation to the vesting of the MACI business; and

1.18.2 as provided for in the terms of negotiation, to consider further the definition of Tūhourangi Ngāti Wāhiao in clause 5.2 of the terms of negotiation in light of –

(a) the terms of the Joint Trust; and

(b) the decision of the arbitration panel referred to in clauses 1.14.2 to 1.14.4.

1.18.3 to determine a process, satisfactory to the Crown, by the relevant groups endorsing the vesting of the MACI business.

1.19 The Joint Trustees and the Crown have agreed that legislation is necessary to vest the MACI business.

Discussions with MACI

1.20 The Joint Trustees, and the Crown, have held discussions with MACI.

1.21 In December 2015 the Joint Trustees, the Crown and MACI entered into a protocol (the **vesting process protocol**) that provides for arrangements between the parties in relation to the vesting process.

1.22 The vesting process protocol applied until the signing of this agreement.

1.23 MACI has, under the vesting process protocol, provided information about the MACI business and financial position to the Crown and the Joint Trustees.

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1: BACKGROUND AND AGREEMENT

- 1.24 The Joint Trustees, the Crown and MACI have negotiated and agreed the provisions in part 3 setting out the transitional provisions that are to apply to MACI –
- 1.24.1 in place of the vesting process protocol; and
- 1.24.2 until the MACI business is vested under the MACI vesting legislation.
- 1.25 MACI has agreed to those obligations to ensure that the MACI business is vested in as orderly and seamless way as possible.

Resolution of matters

- 1.26 The Crown, Wāhiao Tūhourangi o Whakarewarewa and the Ngāti Whakaue Parties agree that it is appropriate to vest the MACI business in an entity that is representative of Wāhiao Tūhourangi o Whakarewarewa and the Ngāti Whakaue Parties, rather than representative of Ngāti Whakaue and Tūhourangi Ngāti Wāhiao, for:
- 1.26.1 the reasons given by the arbitration panel in their decision referred to in clause 1.14.2 to 1.14.4, in the case of the Ngāti Whakaue Parties; and
- 1.26.2 the following reason given by the Joint Trustees, in the case of the Wāhiao Tūhourangi o Whakarewarewa:

The arbitration panel found that Tūhourangi had no interest in the Whakarewarewa Valley. The Joint Trust nonetheless agreed to offer a place to Tūhourangi o Whakarewarewa . . . in good faith recognition that some members of Tūhourangi have contributed to the business and life of the Whakarewarewa Valley. Ngāti Wāhiao desired to be inclusive of those members of Tūhourangi having an ongoing role in the Whakarewarewa Valley for the harmony of the Valley going forward.

- 1.27 The Crown and the Joint Trustees –
- 1.27.1 have resolved all matters set out in the land vesting deed in relation to the vesting of the MACI business; and
- 1.27.2 agree that Te Puia | NZMACI Limited Partnership is an entity that is representative of Wāhiao Tūhourangi o Whakarewarewa and the Ngāti Whakaue Parties.

Agreement

- 1.28 The parties agree –
- 1.28.1 as provided in this agreement; and
- 1.28.2 in particular, the Crown intends to propose for introduction, in accordance with part 2, a bill (the **MACI vesting bill**) that provides for the vesting of the MACI business in Te Puia | NZMACI Limited Partnership.
- 1.29 MACI agrees as provided in part 3.

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1: BACKGROUND AND AGREEMENT

Endorsement process

- 1.30 Wāhiao Tūhourangi o Whakarewarewa and the Ngāti Whakaue Parties have each conducted a process endorsing –
- 1.30.1 this agreement; and
 - 1.30.2 in particular, the Crown's intention to propose for introduction, in accordance with part 2, a bill that provides for the vesting the MACI business in Te Puia | NZMACI Limited Partnership; and
 - 1.30.3 the Joint Trustees signing, including on behalf of Wāhiao Tūhourangi o Whakarewarewa and the Ngāti Whakaue Parties, the endorsed agreement, with any changes and/or additions to the agreement approved by the Joint Trustees and Te Puia | NZMACI Limited Partnership.
- 1.31 The endorsement process consisted of, –
- 1.31.1 in the case of Wāhiao Tūhourangi o Whakarewarewa, –
 - (a) []; and
 - (b) [x] votes, of a total of [y] votes, cast, being in favour of the endorsement ([z] %); and
 - 1.31.2 in the case of the Pukeroa Oruawhata Trust, –
 - (a) []; and
 - (b) [x] votes, of a total of [y] votes, cast, being in favour of the endorsement ([z] %); and
 - 1.31.3 in case of the HTK Te Puia Trust, –
 - (a) []; and
 - (b) [x] votes, of a total of [y] votes, cast, being in favour of the endorsement ([z] %).

This agreement

- 1.32 This agreement comprises the agreement endorsed by the endorsement process referred to in clauses 1.31 and 1.32, with any changes and/or additions approved in writing by the Joint Trustees and Te Puia | NZMACI Limited Partnership.

2: NEW ZEALAND MAORI ARTS AND CRAFTS INSTITUTE VESTING BILL

MACI vesting bill

- 2.1 The parties agree the MACI vesting bill must –
- 2.1.1 vest the MACI business in Te Puia | NZMACI Limited Partnership on the date that the vesting legislation comes into force; and
- 2.1.2 provide that the vesting of the MACI business in Te Puia | NZMACI Limited Partnership is conditional upon there being no change, from the date of this agreement to the date of that vesting, in the direct or indirect holding of ownership interests in Te Puia | NZMACI Limited Partnership as provided in schedule 1; and
- 2.1.3 include the matters required by schedule 3.
- 2.2 The Joint Trustees, Wāhiao Tūhourangi o Whakarewarewa and the Ngāti Whakaue Parties confirm that all ownership interests in Te Puia | NZMACI Limited Partnership are held, directly or indirectly, by either Wāhiao Tūhourangi o Whakarewarewa or a Ngāti Whakaue party in the manner provided in schedule 1.
- 2.3 The parties agree that the MACI vesting bill must, as provided by schedule 2, –

Inalienability of MACI taonga

- 2.3.1 provide that, after the vesting of the MACI business in Te Puia | NZMACI Limited Partnership, none of the MACI taonga, may be –
- (a) disposed of; or
- (b) mortgaged or charged; and
- 2.3.2 provide that a disposal, or a charge or mortgage, of any of the MACI taonga is void and of no effect; and

Continuation of MACI's functions

- 2.3.3 require Te Puia | NZMACI Limited Partnership, in addition to any other activity or activities it may undertake, either directly, or indirectly through the provision of funding, to –
- (a) encourage, foster, and promote the Ahurea and Toi Māori of Aotearoa; and
- (b) provide training in whakairo rākau (carving) and raranga (weaving) for the iwi of Aotearoa; and
- (c) provide and support demonstrations, exhibitions, and tours of Toi Māori and Toi Whakaari Māori (performing arts) of Aotearoa; and
- (d) provide for the sustainable development of scenic and tourist attractions in the Rotorua district or elsewhere; and

AGREEMENT TO INTRODUCE A BILL VESTING THE MACI BUSINESS

2: NEW ZEALAND MAORI ARTS AND CRAFTS INSTITUTE VESTING BILL

Major transaction restraint

- 2.3.4 require that the entry by Te Puia | NZMACI Limited Partnership into a major transaction be approved by a unanimous resolution of the board of directors of the general partner of the Te Puia | NZMACI Limited Partnership; and

Crown board member

- 2.3.5 require that –
- (a) the Crown will appoint (and remove and replace) one director on the board of the general partner of the Te Puia | NZMACI Limited Partnership; and
 - (b) that director be the chair of that board, with a deliberate vote that can be the casting vote in the event of board deadlock; and
 - (c) that director be entitled to report to the Crown, at any time, in relation to the ongoing performance of the Te Puia | NZMACI Limited Partnership in carrying out the functions set out in 2.3.3, despite any provision to the contrary in the Companies Act 1993; and
- 2.3.6 provide that the requirements in clause 2.3.5 will –
- (a) apply for a minimum period of 6 years from the date of vesting of the MACI business in the Te Puia | NZMACI Limited Partnership; and
 - (b) continue to apply after that period unless the Crown and Te Puia | NZMACI Limited Partnership agree otherwise in writing; and

Reporting on continuing performance of MACI's functions

- 2.3.7 require Te Puia | NZMACI Limited Partnership, within 4 months of the end of its financial year, for no charge, to –
- (a) make easily accessible on its website a written report –
 - (i) identifying the activities it has undertaken, or funded, during that financial year to satisfy its obligations under paragraph 3.2.1; and
 - (ii) calculating its direct financial expenditure on, and the funding it has provided for, those activities during that financial year as a proportion of any revenue it has received from admission income to the Whakarewarewa Reserves; and
 - (b) make available to a person one copy of the written report referred to in paragraph (a) upon request at the offices of Te Puia | NZMACI Limited Partnership during normal business hours.

AGREEMENT TO INTRODUCE A BILL VESTING THE MACI BUSINESS

2: NEW ZEALAND MAORI ARTS AND CRAFTS INSTITUTE VESTING BILL

Form and approval of MACI vesting bill

- 2.4 The parties agree the MACI vesting bill –
- 2.4.1 must comply with the drafting standards and the drafting conventions of Parliamentary Counsel Office for Government Bills, as well as the requirements of the legislature under Standing Orders, Speakers' Rulings and Conventions; and
 - 2.4.2 must be in a form that is satisfactory to Te Puia | NZMACI Limited Partnership and the Crown; and
 - 2.4.3 may include changes to the requirements of this agreement agreed in writing by Te Puia | NZMACI Limited Partnership and the Crown.

Timing

- 2.5 The Crown must, as soon as is reasonably practicable after the signing of this agreement, propose the draft bill for introduction to the House of Representatives.

Purposes of and support for MACI vesting bill

- 2.6 The MACI vesting legislation, and the vesting of the MACI business under it, is –
- 2.6.1 to further enhance the relationship between –
 - (a) Wāhiao Tūhourangi o Whakarewarewa and the Ngāti Whakaue Parties; and
 - (b) the Crown; and
 - 2.6.2 not consideration to settle any claim against the Crown; and
 - 2.6.3 without payment or consideration to the Crown.
- 2.7 The Joint Trustees, Wāhiao Tūhourangi o Whakarewarewa, the Ngāti Whakaue Parties and Te Puia | NZMACI Limited Partnership will support the passing of the MACI vesting bill.

The parties' obligations after signing

- 2.8 The Crown, the Joint Trustees, Wāhiao Tūhourangi o Whakarewarewa, the Ngāti Whakaue Parties and Te Puia | NZMACI Limited Partnership must –
- 2.8.1 act in good faith towards each other in exercising their rights and performing their obligations under this agreement; and
 - 2.8.2 use all reasonable efforts to resolve in good faith any dispute that arises between them in relation to this agreement.

3: TRANSITIONAL ARRANGEMENTS

Business as usual

- 3.1 MACI agrees that, until the vesting date, it will –
- 3.1.1 conduct the business of MACI in the normal and ordinary course; and
 - 3.1.2 use its best endeavours to maintain –
 - (a) that business as an on-going concern; and
 - (b) the profitability of that business.

Co-operative working relationship

- 3.2 Each of the Crown, Te Puia | NZMACI Limited Partnership, and MACI, agree –
- 3.2.1 to work co-operatively, and in a prompt and business-like way, with each other in relation to the vesting process to ensure that the MACI business is vested in Te Puia | NZMACI Limited Partnership in as orderly and seamless way as possible; and
 - 3.2.2 subject to clause 3.5, to provide each other, as soon as reasonably practicable after a reasonable request by that other party by notice in writing and made before the vesting date, with any information in the requested party's possession that is relevant to –
 - (a) the vesting process; or
 - (b) the carrying on of the MACI business by Te Puia | NZMACI Limited Partnership after the vesting date; and
 - 3.2.3 not to withhold, or delay, unreasonably any approval or information required under this agreement.

Provision of information about the MACI business

- 3.3 Without limiting clause 3.2, MACI must –
- Before enactment of the vesting bill***
- 3.3.1 until the enactment of the vesting bill, provide to Te Puia | NZMACI Limited Partnership, as soon as practicable after –
 - (a) the completion of each financial quarter, its management accounts for the quarter, including details of –
 - (i) how its financial performance is tracking against its budget; and
 - (ii) any significant deviations from budget; and
 - (b) the completion of its financial year, its audited financial statements for that year; and

AGREEMENT TO INTRODUCE A BILL VESTING THE MACI BUSINESS

3: TRANSITIONAL ARRANGEMENTS

- (c) entering into a major transaction, sufficient information about that transaction to inform Te Puia | NZMACI Limited Partnership of –
 - (i) its nature; and
 - (ii) the reasons for MACI entering into it; and

After enactment of the vesting bill

3.3.2 as soon as reasonably practicable after the enactment of the vesting bill, and in any event within 20 business days of that enactment, with sufficient information to enable Te Puia | NZMACI Limited Partnership to determine the MACI business, and the financial position of MACI, at the date of enactment, including the following information:

- (a) details of MACI's tangible and intangible assets:
- (b) copies of all documentation affecting those assets:
- (c) details of MACI's liabilities, including its contingent liabilities:
- (d) copies of all documentation affecting those liabilities:
- (e) details of MACI's employees and contractors:
- (f) copies of the written contracts with MACI's employees and contractors:
- (g) copies of any other written contracts or arrangements to which MACI is a party:
- (h) details of any trusts of which MACI is a trustee:
- (i) copies of the trust documents under which MACI is a trustee:
- (j) any other information reasonably requested by Te Puia | NZMACI Limited; and

3.3.3 after the enactment of the vesting bill, –

- (a) promptly advise Te Puia | NZMACI Limited Partnership of any material change to information provided under paragraph 3.3.2; and
- (b) allow Te Puia | NZMACI Limited Partnership, or an agent, consultant or professional adviser assisting it with the vesting of the MACI business, to carry out any of the following during normal business hours:
 - (i) attend at MACI's premises to observe the conduct of its business:
 - (ii) discuss anything relating to MACI with any of its members, employees, or professional advisers:
 - (iii) examine any of MACI'S assets or documents.

AGREEMENT TO INTRODUCE A BILL VESTING THE MACI BUSINESS

3: TRANSITIONAL ARRANGEMENTS

Meeting with members of MACI

- 3.4 Without limiting clause 3.2, MACI must –
- 3.4.1 until the enactment of the vesting bill, arrange for its members to meet with Te Puia | NZMACI Limited Partnership, as soon as reasonably practicable after a reasonable request by Te Puia | NZMACI Limited Partnership for a meeting to discuss any matter relevant to the vesting of the MACI business in Te Puia | NZMACI Limited Partnership; and
- 3.4.2 until the vesting bill comes into force, enable two representatives of Te Puia | NZMACI Limited Partnership to attend a least part of every meeting of its members.

Obligation to provide information subject to legal obligations

- 3.5 Nothing in this agreement requires a party to provide information that it is prevented by law from providing.

Confidential information

- 3.6 Any information provided under this agreement is confidential information unless–
- 3.6.1 the information is generally known, or available to the public, at the time it is provided under this agreement; or
- 3.6.2 the information becomes generally known, or available to the public, other than through a breach of this agreement; or
- 3.6.3 the recipient of the information has obtained it on a non-confidential basis other than through this agreement.
- 3.7 Subject to clause 3.9, each party must, in relation to confidential information received by that party, –
- 3.7.1 not communicate or provide it to anyone other than an approved person; and
- 3.7.2 ensure that an approved person to whom it provides confidential information –
- (a) is aware of its confidential nature; and
- (b) keeps it confidential; and
- 3.7.3 use reasonable security measures to protect it from disclosure to any person who is not an approved person.
- 3.8 Each of the following persons is an approved person for the purposes of clause 3.7 –
- 3.8.1 an employee, official, consultant, or professional adviser of a party;
- 3.8.2 a Minister of the Crown.

AGREEMENT TO INTRODUCE A BILL VESTING THE MACI BUSINESS

3: TRANSITIONAL ARRANGEMENTS

3.9 The Crown's obligations under this agreement in relation to confidential information are subject to, and the Crown may disclose confidential information (and not require the recipient to keep it confidential) if required by, an obligation under –

3.9.1 legislation (and, in particular, the Official Information Act 1982); or

3.9.2 parliamentary or legislative process.

Notification of affected third parties

3.10 MACI must –

3.10.1 notify all third parties affected by the vesting of the MACI business of the proposed vesting, as soon as practicable after –

(a) the introduction of the vesting bill, and, in any event, before a select committee considers public submissions in relation to the bill; and

(b) the enactment of the vesting bill, and, in any event, by no later than 20 business days after the date of its enactment; and

3.10.2 immediately after notification of an affected third party under paragraphs 3.10.1 give the Crown and Te Puia | NZMACI Limited Partnership notice of –

(a) the name and address of that affected third party; and

(b) the reason why that person is an affected third party; and

(c) the date of notification.

3.11 Notification of affected third parties under paragraph 3.10.1 is to use wording and be in a form and manner approved by the Crown in writing.

3.12 The affected third parties are to include –

3.12.1 MACI's employees; and

3.12.2 a bank or financial institution to or from whom MACI has lent or borrowed money; and

3.12.3 any other person with whom MACI has a contract; and

3.12.4 any other person to whom MACI has a legal obligation.

General

3.13 The parties (including MACI) agree –

3.13.1 a right or obligation of MACI under this part may not be amended, unless MACI agrees in writing; and

3.13.2 MACI may not transfer a right or obligation under this part.

4: THIS AGREEMENT'S LIMITATIONS AND EFFECT

No representations or warranties in relation to MACI

- 4.1 The Crown gives no representation or warranty in relation to –
- 4.1.1 MACI, including the MACI business or its financial position; or
 - 4.1.2 the vesting of the MACI business under the MACI legislation; or
 - 4.1.3 the completeness or accuracy of any information provided by MACI or the Crown (including under the vesting process protocol) in relation to –
 - (a) MACI, including the MACI business or its financial position; or
 - (b) the vesting process.

Effect of this agreement

- 4.2 This agreement –
- 4.2.1 supersedes all earlier representations, understandings, or agreements between the parties or any of them, including the provisions of the land vesting deed in relation to –
 - (a) MACI; or
 - (b) the vesting of all or any of the MACI business; and
 - 4.2.2 is the entire agreement, apart from the vesting process protocol, between the parties in relation to –
 - (a) MACI; and
 - (b) the vesting of the MACI business; and
 - 4.2.3 may be changed, if the change is in writing signed by the Crown and Te Puia | NZMACI Limited Partnership, except if the change is a change to part 3 in which case it must be agreed to in writing by MACI.
- 4.3 A party may not transfer any right or obligation under this agreement.

5: TERMINATION AND NOTICE

Termination

- 5.1 Te Puia | NZMACI Limited Partnership, or the Crown, may by notice to the other terminate this agreement if the MACI vesting bill is not introduced in accordance with clause 2.5.
- 5.2 Te Puia | NZMACI Limited Partnership, or the Crown, must give the other at least 20 business days' notice of an intention to terminate, before terminating this agreement under clause 5.1.
- 5.3 If a notice of an intention to terminate is given, the Crown and Te Puia | NZMACI Limited Partnership must discuss, orally or in writing and in good faith, whether it is appropriate to terminate this agreement.
- 5.4 If this agreement is terminated –
- 5.4.1 the terminating party must notify MACI as soon as reasonably practicable; and
 - 5.4.2 it is at an end; and
 - 5.4.3 no person has any rights or obligations under it, except under clause 5.4.1.

Notice

- 5.5 A notice under this agreement must be –
- 5.5.1 in writing signed by the party giving it (but if the Joint Trustees are giving the notice, it is effective if not less than five of the Joint Trustees sign it); and
 - 5.5.2 addressed to the recipient at its postal or street address, email address, or facsimile address as provided –
 - (a) in this paragraph; or
 - (b) if the recipient has given notice of a new address, email address, or facsimile number, in the most recent notice:

The Joint Trustees, Wāhiao Tūhourangi o Whakarewarewa and the Ngāti Whakaue Parties

The Secretary
The Whakarewarewa Joint Trust
C/- Deloitte
Attention: Fleur Tahata
PO Box 12003
Rotorua

Second floor, Pukeroa Oruawhata House, 2/1176 Amohau Street,
Rotorua

AGREEMENT TO INTRODUCE A BILL VESTING THE MACI BUSINESS

5: TERMINATION AND NOTICE

Email address: ftahata@deloitte.co.nz

Facsimile No (07) 343 1051

Te Puia | NZMACI Limited Partnership

Te Puia | NZMACI Limited Partnership

C/- Deloitte

Attention: Fleur Tahata

PO Box 12003

Rotorua

Second floor, Pukeroa Oruawhata House, 2/1176 Amohau Street,
Rotorua

Email address: ftahata@deloitte.co.nz

Facsimile No (07) 343 1051

Crown

The Chief Executive

Te Puni Kōkiri

PO Box 3943

Te Puni Kōkiri House

Wellington 6140

143 Lambton Quay

Wellington 6011

Te Puni Kōkiri House

143 Lambton Quay

Wellington 6011

Email address: ChiefExecutive@tpk.govt.nz

Facsimile No: (04) 819 6290

MACI

The Chief Executive

MACI

PO Box 334

Rotorua 3040

Hemo Road

Rotorua 3040

Email address: info@tepuia.com

Facsimile No: (07) 348 9045

AGREEMENT TO INTRODUCE A BILL VESTING THE MACI BUSINESS

5: TERMINATION AND NOTICE

- 5.6 A notice may be given by –
- 5.6.1 delivering it by hand (including by courier) to the street address of the party receiving it; or
 - 5.6.2 posting it in an envelope with pre-paid postage addressed to the postal address of the party receiving it; or
 - 5.6.3 sending it by electronic mail to the email address of the party receiving it; or
 - 5.6.4 faxing it to the facsimile address of the party receiving it.
- 5.7 A notice is to be treated as having been received –
- 5.7.1 at the time of delivery, if delivered by hand; or
 - 5.7.2 on the fourth day after posting, if given by posting; or
 - 5.7.3 on the day of the successful delivery of the email, if sent by electronic mail; or
 - 5.7.4 on the day of transmission, if faxed.
- 5.8 However, if under clause 5.7 a notice is treated as having been received on a day that is not a business day, or after 5:00 pm on a business day, that notice will be treated as having been received the next business day.

6: DEFINITIONS AND INTERPRETATION

Definitions

6.1 In this agreement, unless the context requires otherwise, –

Act means the New Zealand Maori Arts and Crafts Institute Act 1963; and

admission income to the Whakarewarewa Reserves means any income that is income for the purposes of the term “Admission Income” as that term is defined in either of the Whakarewarewa leases at that date of signing the relevant lease; and

Affiliate Te Arawa Settlement Act means the Affiliate Te Arawa Iwi and Hapu Claims Settlement Act 2008; and

agreement and **vesting agreement** means this agreement; and

arbitration panel means the arbitration panel referred to in clause 1.13; and

assets means real and personal property of any kind, including rights of any kind, whether or not subject to third party rights; and

Auditor-General has the meaning given to it by section 4 of the Public Audit Act 2001; and

balance date, in relation to Te Puia | NZMACI Limited Partnership, has the meaning given to it by section 41 of the Financial Reporting Act 2013; and

business day means a day that is not –

- (a) a Saturday or a Sunday; or
- (b) if Waitangi Day or ANZAC Day falls on a Saturday or Sunday, the following Monday; or
- (c) Waitangi Day, Good Friday, Easter Monday, ANZAC Day, the Sovereign’s Birthday, or Labour Day; or
- (d) a day in the period commencing with 25 December in any year and ending with the close of 15 January in the following year; and

capital contribution has the meaning given to it by section 37(1) of the Limited Partnerships Act 2008; and

company has the meaning given to it by section 2(1) of the Companies Act 1993; and

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

descent means descent by birth, legal adoption and Māori customary adoption and **descendant** and **descend** have corresponding meanings; and

Final Beneficiary under the Joint Trust has the same meaning as the term Final Beneficiary in the Joint Trust deed; and

AGREEMENT TO INTRODUCE A BILL VESTING THE MACI BUSINESS

6: DEFINITIONS AND INTERPRETATION

financial quarter, in relation to Te Puia | NZMACI Limited Partnership, means each quarter of the 12 months ending on its balance date; and

financial year, in relation to Te Puia | NZMACI Limited Partnership, means a year ending on its balance date and, if as a result of the date of registration of Te Puia | NZMACI Limited Partnership as a limited partnership or a change of its balance date, the period ending on that date is longer or shorter than a year, the longer or shorter period is a financial year; and

HTK Te Puia Trust means the deed of trust dated *[date]* and signed by the following individuals: *[identify signatories]*; and

Joint Trust means the trust established by the Joint Trust deed; and

Joint Trust deed means the trust deed dated 29th of August 2008, signed by the following individuals:

- George Mutu of Ngapuna, Rotorua:
- Te Kiri Whero Ewa Makareta Mitchell of Ohinemutu, Rotorua:
- Malcolm Tukino Short of Rotorua:
- Alexander James Wilson of Rotorua:
- Wikeepa Te Rangipuawhe Maika of Rotorua:
- Anaru Rangiheuea of Tarawera:
- John Waaka of Whakarewarewa, Rotorua; and

Joint Trustees means the trustees for the time being of the Joint Trust, in their capacity as trustees; and

land vesting deed has the meaning given to it by clause 1.3; and

liabilities means obligations of any kind, including contingent obligations; and

limited partnership means a partnership registered under section 51 of the Limited Partnerships Act 2008; and

MACI means the New Zealand Maori Arts and Crafts Institute established by section 4(1) of the Act; and

MACI business means all property (whether tangible or intangible), rights, and liabilities (including any future or contingent rights and liabilities) of MACI; and

MACI taonga means each of the assets of MACI or the Joint Trust identified in schedule 2; and

MACI vesting bill has the meaning given to it by clause 1.29.2; and

MACI vesting legislation means, if the MACI vesting bill is enacted, the resulting enactment; and

major transaction, in relation to Te Puia | NZMACI Limited Partnership, means –

- (a) the acquisition of, or an agreement to acquire, whether contingent or not, assets the value of which is more than 30 percent of the value of Te Puia

AGREEMENT TO INTRODUCE A BILL VESTING THE MACI BUSINESS

6: DEFINITIONS AND INTERPRETATION

| NZMACI Limited Partnership's assets immediately before the acquisition; or

- (b) the disposition of, or an agreement to dispose of, whether contingent or not, assets the value of which is more than 30 percent of the value of Te Puia | NZMACI Limited Partnership's assets immediately before the disposition; or
- (c) a transaction that has or is likely to have the effect of MACI acquiring rights or interests, or incurring obligations or liabilities, including contingent liabilities, the value of which is more than 30 percent of the value of Te Puia | NZMACI Limited Partnership's assets immediately before the transaction; and

member of MACI –

- (a) means a person appointed as a member of MACI under section 5 or section 7(3) of the Act; and
- (b) includes any of the following persons appointed under sections 8, 9 or 10 of that Act:
 - (i) the chairperson of MACI;
 - (ii) the deputy chairperson of MACI;
 - (iii) every deputy for a member of MACI; and

Ngāti Whakaue Parties means:

- (a) the trustees of the HTK Te Puia Trust as representing the collective group composed of individuals descended from one or more of the listed owners grouped under one of the three hapū of Ngāti Hurungaterangi, Ngāti Taetou and Ngāti Te Kahu o Ngāti Whakaue collectively as set out in the decision of the Native Land Court dated 24 October 1893 at 28 ROT 124-166 in respect of Whakarewarewa No. 3 Block which originally comprised the Roto-a-Tamaheke Reserve and the Whakarewarewa Thermal Springs Reserve;
- (b) the trustees of the Pukeroa Oruawhata Trust as representing the collective group composed of individuals descended from one or more of the 295 owners listed by hapū as set out in the decision of the Native Land Court in respect of the Pukeroa Oruawhata Block and dated 27 April 1882 at 1 ROT 34-347, 1 ROT 348-355 and 4 ROT 8-23; and

notice means a notice in writing given in accordance with clauses 5.5 and 5.6 and **notify** has a corresponding meaning; and

ownership interest means, in relation to –

- (a) a limited partnership, each capital contribution and partnership interest in that limited partnership; and
- (b) a company, each share in that company; and

AGREEMENT TO INTRODUCE A BILL VESTING THE MACI BUSINESS

6: DEFINITIONS AND INTERPRETATION

- (c) a body corporate that is not a limited partnership or a company, means each interest in that body corporate that is comparable with the interests granted by a share in a company; and

partnership interest has the meaning given to it by section 38(1) of the Limited Partnerships Act 2008; and

party means each of the following:

- (a) the Joint Trustees:
- (b) Wāhiao Tūhourangi o Whakarewarewa:
- (c) the Ngāti Whakaue Parties
- (d) Te Puia | NZMACI Limited Partnership:
- (e) the Crown:
- (f) MACI (but as to part 3 only); and

Pukeroa Oruawhata Trust means an anu whenua trust with that name constituted by order of the Maori Land Court under Part 12 of the Te Ture Whenua Maori Act 1993 and dated 14 March 2011, as the terms of that trust may be varied from time to time under that Act; and

reserve means a reserve under the Reserves Act 1977; and

Southern Arikikapakapa Reserve means the land described by that name in schedule 1 of the Whakarewarewa and Roto-a-Tamaheke Vesting Act 2009; and

Te Puia | NZMACI Limited Partnership means the limited partnership registered under that name as a limited partnership under section 51 of the Limited Partnerships Act 2008; and

terms of negotiation means the terms of negotiation referred to in clause 1.17; and

Tūhourangi means the collective of, and the individuals who are, the descendants of the ancestor known as Tūhourangi and who principally associate with the district of Lake Tarawera, and a member or person of Tūhourangi refers to each of those individuals; and

Tūhourangi o Whakarewarewa means the collective of, and the individuals who are, those members of Tūhourangi who are enrolled as Eligible Voters (as that term is defined in clause 1.1 of the Wāhiao Tūhourangi o Whakarewarewa Trust deed of trust) pursuant to rule B3(c) of Schedule B of that deed of trust; and

vesting date means the date that the vesting legislation comes into effect; and

vesting process protocol has the meaning given to it by clause 1.22; and

Wāhiao means the collective of, and any individuals who are, descendants of any member or members of the three hapū of Ngāti Hinganoa, Ngāti Tukiterangi and Ngāti Huarere named in Schedule A of the Wāhiao Tūhourangi o

AGREEMENT TO INTRODUCE A BILL VESTING THE MACI BUSINESS

6: DEFINITIONS AND INTERPRETATION

Whakarewarewa Trust deed of trust, being the lists of the members of those hapū produced in evidence to the Native Land Court in 1883 by Mita Taupopoki (and referred to there as Ngātihinganoa, Ngātikutiterangi and Ngātihuarere) and a member or person of Wāhiao refers to each of those individuals; and

Wāhiao Tūhourangi o Whakarewarewa means Wāhiao and includes Tūhourangi o Whakarewarewa; and

Wāhiao Tūhourangi o Whakarewarewa Trust means the deed of trust dated *[date]* and signed by the following individuals: *[identify signatories]*; and

Whakarewarewa lease means each lease by the Joint Trustees to MACI referred to in clause 1.11 as that lease may be varied or renewed from time to time; and

Whakarewarewa Thermal Springs Reserve means the land described by that name in schedule 1 of the Whakarewarewa and Roto-a-Tamaheke Vesting Act 2009; and

Whakarewarewa Valley Land has the meaning given to it by clause 1.2; and

Interpretation

- 6.2 In the interpretation of this agreement, unless the context requires otherwise:
- 6.2.1 headings do not affect its interpretation; and
 - 6.2.2 where a word or expression is defined, other parts of speech and grammatical forms of that word or expression have corresponding meanings; and
 - 6.2.3 the singular includes the plural; and
 - 6.2.4 the plural includes the singular; and
 - 6.2.5 words indicating one gender include each other gender; and
 - 6.2.6 a reference to a person includes a corporation sole and a body of persons, whether corporate or unincorporated; and
 - 6.2.7 a reference to a date on or by which something must be done includes any other date that may be agreed in writing between the Crown and the representative entity; and
 - 6.2.8 if something is required to be done on a day that is not a business day, it must be done on the next business day; and
 - 6.2.9 a reference to a clause, paragraph, part, or schedule is to a clause, paragraph, part, or schedule of or to this agreement; and
 - 6.2.10 a reference to legislation includes a reference to that legislation as amended, consolidated, or substituted; and
 - 6.2.11 a reference to a document or agreement, including this agreement, includes a reference to that document or agreement as amended or replaced.

AGREEMENT TO INTRODUCE A BILL VESTING THE MACI BUSINESS

SIGNED on [date]

SIGNED by the TRUSTEES OF THE WHAKAREWAREWA JOINT TRUST

for and on behalf of

WĀHIAO TŪHOURANGI O WHAKAREWAREWA; and
the NGĀTI WHAKAUE PARTIES; and

in their capacity as the TRUSTEES OF THE WHAKAREWAREWA JOINT TRUST:

[]

[]

[]

[]

SIGNED for and on behalf of TE PUIA | NZMACI
LIMITED PARTNERSHIP by its general partner
and agent TE PUIA | NZMACI MANAGEMENT
LIMITED by:

K Kerema

Drew

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AGREEMENT TO INTRODUCE A BILL VESTING THE MACI BUSINESS

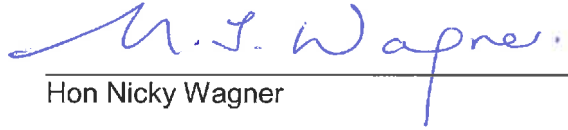
SIGNED for and on behalf of **THE CROWN** by –

Te Minita Whanaketanga Māori

Hon Te Ururoa Flavell


The Associate Minister of Tourism

Hon Nicky Wagner



SIGNED for and on behalf of
THE NEW ZEALAND MAORI ARTS AND CRAFTS INSTITUTE
(as to part 5 only) by:

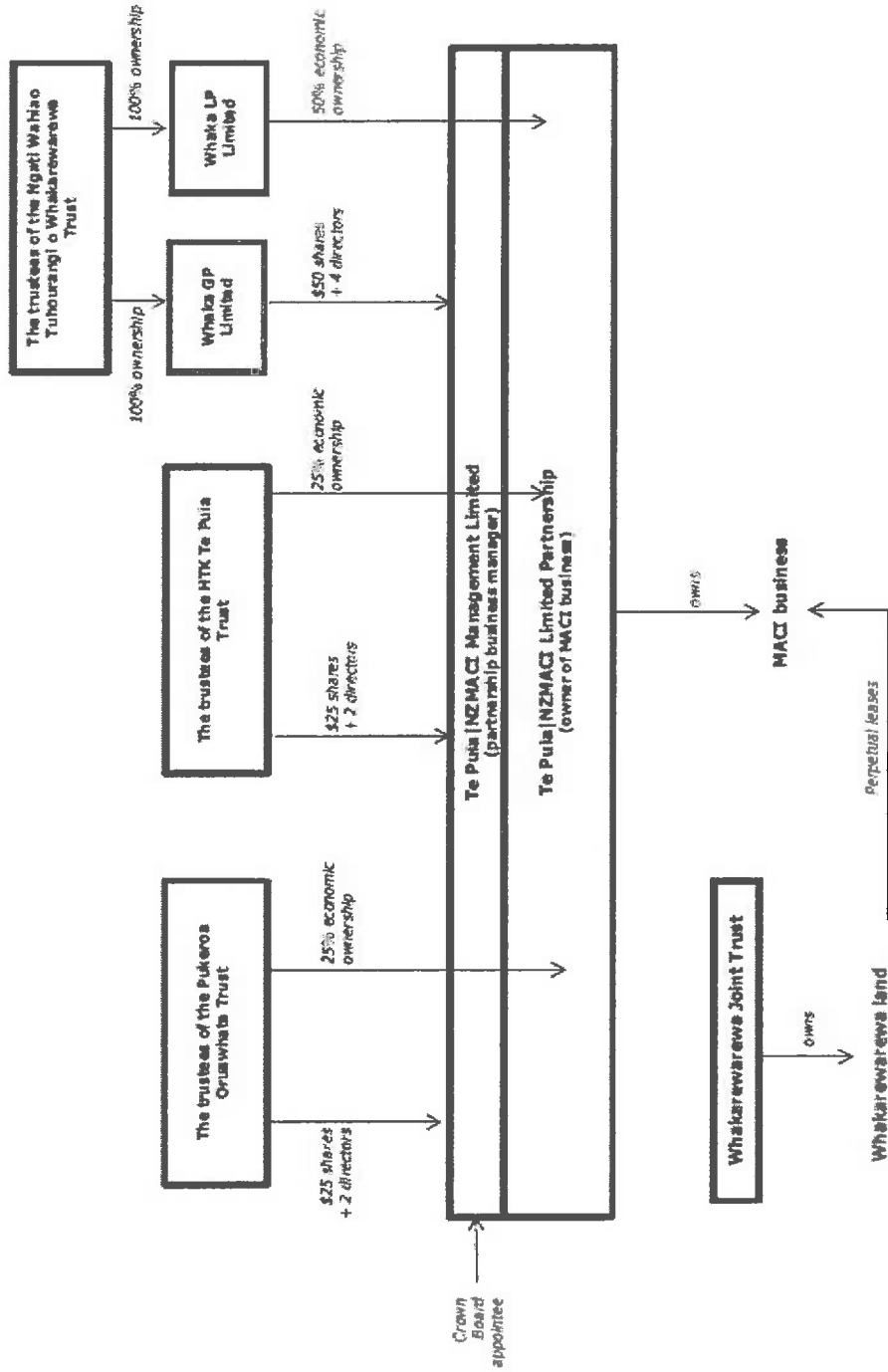
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AGREEMENT TO INTRODUCE A BILL VESTING THE MACI BUSINESS

WITNESSES signed below to show their support for the agreement

SCHEDULE 1 - DIAGRAM OF HOLDING OF INTERESTS IN TE PUIA | NZMACI LIMITED PARTNERSHIP



SCHEDULE 2 - MACI TAONGA

The Pātaka (a carved storehouse that was built for the Christchurch Exhibition in 1901 and used to safeguard the heirlooms and treasures of chiefs) [*Presumably this is the "large pātaka" referred to in the Cabinet Paper*]

Te Wānanga a Hatupatu (a meeting house that was built for the Christchurch Exhibition in 1901 and used as a place of learning to enable history, stories and whakapapa to be passed on) [*Presumably this is the "te whare rūnanga o Hātūpatu" referred to in the Cabinet Paper*]

[Te Aronuiarua (a carved meeting house built between 1967 and 1981 by students and graduates of MACI's carving school)] [*Not expressly referred to in the Cabinet Paper*]

The remaining assets held by MACI from the original model pa set up after the Christchurch Exhibition in 1901] [*Not expressly referred to in the Cabinet Paper*]

Small pātaka [*describe further*]

Waharoa (non-traditional embracing male and female figures) [*describe further*]

Waharoa (to the village) [*describe further*]

Carved palisade posts [*describe further*]

Mortuary monuments [*describe further*]

SCHEDULE 3 - MATTERS TO BE INCLUDED IN THE MACI VESTING BILL

- 1 The MACI vesting bill is to provide –

Preliminary provisions

Title

- 1.1 the title of the Act is to be the [MACI] Act; and

Commencement

- 1.2 the [MACI] Act is to come into force on a date to be appointed by the Governor-General by Order in Council; and

Interpretation

- 1.3 appropriate definitions from part 8 of this agreement; and

Act to bind the Crown

- 1.4 the [MACI] Act is to bind the Crown; and

Vesting of MACI business

MACI business

- 1.5 the MACI business is to vest in Te Puia | NZMACI Limited Partnership on the vesting date; and

- 1.6 the vesting of the MACI business in Te Puia | NZMACI Limited Partnership is conditional upon –

- 1.6.1 there being no change to the direct or indirect holding of ownership interests in Te Puia | NZMACI Limited Partnership from the date of the vesting agreement to the vesting date; and

- 1.6.2 the ownership interests in Te Puia | NZMACI Limited Partnership must be held directly or indirectly as provided in schedule 1 to the vesting agreement; and

Assets

- 1.7 an asset of MACI vested under paragraph 1.5 is to remain subject to the rights of any other person in relation to that asset, including under –

- 1.7.1 a charge over that asset; or

- 1.7.2 a trust on which that asset is held; and

Employees

- 1.8 paragraphs 1.9 to 1.11 are to apply in relation to an employee of MACI immediately before the vesting date; and
- 1.9 from the vesting date, –
- 1.9.1 the employee is to be an employee of Te Puia | NZMACI Limited Partnership; and
- 1.9.2 the terms and conditions of the employee's employment with Te Puia | NZMACI Limited Partnership are to be identical with the terms and conditions of employment with MACI immediately before the vesting date; and
- 1.10 for the purposes of an enactment, law, award, determination, contract, or agreement relating to the employee's employment, –
- 1.10.1 his or her employment is unbroken; and
- 1.10.2 the employee's period of service with MACI is to be treated as a period of service with Te Puia | NZMACI Limited Partnership; and
- 1.11 the employee is not to be entitled to receive a payment or benefit because the employee has ceased to be an employee of MACI and become an employee of Te Puia | NZMACI Limited Partnership; and

Proceedings

- 1.12 proceedings that may be commenced or continued by or against MACI may be commenced or continued by or against Te Puia | NZMACI Limited Partnership; and

Documentary references

- 1.13 a reference to MACI in a contract, lease, notice, order, proceedings or other document has effect as if it to Te Puia | NZMACI Limited Partnership; and

Updating of registers

- 1.14 the Registrar-General of Land must make such entries in the registers under the Land Transfer Act 1952, and do all other things, that are necessary to give effect to this Act; and
- 1.15 the person responsible for keeping a register that includes reference to any asset or liability of MACI is to substitute a reference to Te Puia | NZMACI Limited Partnership for a reference to MACI; and
- 1.16 paragraphs 1.14 and 1.15 are to apply on written application by a person authorised by Te Puia | NZMACI Limited Partnership; and

Taxation

- 1.17 from the vesting date, for the purposes of any tax, rate, duty, levy or other similar charge imposed by or under any enactment –

AGREEMENT TO INTRODUCE A BILL VESTING THE MACI BUSINESS

- 1.17.1 Te Puia | NZMACI Limited Partnership is deemed to be the same person as MACI; and
- 1.17.2 everything done MACI before the vesting date is deemed to have been done by the Te Puia | NZMACI Limited Partnership on the date that it was done by MACI; and
- 1.17.3 income derived or expenditure incurred by MACI before the vesting date does not become income derived or expenditure incurred Te Puia | NZMACI Limited Partnership just because of the vesting; and
- 1.17.4 if income of MACI –
- (a) is derived from a financial arrangement, trading stock, revenue account property, or depreciable property; and
 - (b) is exempt income of MACI but is not exempt income of Te Puia | NZMACI Limited Partnership, –
- Te Puia | NZMACI Limited Partnership must be treated as having acquired the financial arrangement, trading stock, revenue account property, or depreciable property on the day that it becomes the Te Puia | NZMACI Limited Partnership's property for a consideration that is its market value on that day; and
- 1.17.5 Te Puia | NZMACI Limited Partnership must identify the total amounts derived by MACI that, but for the application of sections CW 41 and CW 42 of the Income Tax Act 2007, would have been taxable income derived by MACI before the commencement of this Act; and
- 1.17.6 if Te Puia | NZMACI Limited Partnership distributes an amount referred to in paragraph 1.17.5 to a person, that amount is treated as income for the purposes of the Income Tax Act 2007, unless paragraph 1.17.7 applies; and
- 1.17.7 if Te Puia | NZMACI Limited Partnership distributes an amount referred to in paragraph 1.17.5 for a charitable purpose, the distribution is exempt income of the recipient; and

Certain matters unaffected

- 1.18 the dissolving of MACI, and the vesting of the MACI business, under the MACI Act does not –
- 1.18.1 make a person –
- (a) in breach of a contract, trust, or confidence; or
 - (b) otherwise liable for a civil wrong; or
- 1.18.2 entitle a person to –
- (a) terminate, cancel, or modify a contract or agreement; or
 - (b) enforce or accelerate the performance of an obligation;

1.18.3 release a surety wholly or in part from an obligation; or

1.18.4 invalidate or discharge a contract or security; and

Inalienability of MACI taonga

1.19 provide that, after the vesting of the MACI business in Te Puia | NZMACI Limited Partnership:

1.19.1 none of the MACI taonga, may be –

(a) disposed of; or

(b) mortgaged or charged; and

1.19.2 a disposal, or a charge or mortgage, of any of the MACI taonga is void and of no effect; and

Continuation of MACI's functions

1.20 require Te Puia | NZMACI Limited Partnership, in addition to any other activity or activities it may undertake, either directly or indirectly through the provision of funding, to –

1.20.1 encourage, foster, and promote the Ahurea and Toi Māori of Aotearoa; and

1.20.2 provide training in whakairo rākau (carving) and raranga (weaving) for the iwi of Aotearoa; and

1.20.3 provide and support demonstrations, exhibitions, and tours of Toi Māori and Toi Whakaari Māori (performing arts) of Aotearoa; and

1.20.4 provide for the sustainable development of scenic and tourist attractions in the Rotorua district or elsewhere; and

Major transaction restraint

1.21 require that the entry by Te Puia | NZMACI Limited Partnership into a major transaction be approved by a unanimous resolution of the board of directors of the general partner of the Te Puia | NZMACI Limited Partnership;

Crown board member

1.22 require that –

1.22.1 the Crown is to be entitled to appoint and remove one director on the board of the general partner of the Te Puia | NZMACI Limited Partnership; and

1.22.2 that director be the chair of that board, with a casting vote in the event of board deadlock; and

1.22.3 that director be entitled to report to Crown at any time in relation to the ongoing performance of the Te Puia | NZMACI Limited

Partnership in carrying out the functions set out in paragraph 1.20, despite any provision to the contrary in the Companies Act 1993; and

1.23 provide that the requirements in paragraph 1.22 will –

1.23.1 apply for a minimum period of 6 years from the date of vesting of the MACI business in Te Puia | NZMACI Limited Partnership; and

1.23.2 continue to apply after that period unless the Crown and Te Puia | NZMACI Limited Partnership agree otherwise in writing; and

Reporting on continuing performance of MACI's functions

1.24 require Te Puia | NZMACI Limited Partnership, within 4 months of the end of its financial year, for no charge, to –

1.24.1 make easily accessible on its website a written report –

(a) identifying the activities it has undertaken, or funded, during that financial year to satisfy its obligations under paragraph 1.20; and

(b) calculating its direct financial expenditure on, and the funding it has provided for, those activities during that financial year as a proportion of the revenue it has received from admission income to the Whakarewarewa Reserves; and

1.24.2 make available to a person one copy of the written report referred to in paragraph 1.24.1 upon request at the offices of MACI during normal business hours; and

MACI's dissolution

Members' vacation of office

1.25 on the vesting date, each member of MACI –

1.25.1 ceases to hold office; but

1.25.2 is not entitled to compensation for his or her loss of office under the [MACI] Act; and

Final report

1.26 as soon as practicable after the vesting date, MACI's chairperson immediately prior to the vesting date is to arrange for MACI's final report to be –

1.26.1 completed and provided to –

(a) the Minister for Māori Development; and

(b) Te Puia | NZMACI Limited Partnership; and

1.26.2 laid before the House of Representatives; and

AGREEMENT TO INTRODUCE A BILL VESTING THE MACI BUSINESS

- 1.27 MACI's final report must –
- 1.27.1 describe its proceedings and operations for the period from 1 April [] to the day before the vesting date; and
 - 1.27.2 include a copy of a statement and accounts for that period in accordance with section 24 of the Act, certified by the Auditor-General; and
- 1.28 part 4 of the Public Audit Act 2001 applies to the audit of MACI's accounts included in its final report; and
- 1.29 Te Puia | NZMACI Limited Partnership must make available to MACI's chairperson, and the Auditor-General, such information as each of them reasonably requires to enable MACI's final report to be completed; and
- 1.30 the costs and expenses of MACI's chairperson in completing MACI's final report are to be met by Te Puia | NZMACI Limited Partnership; and
- 1.31 MACI's chairperson is not to be personally liable for any act or default by him or her in good faith in completing MACI's final report; and

Dissolution

- 1.32 MACI is to be dissolved on the vesting date; and
- 1.33 the New Zealand Maori Arts and Crafts Institute Act 1963 is to be repealed; and
- 1.34 despite paragraph 1.32, section 27 of the New Zealand Maori Arts and Crafts Institute Act 1963 is to continue to have effect in relation to a member of MACI; and
- 1.35 each of the following provisions is to be consequentially amended by repealing the item relating to MACI;
- 1.35.1 Part 2 of Schedule 1 of the Local Authorities (Members' Interests) Act 1968;
 - 1.35.2 Part 2 of Schedule 1 of the Ombudsmen Act 1975;
 - 1.35.3 Schedule 2 of the Public Audit Act 2001;
 - 1.35.4 Part 2 of Schedule 1 of the Public Bodies Contracts Act 1959.