



POUARUA ON-ACCOUNT DEED OF SETTLEMENT & PSGE

RATIFICATION INFORMATION BOOKLET

August 2013





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Message from Mandated Negotiators

*E ngā reo e ngā mana mai i ngā maunga kōrero i ngā tōpito o te rohe
E ngā pātaka o ngā taonga tuku iho, e pupuri nei i te mauri
Tēnā rā koutou me te āhuratanga ki o tātou tini aitua kua pā atu kua pā mai
E mihi ana ki te whenua, e tangi ana mō te tangata
Rātou te hunga kua okioki ki a rātou tātou te hunga ora ki a tātou
Tēnā ra tātou kātoa, kāti ake*

The mandated negotiators for Ngāti Maru, Ngāti Pāoa, Ngāti Tamaterā, Ngāti Tara Tokanui and Te Patukirikiri have negotiated an on-account deed of settlement with the Crown to enable the purchase of the Landcorp Pouarua Farm (“**Pouarua Deed**”) in advance of the ultimate settlement of the historical Treaty of Waitangi claims for each iwi. The offer is contained in the Pouarua Deed initialled by the iwi mandated negotiators and the Minister for Treaty of Waitangi Negotiations on behalf of the Crown.

The Pouarua Deed is an ‘on account’ settlement for each of those iwi, and will sit along their iwi specific settlements. Thus, the redress provided through the Pouarua Deed forms part of the overall settlement of each of the iwi historical Treaty claims.

Before Treaty settlement assets can be transferred, a legal structure known as a post-settlement governance entity (“**PSGE**”) must be in place to receive and manage those assets. The mandated negotiators have undertaken extensive work and sought expert independent advice in relation to the appropriate PSGE to receive and manage the Pouarua Farm.¹

Importantly, the PSGE has been designed in way that ensures there is accountability, transparency and representation for the iwi.

The people of Ngāti Maru, Ngāti Pāoa, Ngāti Tamaterā, Ngāti Tara Tokanui and Te Patukirikiri now have the opportunity to vote on whether to support the Pouarua Deed and associated PSGE. The information contained in this booklet will enable you to make informed ratification decisions.

The mandated negotiators all truly believe that the opportunity provided by the Crown’s offer is an excellent one and will help provide an enduring and sustainable economic platform for the iwi. The landscape of Hauraki will be changed by this settlement. Ngāti Maru, Ngāti Pāoa, Ngāti Tamaterā, Ngāti Tara Tokanui and Te Patukirikiri can collectively own and manage the single largest dairy farm on the Hauraki Plains.

We therefore urge you to vote ‘Yes’ to both resolutions being put to you - one to accept the Pouarua Deed and the other to accept the associated PSGE.

From the mandated negotiators for:

Ngāti Maru

Ngāti Pāoa

Ngāti Tamaterā

Ngāti Tara Tokanui

Te Patukirikiri

¹ Pouarua Farm Limited Partnership.

1. Overview

Settlement of the historical Treaty claims of Ngāti Maru, Ngāti Pāoa, Ngāti Tamaterā, Ngāti Tara Tokanui and Te Patukirikiri are progressing through negotiations with the Crown that commenced in 2010.

At the same time, the Crown has been negotiating with the Iwi of Hauraki² to agree collective redress in relation to specified maunga, rivers, forests and lands within Hauraki.³ The collective approach recognises that the iwi have various shared customary interests within Hauraki such that a collective redress package is appropriate. A collective approach also provides a platform for the greater exercise of whanaungatanga and kotahitanga between the Iwi of Hauraki.

The Hauraki negotiation area generally encompasses the Coromandel Peninsula, part of the Kaimai Range, Hauraki Plains and a large part of Tikapa Moana:



² Comprising Ngāi Tai ki Tāmaki, Ngāti Hako, Ngāti Hei, Ngāti Maru, Ngāti Pāoa, Ngāti Porou ki Hauraki, Ngāti Pūkenga, Ngāti Rahiri Tumutumu, Ngāti Tamaterā, Ngāti Tara Tokanui, Ngāti Whanaunga and Te Patukirikiri.

³ The 12 Iwi of Hauraki have been represented in negotiations by a collective body referred to as the Hauraki Collective. The Hauraki Collective comprises mandated negotiators for each of the member iwi.

The Iwi of Hauraki and the Crown signed a Pare Hauraki Framework Agreement on 1 October 2010 at Wharekawa and 12 iwi-specific Agreement in Principle Equivalents on 22 July 2011 at Thames.

The Framework Agreement and Agreement in Principle Equivalents represent incremental steps towards comprehensive deeds of settlement between the Crown and Iwi of Hauraki.

Each of the 12 Iwi of Hauraki had the opportunity arising from the negotiations process to accept the Crown's offer to make an on-account payment of financial redress (cash) to enable the acquisition of the Landcorp Pouarua Farm. In the event, the opportunity was taken up by the mandated negotiators for Ngāti Maru, Ngāti Pāoa, Ngāti Tamaterā, Ngāti Tara Tokanui and Te Patukirikiri.

The ownership of Pouarua Farm will be shared, in the relevant proportions as set out in the Pouarua Deed, by each of those iwi and will form part of the specific settlement for each iwi.

As an on-account arrangement, the Pouarua Deed itself does not extinguish any of the historical claims of Ngāti Maru, Ngāti Pāoa, Ngāti Tamaterā, Ngāti Tara Tokanui or Te Patukirikiri.

Before Treaty settlement redress can be transferred, a legal structure known as a post-settlement governance entity ("PSGE") must be in place.

The mandated negotiators have undertaken extensive work and sought expert independent advice in relation to the appropriate PSGE to receive and manage the Pouarua Farm.⁴ Importantly, the PSGE has been designed in way that ensures there is accountability, transparency and representation for the iwi.

All eligible members⁵ of Ngāti Maru, Ngāti Pāoa, Ngāti Tamaterā, Ngāti Tara Tokanui and Te Patukirikiri now have the opportunity to vote on whether to support the Pouarua Deed and associated PSGE under the ratification process.

⁴ Pouarua Farm Limited Partnership.

⁵ All adult members 18 or over (see Section 4).

2. Pouarua On-Account Deed of Settlement

Pouarua Farm

The Landcorp Pouarua Farm is a 2,206 hectare farm property comprised in one title, and operated as eight separate dairy units each with its own infrastructure with an overall total of 25 houses, four single accommodation units, eight cowsheds and ancillary buildings, including a central office. The Farm supplies to Open Country Cheese.

The farm comprises a peat soil type of varying depth and consolidation situated in the north-western Hauraki Plains:



Orchard West Road forms the northern boundary of the land and the southern boundary falls just south of Torehape Road East. There are four roads that extend in a north-south direction through the property being Pouarua Road South, Central Road South, Canal West Road, and Waikumete Road. The maximum distance of the overall property on a north-south axis is 6.7km, and 6.9km on a west-east axis.

The farm covers a substantial portion of the northern dome of the 'Hauraki peat swamp', consisting of varying levels of both mineralised and raw peat over blue clay. A large portion of the area has previously been mined for peat and rehabilitated to pasture. The property is operated as eight separate dairy units called (imaginatively) B,C,D,E,F,G,H and J. Each unit varies in size from 74 hectares to 487 hectares:



Production over the last seven years has varied from 1,392,000 kg - 1,811,000 kg milksolids, with an average of 1,582,000 kg milksolids. Last season, production was at 1,600,227 kg produced from 4,875 cows at the peak.

Apart from the races, drains and building sites, together with 40 hectares of Dairy Unit H which is an ex-peat mine, the area is in ryegrass and clover based pasture (with some 150 ha in Tall Fescue). The pasture is generally dense with quality best in the highly productive northern area, while the southern area is particularly suited to crop production, especially maize.

All the dairy farms are fenced, and water is supplied from a community scheme.

The following list shows the principal buildings for each farm unit:

Unit B	<ul style="list-style-type: none"> 📍 Dwelling – 43 Central Rd 📍 Cowshed – 20 a side herringbone 📍 Other buildings
Unit C	<ul style="list-style-type: none"> 📍 Dwellings: <ul style="list-style-type: none"> 📍 89 Central Rd 📍 165 Central Rd 📍 180 Central Rd 📍 199 Central Rd 📍 Single mens accommodation 📍 Farm office 📍 Cowshed – 40 a side herringbone 📍 Other buildings
Unit D	<ul style="list-style-type: none"> 📍 Dwellings: <ul style="list-style-type: none"> 📍 672 Torehape Rd 📍 717 Torehape Rd 📍 Cowshed – 30 a side herringbone 📍 Other buildings
Unit E	<ul style="list-style-type: none"> 📍 Dwellings: <ul style="list-style-type: none"> 📍 290 Torehape Rd 📍 258 Torehape Rd 📍 Cowshed – 30 a side herringbone 📍 Other buildings
Unit F	<ul style="list-style-type: none"> 📍 Dwellings: <ul style="list-style-type: none"> 📍 22 Central Rd 📍 42 Central Rd 📍 88 Central Rd 📍 Cowshed – 42 a side herringbone 📍 Other buildings

Unit G	<ul style="list-style-type: none"> 📍 Dwellings: <ul style="list-style-type: none"> 📍 665 Torehape Rd 📍 691a Torehape Rd 📍 691b Torehape Rd 📍 638 Torehape Rd 📍 585 Torehape Rd 📍 595 Torehape Rd 📍 Cowshed – 42 a side herringbone 📍 Other buildings
Unit H	<ul style="list-style-type: none"> 📍 Dwellings: <ul style="list-style-type: none"> 📍 252 Pouarua Rd 📍 281 Pouarua Rd 📍 Cowshed – 50 bail rotary 📍 Other buildings
Unit J	<ul style="list-style-type: none"> 📍 Dwellings: <ul style="list-style-type: none"> 📍 6 Waikumete Rd 📍 58 Waikumete Rd 📍 93 Waikumete Rd 📍 119 Waikumete Rd 📍 137 Waikumete Rd 📍 Single mens accommodation 📍 Cowshed – 70 bail rotary 📍 Other buildings

Crown Offer

The Crown has agreed, subject to certain conditions, to make a payment, on account of the comprehensive Pare Hauraki Treaty settlements, to an entity representing Ngāti Maru, Ngāti Pāoa, Ngāti Tamaterā, Ngāti Tara Tokanui and Te Patukirikiri to enable that entity to acquire the Pouarua Farm.

The Crown will pay to the PSGE, at a specified time, the amount required to purchase the Pouarua Farm. The Pouarua Deed requires that the full payment be applied to the Pouarua Farm purchase price. The amount will form part of, and be deducted from, the financial redress amount to be provided by the Crown in the settlement of the historical claims of each of those iwi.

The steps required before the Crown will release the on-account payment are successfully undertaking the ratification process, achieving Crown recognition of the Pouarua Deed and PSGE ratification, and establishment of the Pouarua Farm Limited Partnership.

A full copy of the Pouarua Deed and PSGE document can be obtained from:

- 📍 The websites of each iwi (listed in the table below); and
- 📍 Te Puni Kōkiri regional offices (Pouarua Deed only).

Iwi	Website	Contact
Ngāti Maru	www.ngatimaru.iwi.nz	Paul Majurey – 0274 955 741
Ngāti Pāoa	www.ngatipaoa.co.nz	Peter Mason – 09 985 6545
Ngāti Tamaterā	www.tamatera.co.nz	John McEnteer – 021 985 127
Ngāti Tara Tokanui	www.ngatitaratokanui.co.nz	Amelia Williams – 021 501 312 Russell Karu – 027 572 5278
Te Patukirikiri	www.patukirikiri.co.nz	William Peters – 027 625 4980

3. Post-Settlement Governance Entity

Before settlement redress can be transferred, a legal structure known as a post-settlement governance entity (“PSGE”) must be in place to receive and manage the redress.

For the Pouarua Farm on-account settlement, a limited partnership entity is proposed as the PSGE.

Accountability of the PSGE is from the iwi limited partnership through the individual iwi asset holding companies (“AHCs”) back to the individual iwi PSGEs and through the PSGEs to the iwi members themselves. The proposed entity has been approved by the Crown.

All adult registered members of Ngāti Maru, Ngāti Pāoa, Ngāti Tamaterā, Ngāti Tara Tokanui and Te Patukirikiri are entitled to vote on whether they support the Pouarua Farm Limited Partnership.

A detailed explanation of the proposed structure will be provided as part of the information hui and a copy of the proposed PSGE document and other relevant documentation can be obtained from the website of each iwi (see Section 2).

This section provides an overview of the proposed PSGE. Expert advice has been taken to identify the best option for the iwi governance arrangements, with the aim of achieving effective structures that comply with legislative requirements. The independent experts engaged by the iwi have confirmed that the proposal outlined below offers the most effective means to manage the Pouarua Farm redress to establish enduring benefits for the iwi.

The proposed governance structure is made up of:

- 🕒 The Pouarua Farm Limited Partnership: it will, via the general partner, receive and manage the Pouarua Farm redress on behalf of the iwi.
- 🕒 Iwi-specific asset holding entities: these will be companies and will be the limited partners in the limited partnership. They will appoint four directors (including one independent) on the Pouarua Farm Limited Partnership.
- 🕒 Iwi-specific PSGEs: these will control the relevant iwi AHCs.

Pouarua Farm Limited Partnership

The Pouarua Farm Limited Partnership will manage the Pouarua Farm on behalf of Ngāti Maru, Ngāti Pāoa, Ngāti Tamaterā, Ngāti Tara Tokanui and Te Patukirikiri.

What is a limited partnership?

In business terms, a partnership is an entity made up of a group of people or other entities, who agree to carry on a business together with a view to profit. A limited partnership is a special type of partnership. It has a legal personality separate from its partners (like a company has a separate legal personality from its shareholders) and is comprised of one or more general partners and one or more limited partners. A person cannot be a general partner and a limited partner in the same limited

partnership. The key differences between general partners and limited partners are set out as follows:

General Partner	Limited Partner
Responsible for the management of the limited partnership.	Prohibited from participating in the management of the limited partnership.
LIABLE for the unpaid debts of the limited partnership to the extent that the debts cannot be met by the limited partnership itself.	Similar to shareholders of a company, in the sense that they have “limited” liability. Limited partners are usually only liable for the amount of any capital contribution they have made to the limited partnership.

Why limited partnerships?

A limited partnership allows maximum discretion for each iwi PSGE to determine its own internal ‘fit for purpose’ structuring. At the same time it provides for the accountability, transparency and representation principles required.

The limited partnership structure will facilitate a chain of accountability and representation from the Pouarua Farm Limited Partnership through the AHCs, to the iwi PSGEs and to each iwi.

The limited partnership will be controlled by the general partner (discussed below), which in turn will be controlled by and accountable to the iwi AHCs, who in turn will be controlled by and accountable to each of their respective constituent iwi PSGEs, and who in turn will represent and be accountable to their respective beneficiaries.

Iwi AHCs

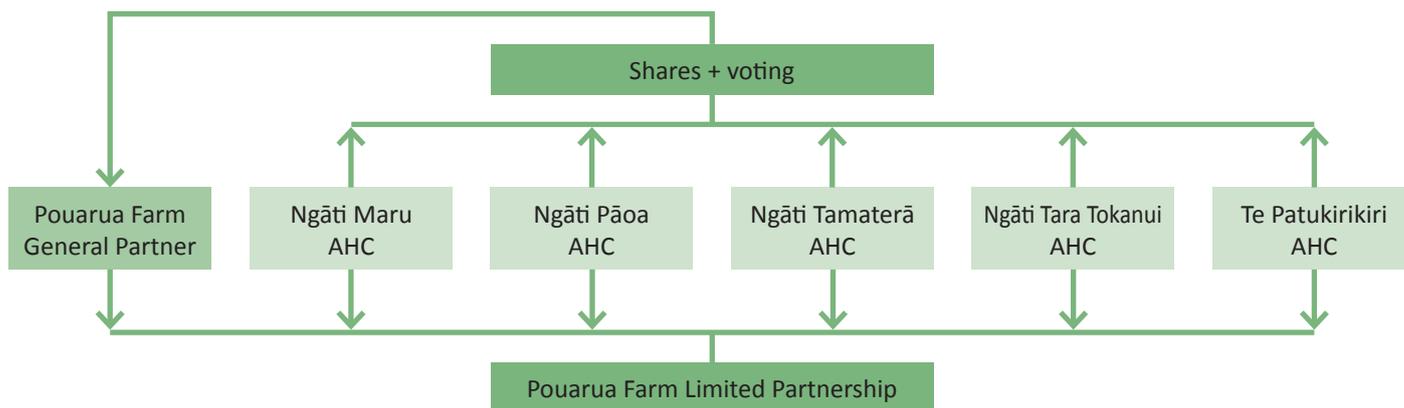
The iwi will each establish an asset holding company to be the limited partners in the Pouarua Farm Limited Partnership.

The general partner in the Pouarua Farm Limited Partnership

The iwi AHCs will each own shares in a company (Pouarua Farm General Partner Limited) that will be formed to be the general partner of the limited partnership. The iwi will appoint four directors to the board of that company. As the general partner, the Pouarua Farm General Partner Limited will manage the business of the limited partnership for the iwi.

The general partner company will be controlled by and accountable to the iwi AHCs, which will in turn be controlled by the respective iwi PSGEs. The iwi AHCs will have the right to remove and appoint directors to the board of the general partner and to ensure accountability.

The general partner must comply with and is constrained by the terms of the Limited Partnership Agreement.



Transparency

The general partner limited partnership will prepare a “strategic plan” to be approved by the limited partners. The strategic plan will set out the activities of the limited partnership and its long-term strategic vision. The general partner will be required to act consistently with the strategic plan, annual plan and budget.

The general partner of the limited partnership will be required to provide regular reports to the limited partners regarding the conduct of the limited partnership.

The general partner of the limited partnership will ensure accounts are kept and financial statements prepared in respect of each financial year in accordance with the Limited Partnerships Act 2008 and generally accepted accounting principles. Those financial statements will be audited.

Representation

The members of each iwi will elect the trustees of their iwi PSGE. The PSGEs will in turn establish subsidiary AHCs, as provided for under the terms of the PSGE trust deeds. The iwi AHCs will be the limited partners in the Pouarua Farm Limited Partnership.

The board of the general partner will be constituted by the limited partners appointing directors to that board.

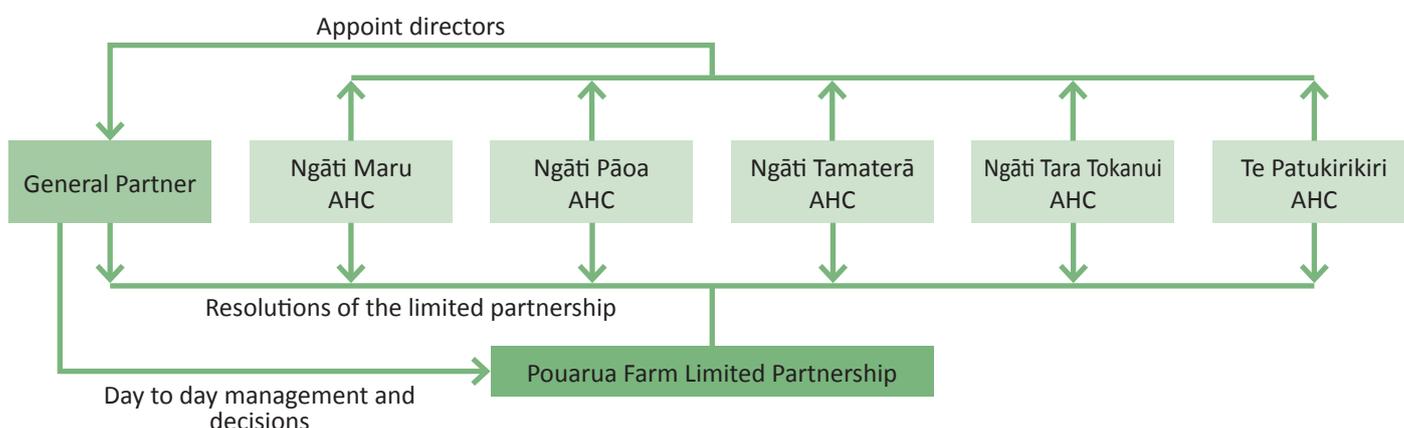
The AHCs will be able to influence the general partner of the limited partnership by way of the directors on the board of the general partner exercising available votes. The directors must act in the best interests of the general partner.

What involvement can the iwi AHCs have in the decision making of the limited partnership?

The iwi AHCs, as limited partners, cannot directly take part in the management of the Pouarua Farm Limited Partnership. Limited partners can, however, be involved in other ways as they will:

- Be shareholders of the general partner and appoint directors to the board of the general partner. Those directors can then make decisions for the partnership.
- Approve a strategic plan, receive an annual plan and budget, and receive regular reports. This will inform the iwi AHCs on the strategic direction and performance of the limited partnership and influence these matters through the appointed directors on the board of the general partner.

In this way, and in the way the partnership agreement and constitution of the general partner company define the rights and roles of the iwi AHCs, the AHCs can participate in the decision making of the limited partnership.



Limited partnership funding

Ongoing administration costs for the limited partnership will be funded by the iwi AHCs. A budget for this administration will be agreed by the general partner each year. Funds will then be contributed by each of the iwi AHCs for these administration costs.

How will profits / losses be returned?

Profits and losses are shared (generally) in accordance with the limited partners' shares. When the Limited Partnership is formed these shares will reflect the initial contributions to the purchase of Pouarua Farm but the limited partners are able to sell some or all of their interest under the terms of the Limited Partnership Agreement.

Iwi PSGEs

Ngāti Maru and Ngāti Tamaterā already have their PSGEs established.

Te Patukirikiri has held a ratification process and is awaiting confirmation of Crown recognition.

Ngāti Tara Tokanui and Ngāti Pāoa have chosen to ratify their respective PSGE at this time. Separate PSGE information has been provided to the members of those iwi.

4. Eligibility to Vote

The Pouarua Deed and associated PSGE are subject to ratification by members of Ngāti Maru, Ngāti Pāoa, Ngāti Tamaterā, Ngāti Tara Tokanui and Te Patukirikiri.

All registered adult members (aged 18 and over) of the iwi are eligible to vote and are encouraged to do so.

If you are a member of more than one iwi, you may vote for each of the iwi with which you are registered. For example, if someone is a member of both Ngāti Tamaterā and Ngāti Tara

Tokanui then they may vote once for each of those iwi. This will result in some members who are validly registered with multiple iwi casting a vote for each iwi.

This process for voting will allow the Crown and iwi to determine the rates at which each iwi ratify the Pouarua Deed and PSGE.

If someone you know is not yet registered with their iwi please encourage them to enrol before voting closes by visiting the website of their iwi:

Iwi	Website	Contact
Ngāti Maru	www.ngatimaru.iwi.nz	Paul Majurey – 0274 955 741
Ngāti Pāoa	www.ngatipaoa.co.nz	Peter Mason – 09 985 6545
Ngāti Tamaterā	www.tamatera.co.nz	John McEnteer – 021 985 127
Ngāti Tara Tokanui	www.ngatitaratokanui.co.nz	Amelia Williams – 021 501 312 Russell Karu – 027 572 5278
Te Patukirikiri	www.patukirikiri.co.nz	William Peters – 027 625 4980

People will also be able to register at the information hui (see Section 6) and vote through the special vote process.

5. Voting Process

Voting period

The voting period will run for four weeks - from Thursday, 15 August 2013 to noon, Friday 13 September 2013.

Eligible members of Ngāti Maru, Ngāti Pāoa, Ngāti Tamaterā, Ngāti Tara Tokanui and Te Patukirikiri have three ways to vote:

- Postal voting;
- Electronic voting; or
- Voting form submitted in person at ratification information hui.

Resolutions

Eligible members of the iwi are invited to vote on two resolutions (and some voters will also be invited to vote on a third resolution to accept a proposed PSGE for their iwi).

Each eligible voter will be invited to make one vote for each of the following resolutions using their voting method of choice:

"I, as a member of [name of iwi], support the Pouarua Farm On-Account Settlement. YES/NO"; and

"I, as a member of [name of iwi], agree that the Pouarua Farm Limited Partnership will be the post-settlement governance entity for the Pouarua Farm On-Account Settlement. YES/NO"

Special vote process

Special votes can be made at any of the ratification information hui or by contacting the Returning Officer on the toll free election helpline – 0508 666 104.

Voters must complete a special voting form if they:

- turn 18 years during the voting period; or
- enrol as an iwi member during the voting period.

6. Information Hui

The purpose of the information hui is to ensure that members of Ngāti Maru, Ngāti Pāoa, Ngāti Tamaterā, Ngāti Tara Tokanui and Te Patukirikiri have the information required (in addition to the documentation provided via the voter packs and websites) to make a fully informed decision on whether to vote for the

Pouarua Deed and associated PSGE.

The mandated negotiators for the iwi strongly urge all members of the iwi to attend at least one of the following information hui:

Date	Time	Venue
Monday, 26 August 2013	6pm	Thames Civic Centre
Tuesday, 27 August 2013	6pm	Paeroa Racecourse
Wednesday, 28 August 2013	6pm	Verandah Function Centre, Hamilton Lake
Thursday, 29 August 2013	6pm	Manukau Room, Manukau Civic Centre

Your iwi may also hold hui as part of the Pouarua Deed ratification process and will provide you with the relevant details.

7. Post-Ratification Steps

The ratification votes will be counted by an independent company (Electionz.com) and the results provided to Ngāti Maru, Ngāti Pāoa, Ngāti Tamaterā, Ngāti Tara Tokanui and Te Patukirikiri.

Each of the iwi will inform the Minister for Treaty of Waitangi Negotiations and the Minister for Māori Affairs of the results of the ratification process. If the Crown considers there is appropriate support for the Pouarua Deed, then representatives of the Crown and Ngāti Maru, Ngāti Pāoa, Ngāti Tamaterā, Ngāti Tara Tokanui and Te Patukirikiri will sign the Deed.

As the Pouarua Farm redress is on-account, the funding to secure the farm will be provided in advance of the settlement legislation being enacted. However, the PSGE to receive and manage the Farm will need to be first established.

If the Pouarua Deed and/or PSGE are not ratified, the Crown and mandated negotiators will consider what will need to happen next.

For further information, additional voting packs, or in order to register, please contact ElectionNZ on 0508 666 104, or the iwi:

Iwi	Website	Contact
Ngāti Maru	www.ngatimaru.iwi.nz	Paul Majurey – 0274 955 741
Ngāti Pāoa	www.ngatipaoa.co.nz	Peter Mason – 09 985 6545
Ngāti Tamaterā	www.tamatera.co.nz	John McEnteer – 021 985 127
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Te Patukirikiri	www.patukirikiri.co.nz	William Peters – 027 625 4980



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For assistance phone the
Election Helpline 0508 666 104