TERMS OF AGREEMENT BETWEEN

THE CROWN AND

RAUKAWA TRUST BOARD AND

TE PŪMAUTANGA O TE ARAWA TRUST

18 JULY 2008

Parties to these Terms

- 1 The parties to this document, known as the Terms of Agreement, are:
 - a The Crown (as defined in clause 12); and
 - b Raukawa Trust Board ("RTB") on behalf of Raukawa (meaning those people who descend from Raukawa and affiliate to a Raukawa marae); and
 - c Te Pūmautanga o Te Arawa Trust ("TPT") (meaning the governance entity described in the Deed of Settlement dated 11 June 2008 on behalf of Ngāti Tahu Ngāti Whaoa, Tuhourangi Ngāti Wahiao and Ngāti Tuara Ngāti Kearoa).

Background Recitals

- 2 In 1989, the RTB filed a comprehensive treaty claim with the Waitangi Tribunal outlining broad areas of grievance suffered by Raukawa uri (descendants). A key element of these claims were issues relating to waterways and specifically the Waikato River.
- 3 In December 2007, the Crown entered into an agreement in principle with Waikato-Tainui for the settlement of their historical claims in relation to the Waikato River. The overarching purpose of that proposed settlement is to restore and protect the health and well-being of the Waikato River, and to enter a new era of co-management in relation to the river.
- 4 A key aspect of that proposed settlement has been the formation of the Guardians Establishment Committee on which Raukawa and Te Arawa have one member each to represent their interests as Waikato River iwi. The committee has the lead role and function of developing the Vision and Strategy for the Waikato River.
- 5 In June 2008, the Crown and RTB entered into terms of negotiation for the settlement of historical claims of Raukawa. Those terms specifically recognised and provided for the commencement of negotiations of Raukawa's claims to the Waikato River in advance of their comprehensive negotiations.
- In June 2008, the Crown and TPT entered into a Deed of Settlement for the comprehensive settlement of all historical claims of Affiliate Te Arawa Iwi and Hapu, inclusive of claims for the Waikato River. Pursuant to the Deed, the Crown undertook to provide co-management arrangements over the Waikato River in recognition of the interests of the relevant Affiliate Te Arawa Iwi and Hapu in the Waikato River.

- 7 RTB and TPT have since developed and committed to a memorandum of understanding, which governs their interrelationship and engagement in settlement negotiations as Waikato River iwi.
- 8 Concurrent negotiations in respect of the Waikato River identified an opportunity and the Crown invited RTB and TPT to advance co-management arrangements for the river from Huka Falls to Karapiro (Upper Waikato River).

Purpose of these Terms

- 9 These Terms:
 - a set out the scope, objectives, and procedures for the immediate negotiations the parties will conduct in order to provide for comanagement of the Upper Waikato River;
 - b seek to respect the co-management framework which the Crown and Waikato-Tainui are negotiating in respect of the Waikato River from Karapiro North to Te Puaha o Waikato, whilst preserving flexibility for an integrated and holistic approach for co-management of the Waikato River between all interested Waikato River iwi;
 - c are without prejudice to other terms, agreements in principle or deeds of settlement between the parties for settling historical claims of RTB and TPT in relation to the Waikato River, or other historical claims of RTB;
 - d record the intentions of the parties regarding the negotiation process, including the intention to negotiate in good faith, confidentially and without prejudice, and in accordance with the tikanga of Raukawa and the relevant Affiliate Te Arawa Iwi and Hapu; and
 - e are not legally binding and do not create a legal relationship. However, the parties acknowledge that during negotiations each expects the other to use best endeavours to comply with these terms.

Key Objectives of Negotiations

- 10 The parties agree to negotiate an agreement in relation to the Upper Waikato River in accordance with the following key objectives:
 - a addressing or taking into account the parties' respective positions on a description of the Waikato River;
 - b reflecting a commitment by the Crown, RTB and TPT to enter a new era of co-management over the Upper Waikato River with an overarching

purpose to improve and protect the quality, health and well-being of the river for the enjoyment of present and future generations;

- c supporting the ongoing relationships of RTB and TPT with interested groups; and
- d acknowledging a high level of good faith engagement and consensus decision-making between the parties, while having regard to existing statutory frameworks.

General Objectives of Negotiations

- 11 The parties agree to negotiate in good faith in accordance with the following general objectives, an agreement which:
 - a assists RTB and TPT to enhance the mana and tino rangatiratanga of their people;
 - b is durable and fair, just and reasonable, and in accordance with the tikanga of Raukawa and the relevant Affiliate Te Arawa Iwi and Hapu;
 - c does not:
 - i diminish or in any way affect any rights that RTB and TPT have arising from Te Tiriti o Waitangi/The Treaty of Waitangi and its principles, except to the extent that claims arising from these rights are settled;
 - ii extinguish or limit any aboriginal or customary rights that RTB and TPT may have;
 - d recognises the nature and extent of the breaches of the Crown's obligations to RTB and TPT under Te Tiriti o Waitangi/the Treaty of Waitangi and its principles, and where appropriate, acknowledges the effect these breaches have had on the economic, social, cultural and political well-being of RTB and TPT and their relationships to the Upper Waikato River;
 - e enhances the ongoing relationship between the parties, restores RTB's and TPT's faith and trust in the Crown, and restores the honour of the Crown; and
 - f demonstrates and records that the parties have acted honourably and reasonably in negotiating the agreement.

Definition of the Crown

12 The Crown:

- a means the Sovereign in right of New Zealand; and
- b includes all Ministers of the Crown and all government departments; but
- c does not include:
 - i an Office of Parliament; or
 - ii a Crown entity; or
 - iii a State Enterprise named in the First Schedule to the State-Owned Enterprises Act 1986.

Mandates

- 13 The Crown has accepted the mandate of TPT to engage in settlement negotiations under these terms.
- 14 The Crown acknowledges that RTB has wide support from Raukawa to begin negotiations under these terms. The parties acknowledge that RTB is currently going through a formal mandating process, and that these terms may be reviewed at the conclusion of that formal mandating process and a deed of mandate and Crown recognition of that mandate may be attached to these terms.
- 15 If representation issues arise during negotiations that cannot be resolved by agreement between the parties, the Crown will discuss a process to address those issues with RTB and TPT.

Subject Matter for Negotiation

- 16 The parties agree the following subject matter for negotiations, but not limited to:
 - a establishment of a statutory entity to implement co-management for the Upper Waikato River;
 - b empowerment of that statutory entity with powers and functions to fulfill its role, including the appropriate level of recognition of the Vision and Strategy for the Waikato River;

- c determination of representative membership for the statutory entity, including the parameters of third party engagement and composition to recognise other interests;
- d commitment of resources associated with the statutory entity;
- e the provision of other redress components in relation to RTB; and
- f the ongoing process, milestones and timeframes to implement the agreement between the parties.

Timeframes and Communication

- 17 The negotiations process and timeframes will be guided by key milestones agreed between the parties, with the anticipation of reaching an agreement on or before the end of August 2008.
- 18 Each party will need to ensure regular and appropriate internal consultation procedures throughout the negotiations, taking into account the need to keep other parties informed, but also the need for confidentiality regarding third parties.
- 19 The Crown will aim to ensure relevant departments are aware of the nature and subject matter of the negotiations with the objective of advising RTB and TPT of any issues that arise in the course of negotiations that may cause concern.

Conditions of Settlement

20 The parties acknowledge that these terms do not bind either party to reach a settlement and that any agreement reached in negotiation discussions is confidential, without prejudice, and will not be binding until embodied in a Deed of Agreement and enabling legislation.

Negotiation Funding

- 21 In respect of negotiations pertaining to the Upper Waikato River, the Crown will provide a contribution to the negotiation costs of RTB and TPT.
- 22 The Crown's funding contribution for RTB's comprehensive negotiations will be determined following the completion of mandate, and is separate from the Upper Waikato River funding contribution. Crown funding contributions to other negotiations costs of either RTB's or TPT's participation in the Central North Island Collective claims are also separate from the Upper Waikato River funding contribution.

- 23 Details of the Crown's contribution to negotiation costs under these terms will be specified in a separate funding letter to RTB and TPT that sets out, amongst other things, the levels of funding, details of milestones, and timing of payments.
- 24 The parties agree to work together to ensure fairness and transparency in these funding arrangements, and agree to inform each other of issues that arise, and work together to resolve those issues if possible.
- 25 The RTB and TPT will provide the Crown with an annual report from an independent auditor for the claimant funding that it receives from the Crown under these terms, identifying that the funding has been spent on the negotiations.

Waiver of Other Avenues of Redress

26 The parties agree that during the negotiations process under these terms, neither party will pursue nor initiate before any court or tribunal, any proceedings for redress covering all or part of the same subject matter as these negotiations.

Other Procedural Matters

27 The parties agree that:

- a in the event of any party forming an intention to advance a proceeding in any court or tribunal, the initiating party will provide the other parties with 2 working days notice before initiating, pursuing, or joining a proceeding;
- **b** negotiations will be on a "without prejudice" basis and will be conducted in good faith and in a spirit of co-operation;
- c negotiations will be conducted in private and will remain confidential unless agreed otherwise (such as when consultation with third parties is necessary) or when the Crown is required to release information under the Official Information Act 1982;
- d the Crown will promptly provide RTB and TPT with any correspondence or documentation it receives about the negotiations if that information is of a kind that would require disclosure in response to a request for it under the Official Information Act 1982;
- e if satisfied that continuing negotiations between the parties is untenable, any party may terminate negotiations by giving 2 working days written notice to the other parties; and

- f it may be necessary to amend these terms of negotiation from time to time during the negotiations and agree that all amendments must be approved by both parties and recorded in writing; and
- g any media statements concerning the negotiations will only be made when mutually agreed by the parties to these terms.

SIGNED THIS DAY OF JULY 2008

For and on behalf of the Crown:

Hon Dr Michael Cullen Minister of Treaty of Waitangi Negotiations

Hon Mita Ririnui Associate Minister of Treaty of Waitangi Negotiations

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Hon Parekura Horomia

Minister of Maori Affairs

Hon Shane Jones

Associate Minister of Treaty of Waitangi Negotiations

SIGNED THIS DAY OF JULY 2008

For and on behalf of Raukawa Trust Board:

George Whakaroi Rangitutia Chairman Raukawa Trust Board

Thomas Tomairangi Smith Trustee Raukawa Trust Board

Miriata Te Hiko Trustee Raukawa Trust Board

in Taka Edmonds

Trustee Raukawa Trust Board

Horohuia Simmonds Trustee Raukawa Trust Board

Kanguluroto The

Rangitiriata Hodge Trustee Raukawa Trust Board

SIGNED THIS DAY OF JULY 2008

For and on behalf of Te Pūmutanga o Te Arawa Trust:

Eru,George,

Chairman/Te Pūmutanga o Te Arawa Trust

Roger Pikia Trustee Te Pūmutanga o Te Arawa Trust

To R. Ma

Te Rangipuawhe Maika Trustee Te Pūmutanga o Te Arawa Trust

angiheula

Anaru Ranigheuea

Trustee Te Pūmutanga o Te Arawa Trust