

MEMORANDUM OF UNDERSTANDING

1 At meetings held at Parliament on 26 and 27 August 1992 of the Crown and Maori ("the Parties") through their representatives and agents [a list of those in attendance is attached as Annex 1] considered a proposal that the Crown provide Maori with capital to participate in a joint venture with Brierley Investments Ltd ["BIL"] to purchase Sealord Products Ltd ("Sealords"). In return Maori will withdraw all existing litigation [specify: a list of all proceedings is attached as Annex 2] and support the repeal of all legislative references to Maori fishing rights and interests including, but not limited to, repeal of S.88(2) of the Fisheries Act 1983 and an amendment to the Treaty of Waitangi Act 1975 ("the TOW Act") to exclude from the Tribunal's jurisdiction claims related to commercial fishing.

2 The Parties wish to record their preliminary understandings on the matters agreed during the discussions which were conducted on a without prejudice basis without an intention to create legal relations. This Memorandum of Understanding ("MOU") does not create legal relations between the Parties, or in favour of third parties. Both acknowledged the need to seek endorsement of the matters contained in this MOU from their respective principals. Following which it is the Parties desire to enter into a binding Agreement.

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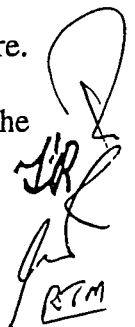


3 The Parties note the proposal currently being considered is one of the utmost importance to the Crown and Maori in the pursuit of a just settlement of Maori fishing claims and express their mutual and solemn acknowledgment that the settlement if concluded will mark the resolution of an historical grievance. The Parties also express their intention that the discussions proceed in a spirit of cooperation and good faith.

4 Both Parties recognise that the mandate of the Maori principals is a key threshold issue to the further progress of the proposal.

5 The Crown's willingness to enter into a binding Agreement will be dependent on Maori:

- a agents confirming their mandate from Maori for the proposal;
- b endorsing the Quota Management System ["QMS"];
- c obtaining from all Maori litigants currently involved or having interests represented in fishing litigation
 - i a notice of discontinuance of the proceedings;
 - ii undertakings that they will not be re-issued in any form in respect of Maori fishing rights and interests of any nature. Such undertakings are to be in a form satisfactory to the Crown;

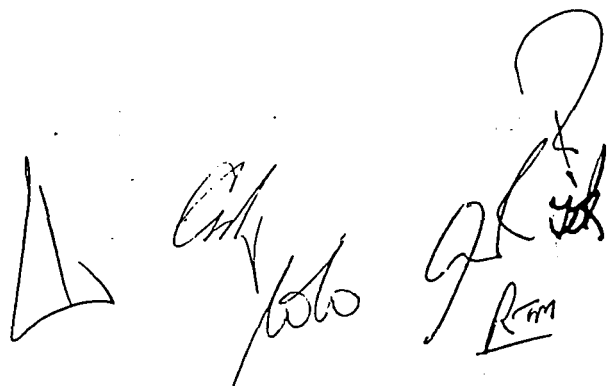


- d supporting the legislative repeal of S.88(2) of the Fisheries Act 1983, and such other legislative provisions as may confer legal entitlements to fishing rights and interests of Maori;

- e agreeing that the effect of the proposal is to satisfy and extinguish (other than to the extent they will be available to Maori as to all New Zealanders) all commercial fishing rights and interests, whether they arise from customary rights, the Treaty, or otherwise, and whether or not there has been any adjudication by the Waitangi Tribunal pursuant to the TOW Act;

- f agreeing that this settlement of fishing claims is a first call against any fund which the Government establishes as part of the Government's overall settlement framework for all Maori claims arising from the Treaty, which framework Maori acknowledge has fiscal restrictions;

- g agreeing that the settlement is ultimately for the benefit of Maori and that a scheme for the distribution of benefits is to be provided to the Crown for its perusal prior to the entering into the Agreement;



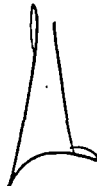
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- h undertaking a due diligence investigation of Sealords;

- i agreeing that they will obtain the following in the joint-venture agreement with BIL:
 - a Maori will acquire at least 50% interest in Sealords;
 - b Maori will not, without Crown consent, dispose of their interest during the payment period and will not dispose of the quota from Sealords until the end of that payment period;
 - c Maori obtain from BIL the first option of purchasing BIL's interest in Sealords or any quota held by it.

- j agreeing the payment price is to be used solely for the development and involvement of Maori in the fishing industry;

- k agreeing that in respect of fishing rights not related to commercial fishing, although no longer having legal effect or legislative recognition, may be the subject of requests by Maori to the Government that it develop policies to help recognise traditional use and management practices.


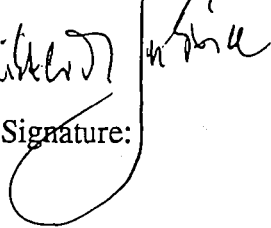


- 6 Maori willingness to enter into a binding Agreement is dependent on the Crown:
- a agreeing to provide the sum of one hundred and fifty million (\$150m) net of GST to be provided to [Maori, Maori Fisheries Commission, Te Waka Unua Ltd] on the basis of an initial payment of \$50m in 1992 and two subsequent payments of \$50m in two successive financial years ("the payment period");
 - b agreeing that as new quota for species is issued as a result of the extension of the QMS, 20% of such new quota will be allocated to Maori Fisheries Commission for distribution to iwi;
 - c agreeing that Maori will participate in any relevant statutory fishing management and enhancement policy bodies.
- 7 The Parties agree that any binding agreement between the Parties will provide that any payment by the Crown shall be conditional on agreement of Maori to all the conditions outlined in para 5, and of the Crown to all the conditions outlined in para 6.



8 The Parties agree to nominate appropriate persons to agree and report back on the details of the requirements listed in paras 6 and 7 with a proposal for a timetable for the entering into a binding Agreement.

9 The Parties agree that if they enter into a binding Heads of Agreement and the Sealords Joint Venture purchase by Maori and BIL does not proceed, no further steps are required of them, in terms of this MOU, which shall then have a without prejudice status in relation to litigation between the Crown and Maori.


Minister of Justice
Signature: 


K. I. Mawhete
Signature: 

Signature: 



ANNEX 1

Hon Matiu Rata

Sir Graham Latimer

Robert Te Kotahi Mahuta

Tipene O'Regan

Whatarangi Winiata

Richard Dargaville

Prime Minister, Rt Hon J B Bolger

Minister of Justice, Hon Douglas Graham (Chair)

Minister of Fisheries, Hon Douglas Kidd

