

**Deemed Coastal Permit - Review of Conditions  
under Sections 10(4) of the Aquaculture Reform  
(Repeals and Transitional Provisions) Act 2004**

**In the Matter of an Application to Vary, Add or Delete Conditions of  
Coastal Permit**

**File Reference:** MFL446

**Consent Holder:** The New Zealand King Salmon Company Limited

**MFL446 is a Deemed Coastal Permit to:** Occupy space in the coastal marine area.

**Location:** Otanerau Bay, outer Queen Charlotte Sound

**Site No:** 8396

**Proposal:** To vary, add or delete conditions of deemed coastal permit No 446 for the purpose of farming **Chinook salmon** (*Oncorhynchus tshawytscha*) and **snapper** (*Chrysophrys auratus*) in accordance with the provisions of the Act.

**Decision on  
Application to Vary, Add or Delete Conditions of Coastal Permit**

Pursuant to Sections 10(4) of the Aquaculture Reform (Repeals and Transitional Provisions) Act 2004 the following decision has been made by the Marlborough District Council:

**Conditions now state:**

**Coastal Permit - Occupancy and Activity**

1. That this permit shall expire on 31 December 2024.
2. That without restricting the consent holder from reasonably undertaking the activities authorised by this resource consent, the consent holder shall not undertake the activities in such a way that would effectively exclude the public from the permit area.
3. That there shall be no feed artificially introduced into the marine farm unless a specific coastal permit for discharge is firstly obtained. The current discharge permit is U040217. Only extruded pellets or similar shall be fed at the marine farm.

4. That the occupancy be limited to the **3.25 hectare area** (marked 'Li 446') illustrated on the plan attached to this consent, and confined to the area specified within the schedule of New Zealand Map Grid co-ordinates.

### Coastal Permit - Structures

5. That the structures be limited to anchors, ropes, droppers, floats, cages, racks, lights and other necessary navigational aids associated with the marine farming of the approved species. All structures shall be situated and secured so as to remain within the boundaries of the **2.0 hectare** area approved for placing of structures. The number of structures shall be at the discretion of the consent holder, but shall not exceed the area shown on the attached plan (maximum **2.0 hectares**).
6. That the placement of marine farm lighting and marking shall be approved by the Harbourmaster under his Maritime Delegation from the Director of Maritime New Zealand pursuant to Sections 200, 444(2) and 444(4) of the Maritime Transport Act 1994. The approved lighting plan is attached.
7. That each corner of the combined cage structure carries the name of the consent holder, and the site number issued by Marlborough District Council (#8396), displayed in bold clear letters in such a manner that they can be clearly read from a distance of 10 metres.
8. That the consent holder maintain all structures to ensure that they are restrained, secure and in working order at all times so as to not create a navigational hazard and take whatever steps are reasonably necessary to retrieve any non-biodegradable debris lost in or from the permit area.
9. That upon the expiration, determination, forfeiture or surrender of the coastal permit the consent holder shall remove all structures, rafts, buoys, longlines, blocks, and all associated equipment from the site, and restore the area as far as is practicable to its original condition, and to the reasonable satisfaction of Council. If the consent holder fails to comply with this clause Council may arrange compliance on their behalf and at the consent holder's expense.
10. That in accordance with section 128 of the Resource Management Act 1991, the Marlborough District Council may review the conditions of this consent at any time for the purpose of ensuring that any actual or potential effects on the environment arising from the exercise of this consent are avoided, remedied or mitigated. See also condition 32 below.

### Reasons for Decision

The grounds for approving these changes are that the majority of the existing conditions in the original licence are already provided for by the RMA (e.g. access), by the changes to Fisheries regulations (i.e. registration), or are no longer required (e.g. general provisions). The new conditions are consistent with the RMA and with those in current use.

As the review of conditions relates to existing structures and operations it will not adversely affect other users or values of the area, and will align all marine farms to consistent conditions and processes.

The proposal will not have any adverse effect on the environment.

## Other Matters

1. Unless otherwise specified, this is the full text of the decision.

### **Appeal Information**

2. If intending to object to this decision, the objection must be lodged with the Marlborough District Council within 15 working days of the receipt of this decision.

Authorised under the Marlborough District Council's Instrument of Delegation by:

  
.....  
Marlborough District Council Commissioner

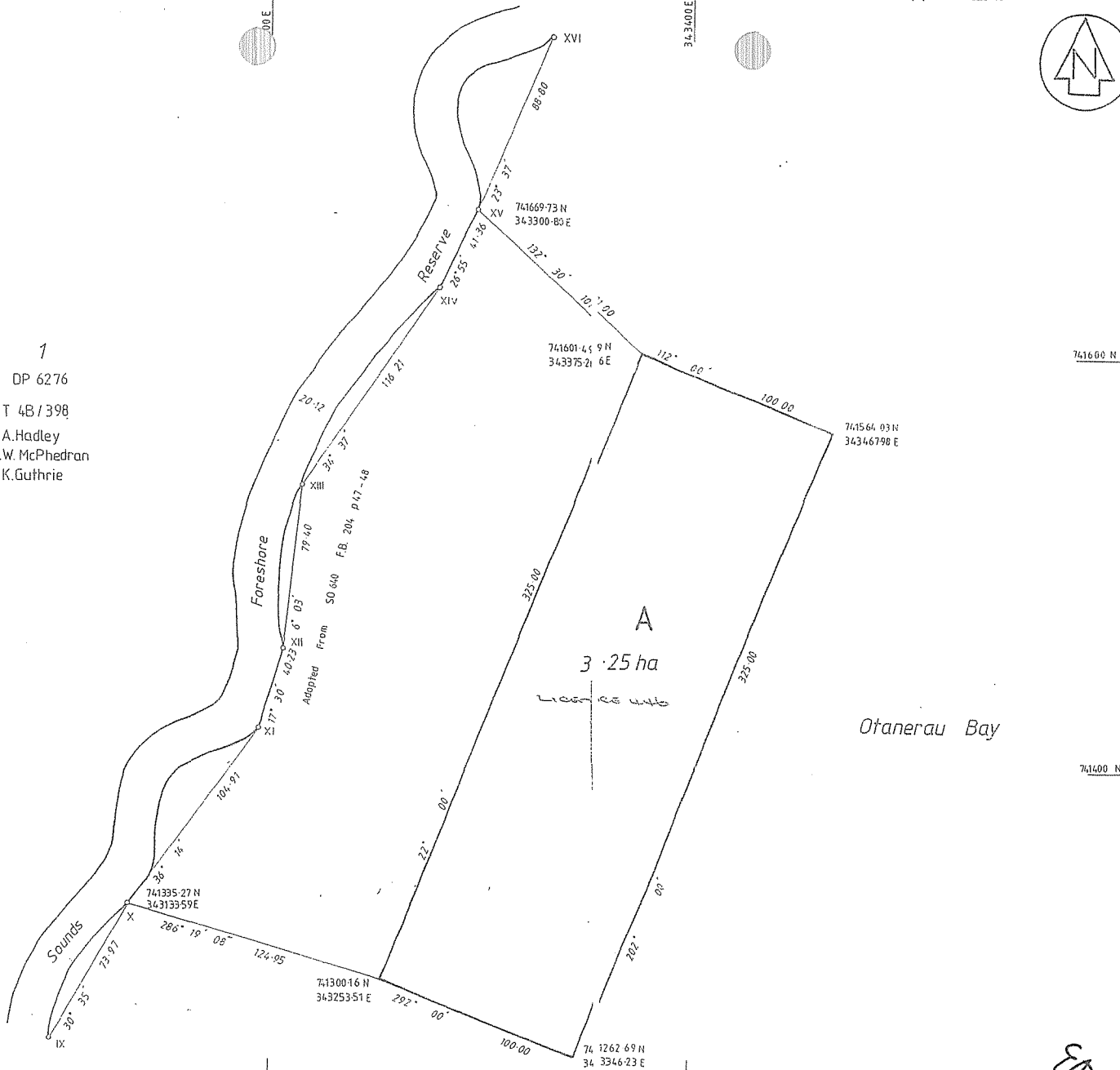
Dated this 26<sup>th</sup> day of November ..... 2007

## Important Notes

1. That the conditions of this deemed coastal permit be read in conjunction with the conditions of any associated resource consents (currently being U040217).
2. Site following: 'following' forms part of fin fish farming activities and that this consent shall not lapse pursuant to Section 125 of the Resource Management Act 1991 if the site is vacated of structures for the purpose of following the seabed.

\\jsm1....O:\Resourceconsent\MFL\MFL446-NZ King Salmon Co Ltd-Deemed Coastal Permit-Decision Document.doc Saved 08/10/2007 10:56:00

1  
 DP 6276  
 CT 4B/398  
 J.A.Hadley  
 D.W.McPhedran  
 J.K.Guthrie



Approvals

Datum: Old Cadastral  
 Marlborough Circuit Coordinates

Origin: Goulter Hill  
 700000 mn  
 300000 mn

Origin of Coordinates:  
 XV SO 640 741669.73 N  
 343300.80 E

Total Area 3.25 ha

Comprised in Application No F65/201  
 Regal Salmon Limited

I, ALAN DONALD BELCHER  
 Registered Surveyor and holder of an annual practising certificate for who  
 may act as a registered surveyor pursuant to section 25 of the Survey Act  
 (1986) hereby certify that this plan has been made from surveys executed  
 by me or under my directions, that both plan and survey are correct and  
 have been made in accordance with the Survey Regulations 1972 or any  
 regulations made in substitution thereof.  
 Dated at BLENHEIM, this 14<sup>th</sup> day  
 of NOVEMBER 1989 Signature *[Signature]*

Field Book 204 p.47-48 Traverse Book p  
 Reference Plans SO 640

Examined *[Signature]* 20-11-89 Correct *[Signature]* 20-11-89

Approved  
*[Signature]*  
 Chief Surveyor

Deposited this day of 19

District Land Registrar

File 11/76  
 Recd. 14-11-89  
 Instructions

506868

LAND DISTRICT, MARLBOROUGH  
 Survey Blk. & Dist. XVIII GORE  
 NZMS 261 Sheet Q.27 Record Map No. 3-1

PLAN OF AREA APPLIED FOR UNDER SEC 5 MARINE  
 FARMING ACT 1971

TERRITORIAL AUTHORITY Marlborough Dist  
 Surveyed by D.O.S.L.I.  
 Scale 1:1500 Date Nov 1989

Structures and lighting plan:

RECEIVED  
 21 FEB 2005  
 WAIKATO DISTRICT COUNCIL

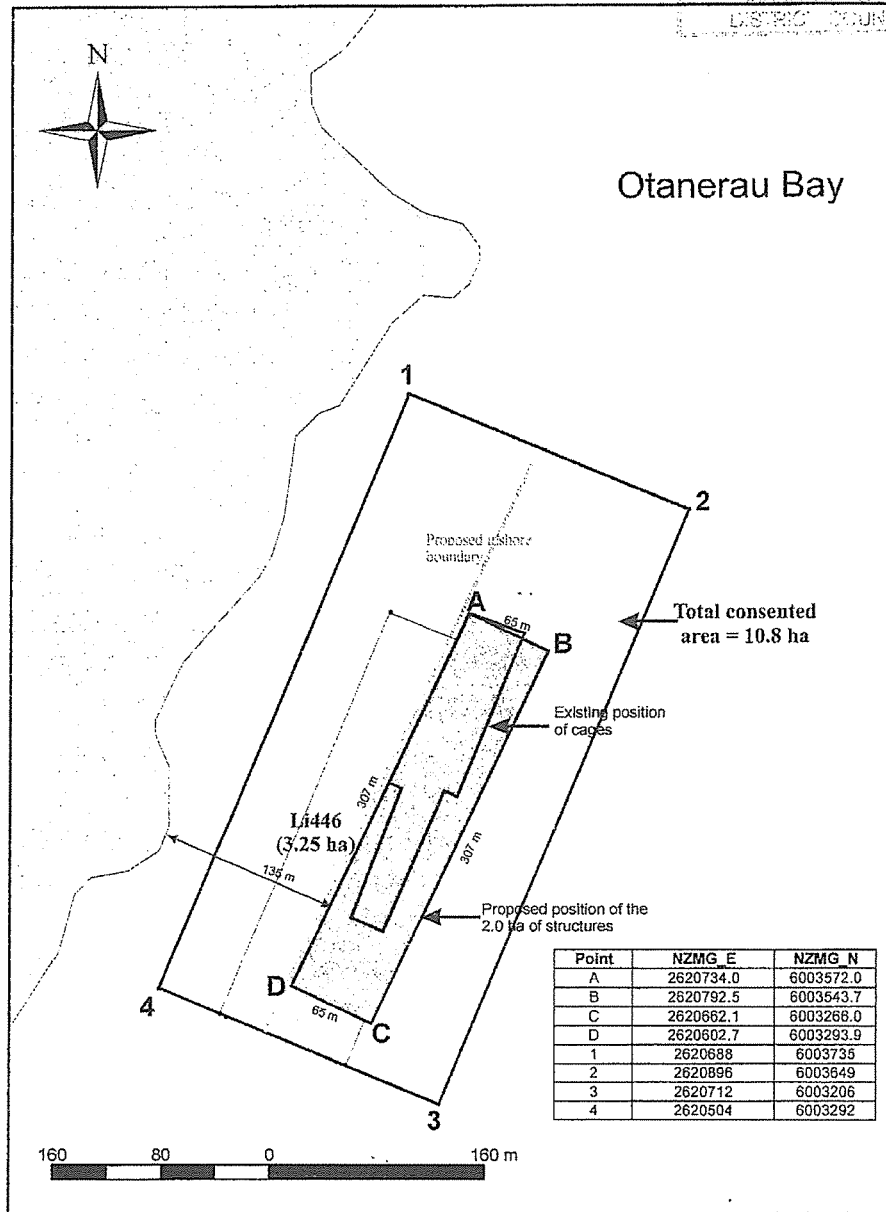


Figure 1: Proposed layout of the Otanerau Bay salmon farm (2.0), showing the present position of the farm.

EAD

**Marine Farm Lighting and Marking Plan –  
MPE763, MFL446, U040217 (Site no.8396)**

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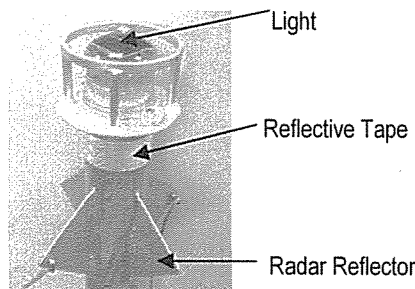
I, Alexander van Wijngaarden, Harbourmaster of Marlborough District Council, hereby approve, under Maritime Delegation from the Director of Maritime New Zealand pursuant to Sections 200, 444(2) and 444(4) of the Maritime Transport Act 1994, the lighting and marking associated with coastal permit MPE763, MFL446, U040217 (Site no.8396), located in Otanerau Bay, outer Queen Charlotte Sound as follows:

1. That each end of each longline display an orange buoy, as shall the middle of each of the seawardmost and landwardmost longlines.
2. That a yellow light, radar reflector and a band of reflective tape 50 millimetres in width be displayed in the positions marked 'A' on the attached structures plan. The lights shall be solar powered and shall have the following characteristics:

**Flash:** Flashing (5) every 20 seconds. Length of flashes no less than 1 second. Interval between flashes, no less than 1 second.

**Range:** At least 1 nautical mile.

**Height:** Greater than 1.0 metre above the surface of the water.



3. That radar reflectors and a band of reflective tape 50 millimetres in width be displayed in the positions marked 'B' on the attached structures plan.
4. That a band of reflective tape 50 millimetres in width be displayed in the positions marked 'C' on the attached structures plan.

Given under my hand this 21<sup>ST</sup> day of NOVEMBER 2007



ALEXANDER VAN WIJNGAARDEN

Structures and lighting plan:

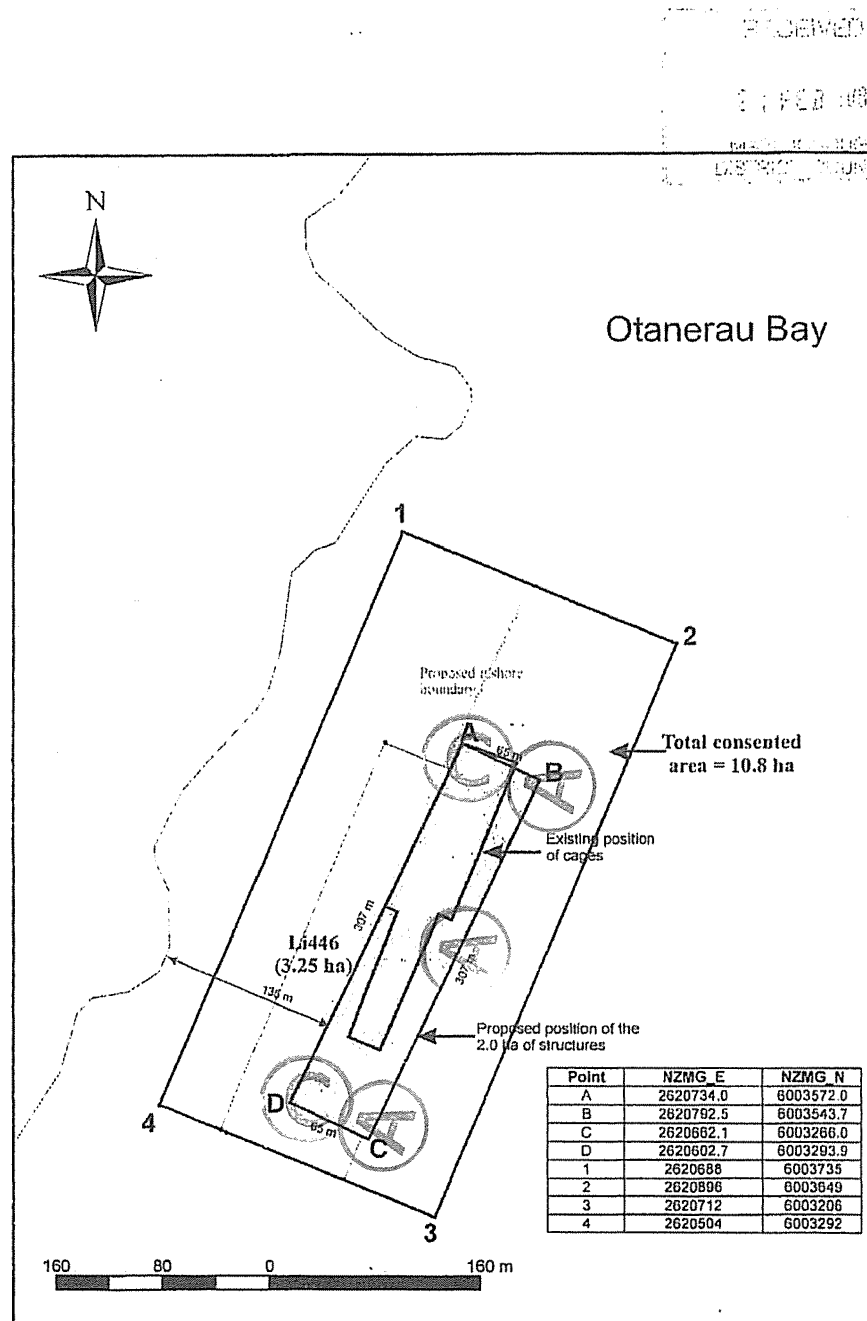


Figure 1: Proposed layout of the Otanerau Bay salmon farm (2.0), showing the present position of the farm.

*[Handwritten signature]*  
21/11/07

Certified Copy  
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For Chief Executive  
Ministry of Fisheries

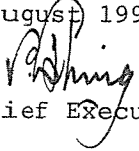
RONALD JAMES JENKINS

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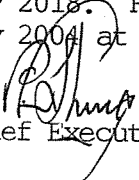
Assignment to The New Zealand King  
Salmon Company Limited. Registered  
on 5 August 1996 at 1115 hours.

- with -

HER MAJESTY THE QUEEN

  
Chief Executive.

Extension of term to expire on  
31 July 2018. Registered on  
15 July 2004 at 0800 hours.

  
for Chief Executive

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Marine Farm Licence No. 446  
(Under the Marine Farming  
Act 1971)

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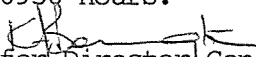
Registered in Marine Farming Register  
of Leases/Licences on 1 AUGUST 90



Assignment to Regal Salmon Limited  
registered on 9 January 1992 at 0800  
hours

  
for Director General

Variation to include snapper (*Chrysophrys  
auratus*) registered on 24 March 1994 at  
0930 hours.

  
for Director General



## LICENCE UNDER THE MARINE FARMING ACT 1971

### Licensor

The Minister of Agriculture and Fisheries (hereinafter referred to as "the Licensor") is the controlling authority under the Marine Farming Act 1971 (hereinafter referred to as "the Act") of the area described in the schedule hereto (hereinafter referred to as "the area").

### Licensee

RONALD JAMES JENKINS (together with executors, administrators, successors and permitted assigns hereinafter called "the Licensee").

### Licence

The Licensor upon the execution of this instrument subject to the terms and conditions set out below has agreed to grant to the Licensee a licence of the area for a term of 14 years beginning on the FIRST day of *AUGUST* 1990 at an annual licence fee to be determined from time to time and payable in advance on the FIRST day of *AUGUST* each calendar year, for the use of the area as a marine farm pursuant to the provisions of the Act.

### Conditions

1 THE LICENSEE HEREBY COVENANTS with the Licensor as follows:

- (1) The licensee will at all times comply with the provisions of the Act and Regulations, notices and requirements made or issued pursuant to the Act.



(2) The Licensee shall pay the annual licence fee to the Director-General of Agriculture and Fisheries (in this instrument called the "Director-General") at the NELSON Office of the Ministry of Agriculture and Fisheries.

(3) If the Licensee is at any time in arrears with payment of the annual licence fee he shall not remove from the area any fish, shellfish or marine vegetation farmed in that area except with the written consent of the Director-General.


(4) The licensee shall utilize and cultivate in a proper manner the area for the purpose of farming CHINOOK SALMON (Oncorhynchus tshawytscha).

(5) The Licensee shall not erect, place, moor or keep in the area any structure, raft, buoy or buoyed sea cage which is not first approved by the Ministry of Transport at Wellington and provided with such functioning beacons, lights, buoys, fog signals and other equipment as the Ministry of Transport may lawfully require.

(6) The Licensee shall not transfer any live salmon from the area to any other waters (not being a marine farm) without prior approval in writing of the Manager, Freshwater Fisheries Centre of MAF Fisheries.

(7) Only dry pelleted feed is to be used. The use of alternative food must be approved in writing by the Regional Manager, MAF Fisheries (CENTRAL).

(8) If the Licensee knows or suspects that any fish kept pursuant to this Licence is or may be affected by any Category A disease specified as such from time to time by the Director-General by notice published pursuant to the



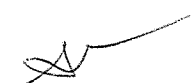
Freshwater Fish Farming Regulations 1983 in the Gazette, or knows or suspects that any fish kept pursuant to this Licence is or may be affected by any disease or condition he cannot identify, he shall, within 24 hours after the time when he discovers or first suspects the fish to be diseased, advise the Director-General or officer in charge of salmon diseases at the Ministry of Agriculture and Fisheries Freshwater Fisheries Centre, Kyle Street, Christchurch, and shall keep the fish diseased or suspected to be diseased from coming in contact with other fish.

(9) If the Licensee knows or suspects that any fish kept pursuant to this Licence is or may be affected by any Category B disease specified as such from time to time by the Director-General by notice published pursuant to the Freshwater Fish Farming Regulations 1983 in the Gazette, and the fish do not respond to treatment within 14 days, advise the Director-General or the officer in charge of salmon diseases at the Ministry of Agriculture and Fisheries Freshwater Fisheries Centre, Kyle Street, Christchurch, and shall keep the fish diseased or suspected to be diseased from coming in contact with other fish.

(10) The Licensee shall not transfer any diseased fish to another farm or release into any waters any diseased fish kept at any licensed area.

(11) Any authorised officer may from time to time, by notice in writing to the licensee:

- (a) Require the licensee to carry out such action for the prevention of disease among the fish on the farm as is specified in the notice.




- (b) Where the officer believes on reasonable grounds that any fish on the fish farm is diseased, require the licensee to carry out such action for the treatment of the disease and the decontamination of any nets, buoys, buoyed sea cages or other structures as is required in the notice.

(12) Where an authorised officer believes on reasonable grounds that:

- (a) The fish is affected by any disease specified in a Category A notice; or
- (b) The fish is affected by any disease specified in a Category B notice which cannot be treated effectively on the farm; or
- (c) The fish is affected by any other disease of such a nature as to require his urgent action, -

he may destroy any fish stocks affected, and may take steps as he considers necessary to decontaminate any nets, buoys, buoyed sea cages or other structures, or may, by notice in writing to the licensee, require him to destroy those fish stocks and take such steps as are specified in the notice to decontaminate those structures.

(13) No compensation shall be payable in respect of any fish destroyed by an authorised officer pursuant to conditions (11) or (12) of this licence or pursuant to a notice given by an authorised officer under conditions (11) or (12) of this licence.



(14) The Licensee shall not use tri-n-butyltin as an antifoulant agent on any equipment used or brought onto the licence site.

(15) The Licensee shall not use polystyrene or other similar material as floatation unless it is encased so as to prevent the material breaking up.

(16) The Licensee shall not deposit dead salmon, salmon offal or blood water within the farm area or in the sea but shall dispose of said dead salmon, salmon offal or blood water in a manner and location approved in writing by the NELSON-MARLBOROUGH Regional Council.

(17) The Licensee may be required by notice in writing from the Regional Manager, MAF Fisheries (CENTRAL) to inspect or have inspected the sea bed of the farm area and/or the area in the vicinity. The inspection procedures and sampling programme to be described in the notice.

(18) The Licensee may be required by notice in writing from the Regional Manager, MAF Fisheries (CENTRAL) to remove waste deposits from the licence area at their own expense.

(19) The Licensee or operator shall maintain a written record of all salmon sold or transferred which must show the following details of each transaction:

Quantity

Weight

Date of transfer or sale

Name and address of processor or dealer to whom  
consigned

Such a record is to be available for inspection at any reasonable time by an officer of the Ministry of Agriculture and Fisheries.

(20) The Licensee shall provide annually, not later than the last date of June each year:

(a) A production log showing the monthly harvest of fish by weight (broken down by age for the previous year);

(b) Any other such information not specified above but which may be specified in writing to the Licensee by the Regional Manager, MAF Fisheries (CENTRAL).

(21) The Licensee or farm operator shall keep a record of all disinfectants, antibiotics, antifoulants or any other chemicals used in the licence area which must show the following information for each application:

- (a) Chemical name
- (b) Quantity
- (c) Date
- (d) Reason for use

(22) The Licensee shall on the expiration, determination, forfeiture or surrender of the licence, remove all structures, rafts, buoys, buoyed sea cages, anchors, anchor lines and other plant from the area, and restore the area as far as practicable to its original condition to the reasonable satisfaction of the Licensor.

(23) If the Licensee fails to comply with clause (22) of this licence the Licensor may at the expense of the Licensee, take such steps as are necessary to fulfil the

Licensee's obligations under that clause.

(24) The Licensee shall take steps to ensure that the fish, shellfish or marine vegetation farmed in the area are not rendered unfit for human consumption by disease, infection by marine pests, contamination by sewage or by any other cause.

(25) The Licensee will maintain in good order and repair all structures, rafts, buoys, buoyed sea cages, beacons, notice boards and other plant in the area and will not permit such to deteriorate through want of repair so as to be, become, or cause, in the opinion of the Licensor a hazard or potential hazard to navigation.

(26) The Licensee will permit and facilitate free access to, over and from any raft, structure, buoy or buoyed sea cage to any officer in the employment of the Crown authorised by the Director-General who may from time to time wish to enter and inspect the area to ensure that the provisions of the Licence and the Act, or any regulations, notices or requirements made or issued pursuant to the Act, are being complied with or not contravened.

(27) The Licensee shall not assign, sublet or part with the possession of the whole or any part of the area without the prior consent in writing of the Licensor.

(28) The Licensee shall not site any seacages less than 100 metres from shore.



## 2 THE LICENSOR HEREBY COVENANTS WITH THE LICENSEE AS FOLLOWS:

The Licensor or any Officer of the Crown who under the terms of this licence or the Act enters and inspects the area shall not reasonably interfere with the use of the area or with any raft, structure, buoy, buoyed sea cage, mooring arrangements, mooring or navigational marks, or fish or marine vegetation of the species authorized to be farmed in terms of this licence.

Provisos

## 3 PROVIDED ALWAYS and it is hereby agreed and declared by and between the Licensor and Licensee that:

(1) The licence shall be liable to forfeiture without payment of compensation if the Licensee:

- (a) Cannot be found, or has abandoned the area, or has died and no personal representative has claimed the area within 12 months after his death; or
- (b) Has not within a period of two years from the commencement of the licence, or within such further period as the Licensor may specify by notice in writing to the Licensee, begun to develop to the satisfaction of the Licensor the area as a marine farm for the farming of the species specified in this licence; or
- (c) Defaults in or is in breach of any term or condition of this licence;

(2) If after a period of seven years from the commencement of this licence the Licensee has not developed the whole of





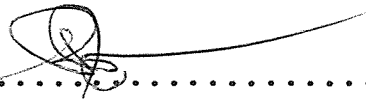
the area as a marine farm, such part of the area as shall then remain undeveloped shall be liable to forfeiture.

(3) If the licence, or part of the area, is liable to forfeiture and the Licensee has failed after notice has been given to him to remedy the default or breach, the Licensor may forfeit the licence without action and may thereupon re-enter and recover possession.

SCHEDULE

"All that area containing 3.25ha, more or less, in front of Sounds Foreshore Reserve and Lot 1 DP 6276 shown marked 'A' on SO 6868".

Signed by the Licensee,  
in the presence of .....



Witness .....

Address *147 Gyffe St Blenheim* .....

Occupation *Company Director* .....

The Common Seal of ..... was  
hereunto affixed, in the presence of  
Director .....  
Director .....

Signed by Ken Shirley, Minister of Fisheries, pursuant to section 7 of the Constitution Act 1986, for and on behalf of Her Majesty the Queen, in the presence of .....



Witness *Wahneema Lubiano* .....

Address *PARLIAMENT BUILDINGS* .....

Occupation *PRIVATE SECRETARY* .....

Dated this *11<sup>th</sup>* day of *July* 1990

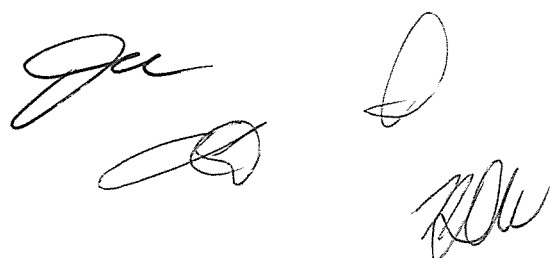
**MEMORANDUM OF VARIATION OF LICENCE  
PURSUANT TO THE MARINE FARMING ACT 1971**

**BETWEEN**                    The Minister of Fisheries (hereinafter referred to as "the Licensor")

**AND**                            REGAL SALMON LIMITED (hereinafter referred to as "the Licensee")

**WHEREAS**

1.     The Licensor, as the Controlling Authority under the Marine Farming Act 1971 (hereinafter referred to as "the Act") has issued Marine Farm Licence Number 446.
  
2.     The Licensor and the Licensee agree to vary the said licence to permit the Licensee to farm SNAPPER (*Chrysophrys auratus*).
  
3.     **THE PARTIES THEREFORE AGREE** to vary the conditions, covenants and agreements in the said licence, pursuant to Section 13 of the Act, in the following manner:
  - A.     All stock which is to be held on the farm must come from a source authorised under the Fisheries Act 1983 or the Marine Farming Act 1971.
  
  - B.     The Licensee shall not transfer any live farm stock from the licensed area to any other waters without prior approval in writing of the Licensor, if previously notified of such a requirement.
  
  - C.     The Licensee shall not transfer any diseased farm stock to any farm or release into any waters any diseased farm stock kept at the licensed area.



- D. If the Licensee knows or suspects that any fish kept pursuant to this licence is or may be affected by any Category A disease specified as such from time to time by the Director-General by notice published pursuant to the Freshwater Fish Farming Regulations 1983 in the Gazette, or knows or suspects that any fish kept pursuant to this licence is or may be affected by any disease or condition the Licensee cannot identify, the Licensee shall, within 24 hours after the time when the Licensee discovers or first suspects the fish to be diseased, advise the Director-General or veterinarian or fish pathologist at the Ministry of Agriculture and Fisheries, and shall keep the fish diseased or suspected to be diseased from coming in contact with other fish.
- E. If the Licensee knows or suspects that any fish kept pursuant to this licence is or may be affected by any Category B disease specified as such from time to time by the Director-General by notice published pursuant to the Freshwater Fish Farming Regulations 1983 in the Gazette, and the fish do not respond to treatment within 14 days, advise the Director-General or veterinarian or fish bacteriologist at the Ministry of Agriculture and Fisheries, and shall keep the fish diseased or suspected to be diseased from coming in contact with other fish.
- F. The Licenser may from time to time, by notice in writing to the Licensee:
- (i) Require the Licensee to carry out such action for the prevention of disease among the stock on the farm as is specified in the notice;
  - (ii) Where the Licenser believes on reasonable grounds that any farmed stock on the marine farm is diseased, require the Licensee to carry out such action for the treatment of the disease and the decontamination of any nets, buoys or other structures as is required in the notice.

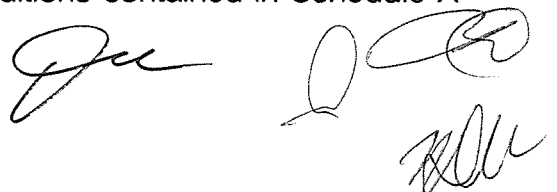


- G. Where the Licensor believes on reasonable grounds that:
- (i) The fish is affected by any disease specified in a Category A notice; or
  - (ii) The fish is affected by any disease specified in a Category B notice which cannot be treated effectively on the farm; or
  - (iii) The fish is affected by any other disease of such a nature as to require the Licensor's urgent action -

The Licensor may destroy any fish stocks affected, and may take steps as is considered necessary to decontaminate any nets, buoys, buoyed sea cages or other structures, or may, by notice in writing to the Licensee, require the Licensee to destroy those fish stocks and take such steps as are specified in the notice to decontaminate those structures.

- H. No compensation shall be payable in respect of any fish required to be destroyed by the Licensor pursuant to conditions (F) or (G) of this licence or pursuant to a notice given by the Licensor under conditions (F) or (G) of this licence.
- I. The Licensee shall not use any feed other than that occurring naturally in the area without prior approval in writing of the Licensor.
- J. The Licensee shall not use tributyl tin as an antifoulant agent on any equipment used or brought onto the licence site.
- K. Recordingkeeping and reporting requirements.

The licensee shall comply with the conditions contained in Schedule A attached.

The block contains several handwritten signatures and initials in black ink. On the left, there is a signature that appears to be 'Jue'. To its right, there are several other marks, including a large 'Q' or 'O' shape, a signature that looks like 'B', and another signature at the bottom right that is less legible.

## SCHEDULE A

### MARINE FARMING LICENCE - RECORDKEEPING REQUIREMENTS

1. Manner and form in which records kept :
  - (a) Be kept in such manner and format that they can be readily retrieved and made available for examination
  - (b) Be held at either
    - (i) The place of business of the licensee, or
    - (ii) Any other premises that are appropriate having regard to where the records are initially prepared
  - (c) Be retained for a period of not less than 7 years after completion of the transactions or period to which they relate.

2. Retention of Records:

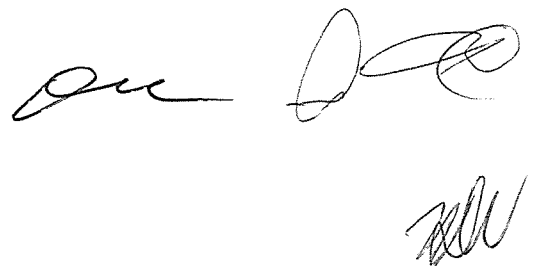
All records produced and/or available to the licensee that contribute to the audit trail of species farmed shall be retained.

3. Failure to keep Records:

Where the Director General considers that the licensee is or has not been completing or retaining the records in an appropriate manner -

- (a) The Director General may, by notice in writing, direct the licensee as to the manner in which the records are to be completed or retained; and
- (b) The licensee shall thereafter ensure that records completed or retained comply with that direction.

Failure to comply with such direction may be treated as a wilful breach of conditions of the licence.

The image shows three handwritten signatures in black ink. The top two are larger and more stylized, while the third is smaller and located below them.

4. Inspection of Records

Any person who is required to keep or who has control of any records required to be kept shall, on request at any reasonable time by the Director-General , forthwith (and without charge) produce the records requested and make them available for inspection.

5. Additional Requirements

Where the Director-General considers it necessary, and after consultation with the licensee, the Director-General may require the licensee to keep such additional records as are appropriate.

The block contains three handwritten signatures in black ink. The top signature is on the left, the middle one is on the right, and the bottom one is centered below the other two.

THEREFORE, from the date of this agreement, the Marine Farm Licence Number 446 shall be varied to the extent outlined in Clauses 3(a) to (K) above and apart from the agreed variation, the present conditions, covenants and agreements shall continue to apply.

Signed by the Licensee .....  
in the presence of

Witness     R. Wood      
Address     Blenheim      
Occupation     office worker    

The Common Seal of REGAL SALMON LIMITED  
was hereunto affixed in the presence of

Director     [Signature]      
Director     [Signature]      
    Authorised Officer    



Signed by Douglas Lorimer Kidd, Minister  
of Fisheries, pursuant to Section 7 of  
the constitution Act 1986, for and on  
behalf of Her Majesty the Queen, in  
the presence of     [Signature]    

Witness     Karen Jayne      
Address     WELLINGTON      
Occupation     PRIVATE SECRETARY    

\_\_\_\_\_ being the Mortgagee of Marine Farm Licence Number \_\_, by  
mortgage registered on \_\_\_\_\_, hereby consent to the above  
variation.

VARIATION OF SPECIES

Registered in Marine Farming Register

of Licences, Licences on 24.3.94

*[Handwritten signature]*



**MEMORANDUM OF VARIATION OF LICENCE**  
**(ISSUED UNDER THE MARINE FARMING ACT 1971)**

PARTIES to this Agreement

1. HER MAJESTY THE QUEEN in right of the Government of New Zealand acting by and through the Minister of Fisheries (in this instrument called "the Licensor").
2. THE NEW ZEALAND KING SALMON COMPANY LIMITED (in this instrument together with executors, administrators, successors and permitted assigns called "the Licensee").

WHEREAS

3. The Licensor is the Controlling Authority in terms of the Marine Farming Act 1971 (in this instrument called "the Act") of the area described in the Schedule attached to Licence Number 446 to which this Memorandum of Variation is attached (in this instrument called "the licensed area").
4. The Licensee has applied for a variation to Licence Number 446 by way of extension to the term of the licence.
5. The Licensor is empowered under Section 13 of the Act to extend the term of the licence provided that the concurrence of the Minister of Conservation and the Minister of Transport has been obtained.
6. The concurrence of the Minister of Conservation and the Minister of Transport has been obtained for the extension of the term of Licence Number 446 to be extended for a period of 14 years from the expiry of the original term.
7. The Licensor and the Licensee have, pursuant to Section 13 of the Act, agreed to vary the conditions, covenants and agreements in the said licence in the following manner:



- A All stock and crop which is to be held on the farm must come from a source authorised under the Fisheries Act 1983 or from other marine farms licensed to take stock under the Marine Farming Act 1971.
- B Notwithstanding (A) above but subject to any other regulations governing the transfer of any species, the licensee shall not transfer any stock from the area to any other waters without prior written approval from the Ministry of Fisheries, Private Bag 14, Nelson if previously notified by this Ministry of such a requirement.
- C The Licensee shall not transfer any diseased farm stock or crop to another farm or release into any waters any diseased farm stock or crop kept at any licensed area.
- D Any authorised officer may from time to time, by notice in writing to the Licensee:
- (i) require the Licensee to carry out such action for the prevention of disease among the stock or crop on the farm as is specified in the notice;
  - (ii) where the officer believes on reasonable grounds that any farmed stock or crop on the marine farm is diseased, require the Licensee to carry out such action for the treatment of the disease and the decontamination of any nets, buoys or other structures as is required in the notice.
- E No compensation shall be payable in respect of any stock or crop required to be destroyed by an authorised officer pursuant to Condition 7(D) of this licence.

F. If requested, the licensee shall undertake a monitoring programme using the best available information at that time, and as approved by the Ministry of Fisheries and/or the Marlborough District Council.

G. Recordkeeping requirements.

(i) For the farming of:

SALMON (*Oncorhynchus tshawytscha*)

the licensee shall comply with conditions contained in Schedule A; and

(ii) For the farming of:

SNAPPER (*Chrysophrys auratus*)

the licensee shall comply with conditions contained in Schedule B.

THEREFORE, from the date of this agreement, the Marine Farm Licence Number 446 shall be varied to the extent outlined in Clauses 7(A) to 7(G) above and apart from the agreed variation, the present conditions, covenants and agreements shall continue to apply.

NOW THEREFORE this Instrument witnesses that in pursuance of the Act and by Agreement between the parties the Licensor hereby extends the term of Licence Number 446 for a period of 14 years beginning on the 1ST day of AUGUST 2004 and expiring on the 31ST day of JULY 2018. The Licensee hereby agrees to this extension of term and all terms and conditions contained herein and contained in Licence Number 446.

## SCHEDULE A

### MARINE FARMING LICENCE - RECORDKEEPING REQUIREMENTS

1. Manner and form in which records kept:

- (a) Be kept in such manner and format that they can be readily retrieved and made available for examination
- (b) Be held at either
  - (i) The place of business of the licensee, or
  - (ii) Any other premises that are appropriate having regard to where the records are initially prepared
- (c) Be retained for a period of not less than 7 years after completion of the transactions or period to which they relate.

2. Retention of Records:

All records produced and/or available to the licensee that contribute to the audit trail of species farmed shall be retained.

3. Failure to keep Records:

Where the Chief Executive considers that the licensee is or has not been completing or retaining the records in an appropriate manner -

- (a) The Chief Executive may, by notice in writing, direct the licensee as to the manner in which the records are to be completed or retained; and
- (b) The licensee shall thereafter ensure that records completed or retained comply with that direction.

Failure to comply with such direction may be treated as a wilful breach of conditions of the licence.



4. Inspection of Records

Any person who is required to keep or who has control of any records required to be kept shall, on request at any reasonable time by the Chief Executive, forthwith (and without charge) produce the records requested and make them available for inspection.

5. Additional Requirements

Where the Chief Executive considers it necessary, and after consultation with the licensee, the Chief Executive may require the licensee to keep such additional records as are appropriate.

## SCHEDULE B

### MARINE FARMING LICENCE - RECORDKEEPING and REPORTING REQUIREMENTS

1. Manner and form in which records kept :

- (a) All transactions which involve a third party a minimum of two documents (ie in duplicate) shall be generated, and each party to the transaction shall obtain and keep one copy.
- (b) Be kept in such manner and format that they can be readily retrieved and made available for examination
- (c) Be held at either
  - (i) The place of business of the licensee, or
  - (ii) Any other premises that are appropriate having regard to where the records are initially prepared
- (d) Be retained for a period of not less than 7 years after completion of the transactions or period to which they relate.

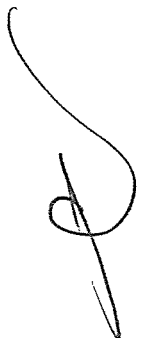
2. Inter-related farming activities

In those instances where the licensee operates several inter-related activities, ie hatchery, nursery, farming (to economic sale size) an adequate audit trail relating to each of the operations should be maintained.

3. Acquisition, disposal and transfer of stock

A record by way of source documentation shall be kept of all stock acquired, disposed of or transferred to another premise not part of the licensee's current farming operation (whether for consideration or otherwise), which shall include the following information:

- (i) Ministry of Fisheries client number (of both purchaser and seller where applicable)
- (ii) Date acquired, disposed of (or transferred)
- (iii) Name and address of both purchaser and seller
- (iv) Quantity (by specific unit)
- (v) Description of stock



- Scientific name and common name
  - Age/growth class
  - Any other details relevant to identifying the stock
- (vi) \$price (if applicable)

4. Losses

A record of all losses (eg mortality, unexplained loss, destruction, etc), which record shall be in sufficient detail to allow the time period and circumstances of loss to be identified.

5. Retention of Records

All records produced and/or available to the licensee (whether specifically identified or not) that contribute to the audit trail of species farmed shall be retained.

6. Failure to keep Records

Where the Chief Executive considers that the licensee is or has not been completing or keeping the records in an appropriate manner -

- (a) The Chief Executive may, by notice in writing, direct the licensee as to the manner in which the records are to be completed or kept; and
- (b) The licensee shall thereafter ensure that records completed or kept comply with that direction

Failure to comply with such direction may be treated as a wilful breach of conditions of licence.

7. Annual Inventory Return to be furnished

- (a) The licensee shall, at least once during each fishing year (being a year commencing on the 1st day of October), furnish to the Chief Executive an annual inventory return of stock owned and/or held, such annual inventory return to include the following information:
  - (i) Date on which inventory return relates
  - (ii) Species
  - (iii) State and/or age/growth class
  - (iv) Weight and/or number
  - (v) Any other details required to adequately identify the type and quantity of stock held
- (b) A nil return shall be furnished in the case of a nil inventory.

(c) Every annual inventory return shall -

- (i) Certify that the return does not contain false or misleading information, and is a true representation of all stock owned and/or held by the licensee as at inventory date; and
- (ii) Be signed by the licensee or by a person authorised to act on behalf of the licensee.

8. Variation from strict requirements in certain cases-

(1) Where the Chief Executive is satisfied that in respect of any licensee or class of licensee

- (a) compliance with any recordkeeping requirement would cause undue hardship or would be impracticable; or
- (b) the purpose behind any recordkeeping requirement could be equally well achieved by any other mode or system of records,-

the Chief Executive may exempt the licensee from the need to comply with that requirement

(2) Any such exemption, -

- (a) May be subject to such conditions, or be for such limited period, as the Chief Executive may specify.
- (b) May be withdrawn by the Chief Executive at any time.

9. Inspection of records

Any person who is required to keep or who has control of any records required to be kept shall, on request at any reasonable time by the Chief Executive, forthwith (and without charge) produce the records requested and make them available for inspection.





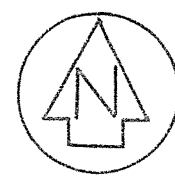
Extension of Term

Registered in Marine Farming Register  
of leases, licences on 13.4.2004

*[Handwritten signature]*



1  
 DP 6276  
 CT 4B/398  
 J.A.Hadley  
 D.W.McPhedran  
 J.K.Guthrie



Approvals

Datum: Old Cadastral  
 Marlborough Circuit Coordinates

Origin: Goulter Hill  
 700000 mn  
 300000 mn

Origin of Coordinates:  
 XV SO 640 741669.73 N  
 343300.80 E

Total Area 3.25 ha

Comprised in Application No F65/201  
 Regal Salmon Limited

I, ALAN DONALD BELCHER  
 Registered Surveyor and holder of an annual practising certificate for who may act as a registered surveyor pursuant to section 25 of the Survey Act 1986 hereby certify that this plan has been made from surveys executed by me or under my directions, that both plan and survey are correct and have been made in accordance with the Survey Regulations 1972 or any regulations made in substitution thereof.  
 Dated at BLENHEIM, this 14<sup>th</sup> day  
 of NOVEMBER 1989 Signature *Alan Donald Belcher*

Field Book 204 p.47-48 Traverse Book p  
 Reference Plans SO 640

Examined *C Jones* 20.11.89 Correct *Sutherland* 20.11.89

Approved  
*[Signature]*  
 Chief Surveyor

Deposited this . . . day of . . . 19 . . .

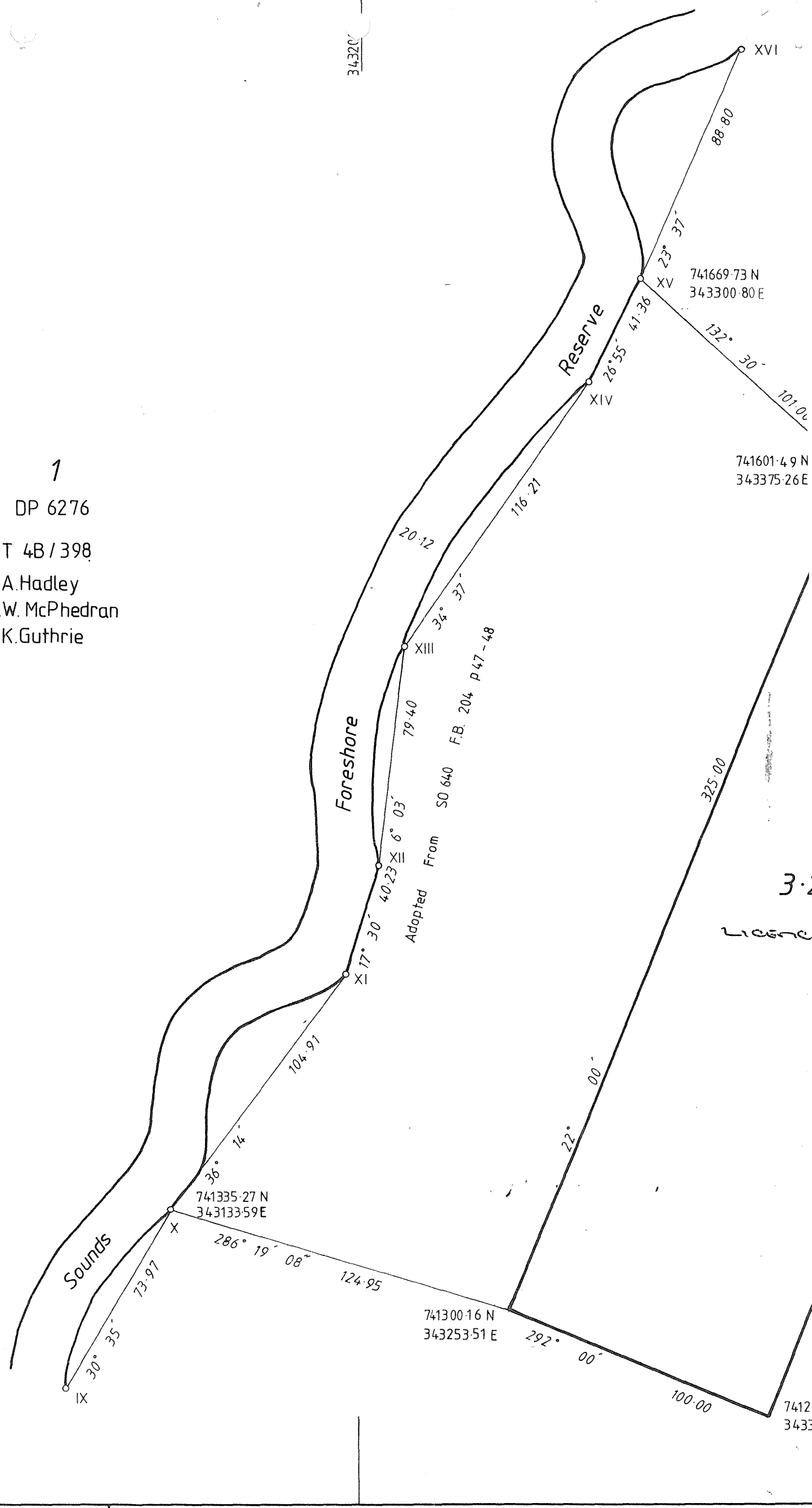
District Land Registrar

File 11/76  
 Recd 14.11.89  
 Instructions **SO 6868**

COMPUTED PLAN

LAND DISTRICT MARLBOROUGH Survey Blk. & Dist. XVIII GORE NZMS 261 Sheet Q.27 Record Map No. 3-1	PLAN OF AREA APPLIED FOR UNDER SEC 5 MARINE FARMING ACT 1971	TERRITORIAL AUTHORITY Marlborough Dist Surveyed by D.O.S.L.I. Scale 1:1500 Date Nov 1989	District Land Registrar
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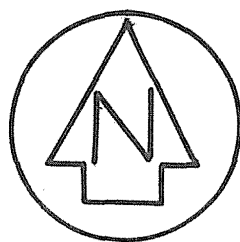
1  
 DP 6276  
 CT 4B/398  
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 J.K.Guthrie



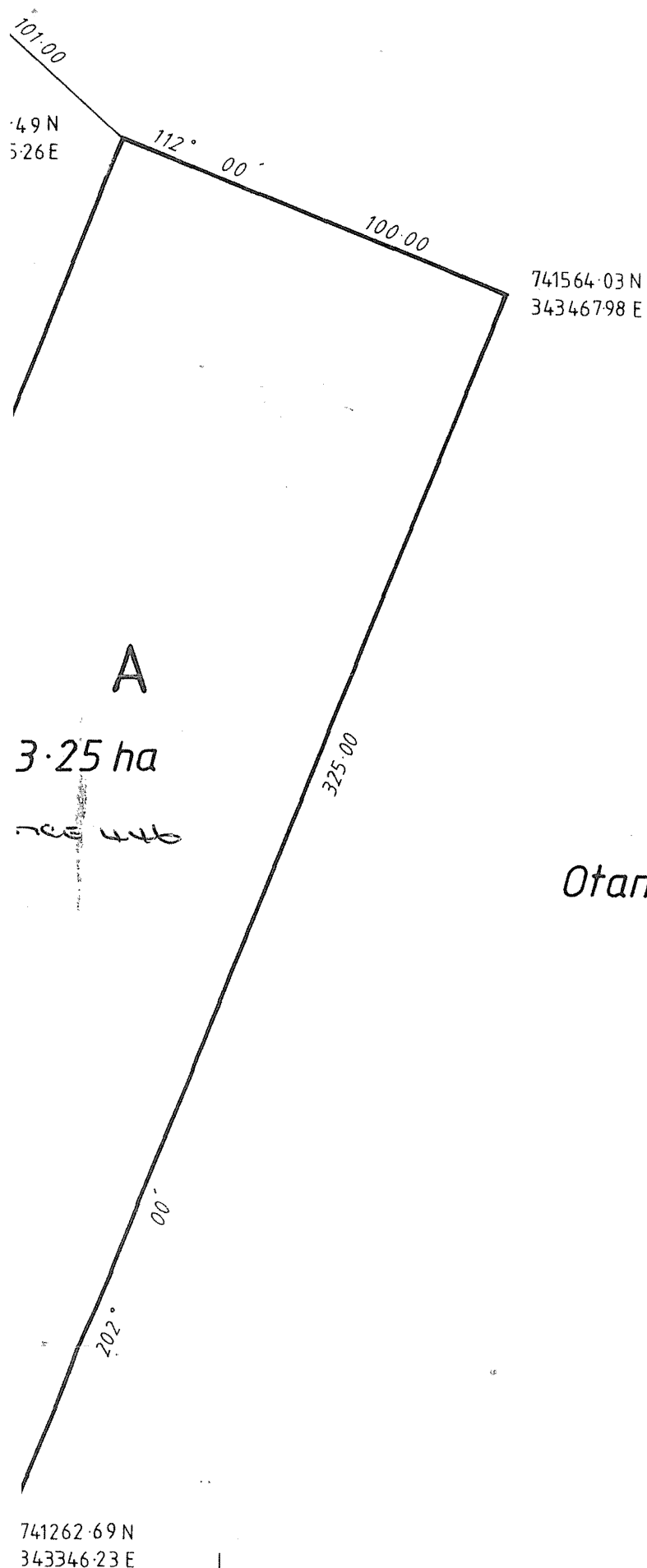
LAND DISTRICT MARLBOROUGH  
 Survey Blk. & Dist. XVIII GORE  
 NZMS 261 Sheet Q.27 Record Map No. 3.1

PLAN OF AREA APPLIED FOR UNDER SEC 5  
 FARMING ACT 1971

343400 E



Approvals



Datum: Old Cadastral  
Marlborough Circuit Coordinates

Origin: Goulter Hill  
700000 mn  
300000 mn

Origin of Coordinates:  
XV SO 640 741669.73 N  
343300.80 E

Total Area 3.25 ha

Comprised in Application No F65 / 201  
Regal Salmon Limited

I, ALAN DONALD BELCHER  
Registered Surveyor and holder of an annual practising certificate (or who may act as a registered surveyor pursuant to section 25 of the Survey Act 1986) hereby certify that this plan has been made from surveys executed by me or under my directions, that both plan and survey are correct and have been made in accordance with the Survey Regulations 1972 or any regulations made in substitution thereof.

Dated at BLENHEIM this 14<sup>th</sup> day  
of NOVEMBER 1989 Signature [Signature]

Field Book 204 p. 47-48 Traverse Book p. ....  
Reference Plans SO 640

Examined C. Jones 20.11.89 Correct Sutherland 20.11.89

Approved  
[Signature]  
22/11/89 Chief Surveyor

Deposited this ..... day of ..... 19.....

District Land Registrar

### COMPUTED PLAN

TERRITORIAL AUTHORITY Marlborough Dist

Surveyed by D.O.S.L.I.

Scale 1:1500 Date Nov 1989

File 111 76  
Received 14.11.89  
Instructions

# SO 6868

5 MARINE