

Term Sheet

in relation to Drury East COVID-19 Recovery (Fast-track
Consenting) Infrastructure Agreement

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Kiwi Property Holdings No. 2 Limited (**Kiwi Property**)

Fulton Hogan Land Development Limited (**Fulton Hogan**)

Oyster Capital Limited (**Oyster Capital**)

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Term Sheet

Kiwi Property, Fulton Hogan and Oyster Capital (together the **Development Parties**) are proposing to carry out development in the Drury East Area (**Developments**), subject to obtaining approval under the COVID-19 Recovery (Fast-track Consenting Act 2020 to undertake their developments.

The Development Parties have identified that infrastructure in the Drury East area will need to be developed to facilitate the proposed developments. This Term Sheet summarises the key terms under which the Development Parties will provide funding to undertake certain infrastructure works in the Drury East area.

No binding obligations will be created unless and until a formal agreement (**Infrastructure Funding Agreement**) has been signed by the Development Parties.

Topic	Description
Parties	<ol style="list-style-type: none"> 1. Kiwi Property Holdings No. 2 Limited, as owner of land described in Plan Change 48; 2. Fulton Hogan Land Development Limited, as owner of land described in Plan Change 49; and 3. Oyster Capital Limited, as owner of land described in Plan Change 50.
Appointment	The Development Parties agree to fund and procure the undertaking of the Infrastructure Works to provide services for the Developments.
Commencement Date	The date on which all conditions precedent to the Infrastructure Funding Agreement have been satisfied or waived.
Conditions Precedent	<p>The obligations of the parties under the Infrastructure Funding Agreement will be conditional upon:</p> <ul style="list-style-type: none"> • Approval by Council of the relevant plan changes for each Development or any other approval that has the same effect such as fast track approval under the COVID-19 Recovery (Fast-track Consenting) Act 2020; and • Obtaining all required consents and approvals in order to undertake the Infrastructure Works; and • Approval by the board of directors of each Development Party
Term	Ongoing from the Commencement Date, until the expiry or termination of the Infrastructure Funding Agreement.
Infrastructure Works	<p>The Infrastructure Works will comprise roading works, to be more particularly defined in the Infrastructure Plan, applicable specifications and the Consents.</p> <p>The Development Parties will select one or more contractors to undertake the Infrastructure Works.</p> <p>The Development Parties will ensure that the Infrastructure Works will be undertaken in accordance with the Infrastructure Plan, applicable specifications and the Consents.</p>

Topic	Description
Funding	The Development Parties will fund the undertaking of the Infrastructure Works in proportions determined following a beneficiary analysis for each portion of the works, on the principle that each Development Party will fund its share of the relevant portion of work based on causation.
Payment Arrangements	<p>The Development Parties will agree a project budget for the Infrastructure Works and will promptly notify each other of any known or anticipated material changes to the project budget.</p> <p>Funds will be made available on a monthly basis to make payments to the contractor(s) appointed to undertake the Infrastructure Works (as certified by the engineer to contract).</p> <p>The Development Parties may agree to appoint an independent certifier to oversee the payment and draw down arrangements.</p>
Infrastructure Plan	An Infrastructure Plan for the delivery of the Infrastructure Works is set out in the Appendix to this Term Sheet and will be further detailed in the Infrastructure Funding Agreement.
Design of the Infrastructure Works	The Development Parties will be responsible for procuring that the design of the Infrastructure Works is in accordance with applicable Council design and engineering standards for such works.
Consents	The Development Parties will be responsible for obtaining all necessary consents and approvals (Consents) required for to the Infrastructure Works.
Ownership	Ownership of Infrastructure Works to vest in Council upon completion. Council shall be responsible for the ongoing operation and maintenance of the Infrastructure Works.
Defects Liability	The Development Parties will maintain the Infrastructure Works in accordance with the relevant construction contract documents.
Dispute Resolution	<p>Parties first seek to resolve disputes through senior representatives.</p> <p>Unresolved disputes then referred to an agreed expert for determination, with the expert to be appointed as follows (unless otherwise agreed):</p> <ul style="list-style-type: none"> • for technical matters, by the president of the Engineering New Zealand (or their nominee); • for financial matters, the Executive Officer of the New Zealand Institute of Quantity Surveyors (or their nominee); and • for legal matters, by the president of the New Zealand Law Society (or their nominee). <p>No referral to court during the dispute resolution process unless seeking urgent injunctive or interlocutory relief.</p>
Confidentiality	No public announcements / media statements without prior approval by the Development Parties. Standard confidentiality provisions to apply.

Appendix - Infrastructure Plan

Project Schedule	Project Description
<i>[Drafting Note : to be updated to reflect Consent Conditions and Central Government Road upgrade packages]</i>	<i>[Drafting Note : to be updated to reflect Consent Conditions and Central Government Road upgrade packages]</i>