



## **New Zealand International Convention Centre Project and Licensing Agreement**

Between

**Her Majesty the Queen in Right of New Zealand  
acting by and through the Minister for Economic  
Development**

And

**SKYCITY Entertainment Group Limited**

5 July 2013



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**Agreement** dated 5 July 2013

## **Parties**

- 1 Her Majesty the Queen in Right of New Zealand acting by and through the Minister for Economic Development (**'Crown'**)
- 2 SKYCITY Entertainment Group Limited (**'SKYCITY'**)

## **Background**

- A The Crown has identified the need for an international convention centre capable of hosting medium to large scale conferences and conventions, and which will be designed and constructed in accordance with contemporary international design standards, and operated in accordance with operational standards generally accepted in relation to international convention centres.
- B The Crown sought proposals for such a centre from a number of parties and the proposal submitted by SKYCITY has been selected.
- C If the NZICC Act is passed (at the Crown's sole discretion), SKYCITY, at its cost, will develop, build and operate such a centre (**'NZICC'**).
- D The Crown and SKYCITY intend that over the term of this Agreement the present economic value of the Regulatory Concessions should be reasonable having regard to the cost to SKYCITY of developing, building and operating the NZICC, and having regard to the parties' respective risks and returns and the value assessment undertaken by KordaMentha and set out in the KordaMentha Report.
- E The Crown has calculated that the benefits of the NZICC, which the Crown, in the widest sense as encapsulating New Zealand as a whole, will receive from the construction and operation of the NZICC by SKYCITY, will be in the vicinity of \$90 million per annum in 2013 dollars.
- F This Agreement records the respective commitments of the Crown and SKYCITY in respect of the NZICC's development, building and operation.

## **Agreement**

### **1 Definitions and interpretation**

- 1.1 In this Agreement, unless the context otherwise requires:

**'Agreement'** means this Agreement and includes the Schedules.

**'Annual Business Plan'** means the annual plan for the operation and management of the NZICC prepared in accordance with clause 12.6 (Operation and Maintenance of the NZICC).

**'Approval'** means any licence, consent, certificate, permit or approval, required from any Authority for the NZICC, the Building Works, or the Land.

**'Approved Signage'** has the meaning set out in clause 13.20 (Intellectual Property).

**'Authority'** means any local or territorial authority, government, or other authority, having jurisdiction, power of Approval, or authority over, or in respect of, the NZICC, the Building Works, or the Land.

**'Automated Kiosks'** means self-service machines where players can load money onto tickets and Cashless Card Based Technology cards and redeem credits on tickets and cards.

**'Automated Table Game'** means a Gaming Machine which replicates games played on table games and allows more than one person to play at the same time at different terminals.

**'Brand Guidelines'** means the guidelines for use of the Intellectual Property set out in Schedule 2 (Brand Guidelines).

**'Building Works'** means the construction works required to complete the NZICC.

**'Building Works Contract'** means the main contract between SKYCITY and a Building Works Contractor for the construction of the NZICC.

**'Building Works Contractor'** means the contractor engaged by SKYCITY from time to time to construct the NZICC.

**'Business Day'** means a day of the week other than:

- a Saturday, Sunday, Waitangi Day, Good Friday, Easter Monday, Anzac Day, the Sovereign's Birthday, Auckland Anniversary Day, Wellington Anniversary Day, and Labour Day;
- b any other day identified by legislation as a public holiday to be observed throughout New Zealand; and
- c a day in the period commencing with 25 December and ending with 2 January in the following year.

**'Carpark Arrangement'** has the meaning set out in clause 16.5c (Assignment).

**'Cashless Card Based Technology'** means gambling technology utilising cards that are issued to individuals onto which money is able to be loaded.

**'Casino'** or **'Casino Venue'** or **'Auckland Casino'** means the area defined as constituting the casino in the Casino Venue Licence, and while the Regulatory Concessions are in effect includes the increased area specified in clause 7.2 (Regulatory Concessions) and Schedule 6 (Increase in Area of Casino Venue) and where the context requires, includes the business operated within such area.

**'Casino Alterations'** means the physical extensions and alterations that SKYCITY reasonably requires to be undertaken at the Casino (including the increased area specified in clause 7.2 (Regulatory Concessions)) in order to accommodate the gaming product permitted by the Regulatory Concessions.

**‘Casino Duty and Tax Compensation Sum’** shall be the amount equal to the additional taxes or duties paid by SKYCITY as a consequence of a Casino Duty or Tax Increase in respect of SKYCITY’s Casino business in Auckland from the date at which the increase comes into force up to the seventh anniversary of the signing of the Building Works Contract.

**‘Casino Licence’** means the Casino Operator’s Licence or the Casino Venue Licence.

**‘Casino Operator’s Licence’** or **‘Operator’s Licence’** means the casino operator’s licence granted to SKYCITY Casino Management Limited on 7 May 1998 and in existence on the date the parties sign this Agreement.

**‘Casino Duty or Tax Increase’** means a change made by Parliament or the Crown, that comes into force after the date of this Agreement and before the seventh anniversary of the signing of the Building Works Contract, and that has the effect of increasing the casino duty payable by SKYCITY on its casino wins to a rate greater than the 4% specified in section 12N of the Gaming Duties Act 1971 or imposing or increasing any other Tax which applies only to casinos, but for the avoidance of doubt does not include any increase in the Problem Gambling Levy.

**‘Casino Venue Licence’** or **‘Venue Licence’** means the casino venue licence for the Auckland Casino that continues in existence under section 122 of the Gambling Act, and while the Regulatory Concessions are in effect includes the extended term specified in clause 7.2a (Regulatory Concessions) and the increased area specified in clause 7.2b (Regulatory Concessions) and Schedule 6 (Increase in Area of Casino Venue).

**‘Compensation Cap’** means the maximum amount the Crown is ever required to pay to SKYCITY by way of one or more payments of a SKYCITY Compensation Sum, as more particularly defined in clause 22.15 (Consequences of Termination of Agreement).

**‘Compensation Claim’** means a claim for compensation made by SKYCITY under clause 22.11 (Consequences of Termination of Agreement).

**‘Completion’** means there is proper and effective completion of the Building Works in accordance with this Agreement and all Approvals have been obtained from the Authorities so that the NZICC can be occupied and used for its intended purpose as an international standard convention centre.

**‘Completion Date’** means the date on which Completion occurs.

**‘Completion Long Stop Date’** means the date that is 72 months after the satisfaction of the condition in clause 4.1k (Building Works Contract and Ground Lease), provided that:

- a if a force majeure event occurs under the Building Works Contract such date will be extended by the length of the delay that arises due to that force majeure event;
- b if a Force Majeure Event falling within paragraph a of the definition of Force Majeure Event occurs, then such date will be extended in accordance with clause 23.7 (Force Majeure); and
- c if the parties agree under clause 11.16 (Variations to the Building Works and the Building Works Contract) that such date requires extension, it will be so extended.

**‘Concept Design’** means the conceptual drawings and other deliverables relating to the NZICC to be delivered at the end of the ‘concept Design Phase’ and incorporating no less level of detail than that set out in relation to this phase in the Design Documentation Guidelines unless the parties agree otherwise.

**‘Conditions of the Casino Operator’s Licence’** or **‘Conditions of the Operator’s Licence’** means the conditions attached to the Casino Operator’s Licence relating to the Auckland Casino.

**‘Contravention’** means a breach of the Operating Standards or a breach of clause 12 (Operation and Maintenance of the NZICC) or clause 13 (Intellectual Property).

**‘Crown’** means Her Majesty the Queen in Right of New Zealand acting by and through the Minister, but where the context expressly specifies, **‘Crown’** means any other part of the Crown and any Government Entity.

**‘Crown Compensation Sum’** means the amount payable (in whole or in part) by SKYCITY to the Crown as specified in clause 22.5 (Consequences of Termination of Agreement).

**‘Crown Entity’** means a crown entity within the meaning of the Crown Entities Act 2004.

**‘Crown Lease’** means the lease of the NZICC and Land as contemplated by clause 20.1 (Crown Lease).

**‘Crown Lease Event’** occurs only:

- a if a Default occurs or subsists after Completion which is a Fundamental Operating Standards Default and in respect of which a FOSD Final Notice has been issued and SKYCITY does not serve an order on the Crown as contemplated in paragraph 11.11 of the Operating Standards; or
- b if after Completion:
  - i an Insolvency Event occurs;
  - ii SKYCITY repudiates this Agreement, other than by way of a valid repudiation following a default of the Crown; or
  - iii SKYCITY disposes of its interest in the NZICC in material breach of clause 16 (Assignment),

and in each case entitles the Crown to take the Crown Lease pursuant to clause 20 (Crown Lease).

**‘Crown Liaison’** means the person appointed from time to time by the Crown to liaise with the SKYCITY Liaison regarding the operation of the NZICC, pursuant to the Operating Standards.

**‘Crown Option’** means the Crown’s option to acquire the NZICC and other assets and contracts as set out in clause 21 (Crown Option).

**‘Crown Option Event’** occurs only if a Termination Event occurs after Completion and entitles the Crown to exercise the Crown Option pursuant to clause 21 (Crown Option).

**'Customer Due Diligence'** means those requirements contained in Part 2, Subpart 1 of the Anti-Money Laundering and Countering Financing of Terrorism Act 2009.

**'Damages Event'** occurs only:

- a if a Default occurs in respect of:
  - i clause 5.1e (Relationship Principles);
  - ii clause 9.22 (Costs of design);
  - iii clause 11.11 (Total Construction Costs adjustment);
  - iv clause 11.41a (Total Construction Costs adjustment);
  - v clause 11.44 (Total Construction Costs adjustment);
  - vi clause 14 (Warranties);
  - vii clause 15 (Insurance and rectification);
  - viii clause 16 (Assignment); or
  - ix clause 20 (Crown Lease);
- b where SKYCITY breaches the Ground Lease Tripartite Deed;
- c where a Termination Event occurs after Completion; or
- d where the Operating Standards provide that a Damages Event has occurred.

**'Default'** means one or more of the following:

- a an Insolvency Event occurs in relation to SKYCITY;
- b SKYCITY abandons this Agreement; or
- c the voluntary surrender by SKYCITY of the Venue Licence and/or the Operator's Licence, or the cancellation of the Venue Licence and/or the Operator's Licence by the Gambling Commission,

or otherwise:

- d an Operating Standards Default;
- e a Fundamental Operating Standards Default;
- f a Remediable Breach which is not remedied pursuant to clauses 18.13 to 18.15 (Default); or
- g a breach of this Agreement by SKYCITY (other than clause 12 (Operation and Maintenance of the NZICC) or 13 (Intellectual Property)) which is not capable of being remedied.

**'Default Interest'** has the meaning set out in clause 25.10 (Default Interest).

**'Default Interest Rate'** means:

- a in respect of SKYCITY and at the time SKYCITY may be required to pay Default Interest, at a rate which is 3% over the reference rate used by SKYCITY's principal banker for advances having a term of 3 months; and
- b in respect of the Crown and at the time the Crown may be required to pay Default Interest, the Reserve Bank of New Zealand's official cash rate at that time plus a margin of 2%.

**'Design Brief'** means the parties' brief for the design and construction of the NZICC as set out in Schedule 3 (Design Brief), together with pre-concept plan option 10 (which has been prepared in relation to NZICC Design Option 10) and pre-concept plan option 9 (which has been prepared in relation to NZICC Design Option 9) based on such brief (it being acknowledged that NZICC Design Option 10 is less developed than NZICC Design Option 9 and requires further design work as contemplated by clause 4.5fi), and is subject to amendment in accordance with clause 9.9 (Design of the NZICC).

**'Design Costs'** means the third party costs incurred directly by SKYCITY for all elements of design including structural, architectural, mechanical, electrical, fire services, landscaping, interior, exterior, project management, quantity surveyor, and other third party costs being those detailed in Schedule 18 (NZICC Project Costs) under the heading 'Design Costs' and for the avoidance of doubt not including those under the heading 'Other Design Costs', and not including any costs associated with consenting and town planning processes.

**'Design Document'** means in respect of each Design Phase each document which is a deliverable relating to the NZICC to be delivered at the end of each relevant Design Phase and incorporating no less level of detail than that set out in the Design Documentation Guidelines unless the parties agree otherwise.

**'Design Documentation Guidelines'** means the Design Document Guidelines of the New Zealand Construction Industry Council set out in Schedule 17 (Design Documentation Guidelines).

**'Design Phase'** means each phase of design identified in clause 9.4 (Design of the NZICC).

**'Detailed Design'** means the drawings and other deliverables relating to the NZICC to be delivered at the end of the 'detailed Design Phase' and incorporating no less level of detail than that set out in relation to this phase in the Design Documentation Guidelines unless the parties agree otherwise.

**'Developed Design'** means the drawings and other deliverables relating to the NZICC to be delivered at the end of the 'developed Design Phase' and incorporating no less level of detail than that set out in relation to this phase in the Design Documentation Guidelines unless the parties agree otherwise.

**'Disputes Panel'** has the meaning set out in clause 24 (Dispute Resolution).

**'Electronic Table Game'** means a table game conducted by a dealer that utilises electronic player terminals that are not Gaming Machines.

**'Exercise Date'** has the meaning set out in clause 21.5 (Crown Option).

**'Fern Device Mark'** means the logo set out in Schedule 5 (Fern Device Mark).

**'Focal Model'** has the meaning set out in clause 6.1a (Harm Minimisation and Anti-Money Laundering Mechanisms).

**'Force Majeure Event'** means an event or circumstances beyond the reasonable control of SKYCITY which:

- a occurs prior to Completion and includes:
  - i an extraordinary occurrence or occurrence with extraordinary effects, any act of God (including earthquake, volcanic eruption, flood and fire), nuclear, chemical or biological contamination, war, invasion, rebellion, civil unrest, strikes, lockouts, other industrial disturbances (except a strike, lockout or industrial disturbance by employees, contractors or subcontractors of SKYCITY that solely affects such employees, contractors or subcontractors of SKYCITY), act of terrorism, epidemic (including any pandemic), or national emergency; or
  - ii a financial markets crisis which has the effect of preventing or delaying SKYCITY accessing the capital markets on commercially reasonable terms,

in each case being an occurrence that prevents or delays SKYCITY from performing, or makes it illegal for SKYCITY to perform, its obligations under this Agreement including preventing or delaying SKYCITY achieving Completion of the NZICC in accordance with this Agreement; or

- b occurs on or following Completion and is an extraordinary occurrence or occurrence with extraordinary effects, any act of God (including earthquake, volcanic eruption, flood and fire), nuclear, chemical or biological contamination, war, invasion, rebellion, civil unrest, strikes, lockouts, other industrial disturbances (except a strike, lockout or industrial disturbance by employees, contractors or subcontractors of SKYCITY that solely affects such employees, contractors or subcontractors of SKYCITY), act of terrorism, epidemic (including any pandemic), any event that could reasonably be expected to dramatically reduce the number of international travellers arriving in New Zealand by air, or national emergency, in each case being an occurrence that prevents or delays SKYCITY from performing, or makes it illegal for SKYCITY to perform, its obligations under this Agreement,

but does not include an event if, and to the extent that:

- c the effect of that event could have been prevented, avoided, overcome or mitigated by SKYCITY exercising a reasonable standard of care or using information provided by the Crown or which is in the public domain;
- d the event is constituted or caused by any failure of a contractor or supplier of SKYCITY unless and to the extent that the contractor or supplier was itself affected by an event which, if it had occurred in relation to SKYCITY, would have been a Force Majeure Event; or
- e the event constitutes an Insolvency Event or lack of funds for any other reason (that other reason not being one where paragraph aii of this definition applies).

**'FOSD Final Notice'** has the meaning set out in the Operating Standards.

**'Fundamental Operating Standards Default'** has the meaning set out in the Operating Standards.

**'Future Development Unit'** means the rectangular shaped area of approximately 1,030m<sup>2</sup> adjacent to the Land referred to in the KordaMentha Report and identified for a potential hotel development as shown in the plan attached in Schedule 15 (Description of Land and Future Development Unit).

**'Gambling Act'** means the Gambling Act 2003.

**'Gambling Area'** has the same meaning as in section 4 of the Gambling Act.

**'Gambling Commission'** means the commission established by section 220 of the Gambling Act, or any body in place of the Gambling Commission having substantially similar functions.

**'Gaming Machine'** has the same meaning as in section 4 of the Gambling Act.

**'Government Entity'** means any:

- a Crown Entity;
- b Crown-owned company or subsidiary; or
- c body whose obligations under this Agreement are unconditionally and irrevocably guaranteed by the Crown,

and also includes the Gambling Commission.

**'Ground Lease'** means a lease by SKYCITY as lessee of the unimproved Land on terms approved by the Crown under clause 16.7 (Assignment).

**'Ground Lease Memorandum of Encumbrance'** means the memorandum of encumbrance in the form by that name annexed at Schedule 10 (Memorandum of Encumbrance Instruments and Restrictive Covenants and Ground Lease Tripartite Deed).

**'Ground Lease Restrictive Covenant'** means the restrictive covenant in the form by that name annexed at Schedule 10 (Memorandum of Encumbrance Instrument and Restrictive Covenant and Ground Lease Tripartite Deed).

**'Ground Lease Title'** means the unique identifier for the Ground Lease of the Land created upon registration of the Ground Lease at LINZ in accordance with clause 16.7b (Assignment).

**'Ground Lease Tripartite Deed'** means the tripartite deed in the form by that name annexed at Schedule 10 (Memorandum of Encumbrance Instruments and Restrictive Covenants and Ground Lease Tripartite Deed) or such other form as the parties may agree.

**'Ground Lessee'** means the lessee from time to time under the Ground Lease.

**'Ground Lessor'** means the lessor from time to time under the Ground Lease.

**'Ground Lessor Memorandum of Encumbrance'** means the memorandum of encumbrance in the form by that name annexed at Schedule 10 (Memorandum of Encumbrance Instruments and Restrictive Covenants and Ground Lease Tripartite Deed).

**'GST'** means goods and services tax arising, or to which a person may be liable, pursuant to the Goods and Services Tax Act 1985 and any penalties, additional tax, or interest payable in respect thereof.

**'Harm Minimisation Mechanisms'** means the mechanisms set out in clause 6.1 (Harm Minimisation and Anti-Money Laundering Mechanisms).

**'Host Responsibility Executives'** means the SKYCITY executives who have the primary responsibility for ensuring that SKYCITY meets the requirements of its Host Responsibility Programme relating to the Casino and other host responsibility guidelines and protocols.

**'Host Responsibility Programme'** means the Responsible Gambling Programme approved by the Casino Control Authority on 1 December 2003 as amended from time to time in accordance with the procedures set out in the conditions of the Casino Operator's Licence.

**'Independent Experts'** means initially KordaMentha, but in the event KordaMentha no longer exists, or if the parties agree, such other firm of independent consultants with the skills necessary to value the Regulatory Concessions, the costs of building the NZICC, and such other matters as may be referred to them under this Agreement.

**'Injunctive Event'** means a Default in respect of:

- a clause 11 (Construction of the NZICC);
- b clause 16 (Assignment);
- c clause 17 (Availability of Agreement);
- d the Restricted Covenant or Ground Lease Restrictive Covenant; or
- e the Memorandum of Encumbrance or Ground Lease Memorandum of Encumbrance,

or, where the Operating Standards provide that an Injunctive Event has occurred.

**'Insolvency Event'** means, in relation to SKYCITY, the appointment of a liquidator, or a receiver to SKYCITY other than the appointment of a receiver for the purposes of the solvent reorganisation of all or part of the SKYCITY Group.

**'Intangible Assets'** has the meaning set out in clause 21.1 (Crown Option).

**'Intangible Option Assets'** has the meaning set out in clause 21.15 (Crown Option).

**'Intellectual Property'** means all trademarks, copyright, domain names, statutory protection, and other intellectual property rights in, and goodwill in or associated with, the name New Zealand International Convention Centre, the acronym NZICC, the Logos, and the Trade Mark Applications. The Intellectual Property does not include the Fern Device Mark in isolation.

**'IP Licence Suspension Event'** occurs only if:

- a a Crown Lease Event occurs pursuant to clause 20 (Crown Lease); or
- b a Termination Event occurs under clause 19 (Termination).

**'KordaMentha'** means the Auckland office of the advisory firm that at the date of this Agreement carries on business under the name KordaMentha.

**'KordaMentha Report'** means the report prepared by KordaMentha dated 10 May 2013 and commissioned by the parties to independently assess:

- a the present economic value of the costs and benefits of the Regulatory Concessions to SKYCITY; and
- b the present economic value of the costs to SKYCITY of building the NZICC,

in order to establish that the former are reasonable having regard to the latter and the parties' respective risks and returns.

**'Land'** means the land described and comprised in the legal descriptions contained in Schedule 15 (Description of Land and Future Development Unit) but does not include the Future Development Unit land described in that Schedule and if NZICC Design Option 10 applies, does not include the NZICC Design Option 9 Properties.

**'Land Value'** means the aggregate of \$74.5 million plus \$5,251,560, being the purchase price of the property situated at 93 Hobson Street, Auckland, plus, if NZICC Design Option 9 applies, the aggregate purchase price for the NZICC Design Option 9 Properties.

**'Laws'** means all legislation, regulations, orders-in-council, and any instrument issued by a Minister or any part of the Crown (as defined in section 2 of the Public Finance Act 1989) and any by-laws of any local authority.

**'Liability'** has the meaning set out in clause 21.15c (Crown Option).

**'Licence'** means the licence to use the Intellectual Property granted under clause 13.1 (Intellectual Property).

**'Link-way Bridge'** means the proposed integrated pedestrian link-way bridge across Hobson Street with specifications suitable for a pedestrian route between the NZICC and the hotel accommodation and ancillary services at the Casino.

**'LINZ'** means Land Information New Zealand.

**'Logos'** means the logos set out in Schedule 4 (Logos and Trademark Applications).

**'Major Event'** means an event declared as a major event under section 7 of the Major Events Management Act 2007.

**'Memorandum of Encumbrance'** means the encumbrance set out in Schedule 10 (Memorandum of Encumbrance Instruments and Restrictive Covenants and Ground Lease Tripartite Deed) and to be registered against the Land as a condition of this Agreement.

**'Minimum Operating Standards'** means the new minimum operating standards attached as Schedule 14A (Minimum Operating Standards).

**'Minimum Standards'** means the new minimum standards for the design, manufacture, and performance of gambling equipment, attached as Schedule 14 (Minimum Standards).

**'Minister'** means the Minister of the Crown who is for the time being responsible for the administration of the NZICC Act.

**'Non-Compliance Payment'** has the meaning given in the Operating Standards.

**'Non-Compliance Payment Event'** means a Contravention in respect of which:

- a the Operating Standards specify that an amount set out in the Operating Standards is to be paid by SKYCITY to the Crown; and
- b the Crown (or where relevant, the Disputes Panel) has determined that such specified amount must be paid to the Crown.

**'NZICC'** means the building and fit-out to be constructed by SKYCITY on the Land as the New Zealand International Convention Centre, in accordance with the terms of this Agreement.

**'NZICC Act'** means the New Zealand International Convention Centre Act, referred to in clause 4.1j (NZICC Act).

**'NZICC Bill'** has the meaning set out in clause 7.1 (Regulatory Concessions).

**'NZICC Design Option 9'** has the meaning set out in clause 4.5c (Conditions).

**'NZICC Design Option 10'** has the meaning set out in clause 4.5c (Conditions).

**'NZICC Design Option 9 Properties'** has the meaning set out in clause 4.5c (Conditions).

**'NZICC Design Option 9 Satisfaction Date'** has the meaning set out in clause 4.5e (Conditions).

**'NZICC Design Option 10 Satisfaction Date'** has the meaning set out in clause 4.5g (Conditions).

**'Objectives'** means the Crown's objectives in entering into this Agreement which include:

- a having a convention centre which is capable of hosting 3,500 delegates, which is unique in style to New Zealand, and which is designed and constructed in accordance with contemporary international design standards, and operated in accordance with operational standards generally accepted in relation to international convention centres;
- b significantly increasing international tourism revenues from additional spending from greater numbers of business delegates and accompanying persons coming to New Zealand, especially in the shoulder and off-peak seasons, such revenue being calculated to generate benefits to the New Zealand economy as a whole in the vicinity of \$90 million in 2013 dollars;
- c enhancing GDP through investments arising from business and professional connections made between visiting delegates and New Zealand firms or individuals;
- d New Zealand being seen as an attractive business events destination because of the quality of its convention infrastructure; and
- e having an efficiently and professionally operated convention centre.

**'Occasional Transaction'** has the meaning set out in the Anti-Money Laundering and Countering Financing of Terrorism Act 2009.

**'Operating Standards'** means the provisions of Schedule 16 (Operating Standards) including its appendices.

**'Operating Standards Default'** has the meaning set out in the Operating Standards.

**'Option Assets'** has the meaning set out in clause 21.4 (Crown Option).

**'Option Completion Date'** has the meaning set out in clause 21.15 (Crown Option).

**'Option Consideration'** has the meaning set out in clause 21.6 (Crown Option).

**'Other Agreed Assets'** means the other assets agreed by the parties as being assets acquired or developed by SKYCITY as a consequence of this Agreement and described in Schedule 11 (SKYCITY Costs Resulting from the NZICC and this Agreement).

**'Period of Suspension'** has the meaning set out in clause 23.4 (Force Majeure).

**'Permitted Uses'** means the permitted uses of the Intellectual Property as set out in clause 13.8 (Intellectual Property).

**'Preliminary Design'** means the drawings and other deliverables relating to the NZICC to be delivered at the end of the 'preliminary Design Phase' and incorporating no less level of detail than that set out in relation to this phase in the Design Documentation Guidelines.

**'Problem Gambler'** has the meaning set out in section 4 of the Gambling Act.

**'Problem Gambling Levy'** means any levy set by regulation pursuant to section 319(1) of the Gambling Act for the recovery of the costs of developing, managing and delivering an integrated problem gambling strategy focused on public health.

**'Producers Price Index'** means the Producers Price Index (all inputs) published by Statistics New Zealand, or the most nearly comparable index if that index ceases to exist or be published.

**'Project Steering Group'** means the group formed for the duration of the Building Works to monitor the carrying out of the Building Works, and as more particularly described in clauses 11.31 to 11.37 (Construction of the NZICC).

**'RC Requirement'** has the meaning set out in clause 16.5b (Assignment).

**'Regulatory Concessions'** or **'Concessions'** means the changes to the regulatory regime applying to the Auckland Casino set out in clause 7.2 (Regulatory Concessions), Schedule 6 (Increase in Area of Casino Venue) and Schedule 13 (TITO and Cashless Gaming Technology).

**'Regulatory Framework'** in relation to the Gambling Act includes any regulations, licences, licence conditions, approvals, game rules, minimum standards, minimum operating standards, or notices made or issued under the Gambling Act, or their future equivalent.

**'Remediable Breach'** means a breach of this Agreement which is capable of being remedied by SKYCITY but does not include a Contravention, an Operating Standards Default, a

Fundamental Operating Standards Default, a Default or a breach of clause 12 (Operation and Maintenance of the NZICC) or 13 (Intellectual Property).

**'Representative'** means SKYCITY's representative or the Crown's representative, as named in Schedule 1 (Reference Schedule) and as may be changed from time to time in accordance with clause 11.25 (Construction of the NZICC).

**'Restricted Areas'** means all areas that are restricted by access (currently by card) to players in the following loyalty tiers or their invited guests: Platinum (includes both TG and GM cardholders), VIP Black (includes both TG and GM cardholders), and Horizon (International cardholders). As at the date of this Agreement, those tiers have access to one or more of the 'Platinum Room', 'Platinum VIP Room', 'Eight' and the 'International Salons'. Should the loyalty tiers change or should the branding or location of the areas change (including any additional areas) after the date of this Agreement, 'Restricted Areas' will mean areas that are restricted by access to players in the revised equivalent tiers (or their invited guests) at the rebranded, revised or additional locations.

**'Restrictive Covenant'** means the restrictive covenant to be registered over the Land in the form set out in Schedule 10 (Memorandum of Encumbrance Instruments and Restrictive Covenants and Ground Lease Tripartite Deed).

**'Review Meeting'** has the meaning set out in the Operating Standards.

**'Royalty'** means the royalty payable by SKYCITY pursuant to clause 13.36 as adjusted in accordance with clause 13.39.

**'Sale Agreement'** has the meaning set out in clause 21.14 (Crown Option).

**'Secretary'** means the Secretary for Internal Affairs exercising functions under the Gambling Act, or any person or body with substantially similar functions that may in future replace the Secretary.

**'Secretary of the Disputes Panel'** means initially the person (if any) named in that role in Schedule 1 (Reference Schedule) and subsequently the person appointed to that role in accordance with clause 24.7 (Dispute Resolution).

**'Security Interest':**

- a in the case of personal property has the meaning ascribed to that term under section 17 of the Personal Property Securities Act 1999 but excludes reservations of ownership by suppliers in the ordinary course of business and lessor's rights under finance leases, operating leases and leases of personal property; and
- b in the case of real property means a mortgage securing financing provided to or guaranteed by the registered proprietor of the real property or other registered memorandum of encumbrance containing a power of sale in favour of the person having the benefit of the encumbrance.

**'Signage'** means the physical signs or signage incorporating any Intellectual Property for use in, or affixed to, the exterior or interior of the NZICC.

**'Single Terminal Gaming Machine'** means a Gaming Machine at which only one person may gamble at any time.

**'SKYCITY Compensation Sum'** means the amount payable by the Crown to SKYCITY in accordance with clauses 22.11 to 22.13 (Consequences of Termination of Agreement).

**'SKYCITY Group'** means SKYCITY Entertainment Group Limited and each of its wholly owned subsidiaries.

**'SKYCITY Liaison'** means the person appointed from time to time by SKYCITY to liaise with the Crown Liaison regarding the operation of the NZICC, pursuant to the Operating Standards.

**'Specific Performance Event'** means a Default in respect of:

- a clause 5.1e (Relationship principles);
  - b clause 6 (Harm Minimisation and Anti-Money Laundering Mechanisms);
  - c clause 11 (Construction of the NZICC) but not clause 11.10;
  - d clauses 14.1e and 14.1f (Warranties);
  - e clause 15 (Insurance and Rectification);
  - f clause 17 (Availability of Agreement);
  - g clause 20 (Crown Lease);
  - h clause 21 (Crown Option);
  - i clause 22 (Consequences of Termination of Agreement);
  - j clause 24 (Dispute Resolution);
  - k the Restrictive Covenant or Ground Lease Restrictive Covenant; or
  - l the Memorandum of Encumbrance or Ground Lease Memorandum of Encumbrance,
- or, where the Operating Standards provide that a Specific Performance Event has occurred.

**'Tangible Assets'** has the meaning set out in clause 21.1b (Crown Option).

**'Tax'** includes:

- a all forms of taxation, duties, dues, imposts, levies and rates of New Zealand and, in particular (but without limitation), income tax, fringe benefit tax, stamp duty, cheque duty, estate duty, goods and services tax, land tax, gift duty, dividend withholding payments, excess retention tax, customs or excise duties, resident withholding taxes, non-resident withholding taxes, accident compensation levies and approved issuer levies; and
- b any interest and penalties imposed in relation to the taxes referred to in paragraph a above.

**'Term'** means the period commencing on the date of execution of this Agreement up to the earlier of:

- a the date of termination of this Agreement; or

- b 30 June 2048 (but, if any obligation to operate the NZICC under clause 12 (Operation and Maintenance of NZICC) and the right to use the Intellectual Property under clause 13 (Intellectual Property) is extended under clause 15.5 (Reinstatement) or clause 23.7 (Force Majeure), such later date as is determined under those clauses).

**'Termination Event'** means any of the following:

- a an Insolvency Event occurs in respect of SKYCITY; or
- b if SKYCITY repudiates this Agreement, other than by way of a valid repudiation following a default of the Crown; or
- c if SKYCITY has provided the Crown with materially false or materially misleading information in relation to:
  - i the Casino's actual financial performance (taken as a whole) prior to the date of this Agreement; or
  - ii any Compensation Claim under or in relation to this Agreement; or
  - iii the actual operating performance of the NZICC (taken as a whole),  
with the intention of misleading the Crown; or
- d if SKYCITY disposes of its interest in the NZICC in material breach of clause 16; or
- e the Ground Lease is surrendered, terminated, cancelled, forfeited, or the rights of SKYCITY as lessee are otherwise brought to an end prior to 30 June 2048 other than by way of SKYCITY's reacquisition of the freehold estate in the Land from the Ground Lessor; or
- f if the Venue Licence or Operator's Licence expires, is voluntarily surrendered by the licence holder or is cancelled by the Gambling Commission; or
- g Completion does not occur by the Completion Long Stop Date.

**'TITO Technology'** means in respect of Single Terminal Gaming Machines, Automated Table Games, Electronic Table Games and other table games, the facility which enables 'ticket in ticket out' non-cash gambling by way of an encoded ticket which can be credited with defined amounts of money.

**'Total Construction Budget'** means \$402 million less the Land Value.

**'Total Construction Cost'** means the Total Project Cost less the Land Value.

**'Total Project Cost'** means the aggregate of:

- a the costs of developing and finalising the Concept Design, the Preliminary Design, the Developed Design, and the Detailed Design;
- b the costs of obtaining all relevant Approvals;
- c the costs of site preparation (including demolition), public works, construction (including contractor's margin, construction of the 780 new carparks, the Link-way Bridge (if

consented, and if not, then any alternative method of linking the NZICC to the main SKYCITY site and the NZICC itself) and other Building Works;

- d an appropriate agreed allowance for contingencies during construction of the NZICC (including in respect of project risks that SKYCITY retains under the construction contracts), escalation, project fees, consultants' fees, furniture fittings and equipment and artwork;
- e the Land Value;
- f any cash contribution by either party under clause 11.47 (Total Project Cost Adjustments) with a contribution by SKYCITY being treated as a positive number and any contribution by the Crown as a negative number; and
- g any costs associated with SKYCITY complying with the tolerance controls to be agreed with Television New Zealand Limited in relation to the purchase of the property situated at 93 Hobson Street, Auckland and the NZICC Design Option 9 Properties, if acquired,

and includes the items as further detailed in Schedule 18 (NZICC Project Costs), but excludes any cost associated with the Future Development Unit. All such costs are to be assessed as at the time immediately prior to signing of the Building Works Contract including an estimate in respect of all future costs falling within the definition of Total Project Cost.

**'Trade Mark Applications'** means the trade mark applications set out in Schedule 4 (Logos and Trade Mark Applications).

**'Voluntary Pre-Commitment System'** has the meaning set out in clause 6.1b (Harm Minimisation and Anti-Money Laundering Mechanisms).

**'Website'** means the official website that promotes the NZICC, as outlined in clauses 13.13 to 13.18 (Intellectual Property).

1.2 In the interpretation of this Agreement, unless the context requires otherwise:

- a the singular includes the plural and vice versa;
- b a reference to currency means New Zealand currency;
- c a reference to a person or a party includes a company, a partnership (whether or not limited), a unit trust, and also a body of persons, whether incorporated or unincorporated, and includes a person's or a party's successors in title and permitted assigns;
- d the words 'include', 'includes', or 'including' have the meaning as if followed by 'without limitation';
- e none of the terms or any of the parts of this Agreement is to be construed against a party by reason of the fact that the term or that part was first proposed or was drafted by that party;
- f 'legislation' includes any enactment, regulation, order in council, rule, standard or notice and any other instrument made under an enactment, and 'legislative' has a corresponding meaning;

- g reference to any particular legislation also includes reference to any legislation that with or without modification, replaces, or that substantially corresponds to, legislation that has been repealed, substituted or replaced. Similarly, a reference to any specific provision of any legislation includes reference to any future equivalent of such provision. In particular, in respect of the Gambling Act, a reference to the Gambling Act includes reference to any future legislation that with or without modification replaces, or that substantially corresponds to, the Gambling Act should it be repealed, substituted or replaced. Similarly, a reference to any specific provision of the Gambling Act includes reference to any future equivalent of such provision; and
- h in respect of:
  - i the definition of 'Termination Event', the phrase 'taken as a whole' shall be interpreted as requiring the materiality of the relevant information to be considered in the context of all the currently available information in relation to the operations of the Casino or the NZICC (as applicable); and
  - ii clause 12.1 (Operation and Maintenance of the NZICC), the phrase 'taken as a whole' shall be interpreted as seeking to establish a threshold at which the operational pattern of the NZICC has been such that a reasonable person would conclude that SKYCITY either is not committed to performing the relevant obligations specified in clause 12.1 (Operation and Maintenance of the NZICC) or does not have the ability or skills to perform the relevant obligations in clause 12.1 (Operation and Maintenance of the NZICC).

## **2 Essential commitments of SKYCITY**

- 2.1 In each case, in accordance with, and subject to, the terms of this Agreement:
  - a SKYCITY will ensure that the Harm Minimisation Mechanisms have been incorporated into SKYCITY's Host Responsibility Programme as required by clause 6 (Harm Minimisation and Anti-Money Laundering Mechanisms);
  - b SKYCITY will design the NZICC in accordance with the Design Brief (except to the extent that the parties agree otherwise during the Design Phase) and will construct the NZICC in accordance with the Detailed Design (except to the extent that the parties agree otherwise during the construction of the NZICC); and
  - c SKYCITY will maintain and operate the NZICC in accordance with the Operating Standards for the entirety of the Term.
- 2.2 SKYCITY agrees that the target date for Completion of the NZICC is 30 September 2017, as is further described in clause 8 (Achieving Completion).
- 2.3 The commitments in clause 2.1 reflect:
  - a the parties' intention that over the Term (when assessed on the basis of present values at the time of signing the Building Works Contract), the economic value of the Regulatory Concessions to SKYCITY will be reasonable having regard to the cost to SKYCITY of developing, building and operating the NZICC and having regard to the parties' respective risks and returns and the value assessment undertaken by KordaMentha; and

- b that the Crown is entering into the Agreement to secure the construction and long-term operation of the NZICC in order to advance the Objectives.

### **3 Nature of the Crown's obligations**

3.1 Nothing in this Agreement will be construed or interpreted as restricting or otherwise affecting the unfettered discretion of the Crown or any Government Entity to:

- a make, amend or repeal Laws (including to confer any executive or statutory powers or functions on any person); or
- b exercise any of its executive or statutory powers or functions under any Laws; or
- c require the Crown or any Government Entity to:
  - i interfere with or influence the exercise of any statutory power or discretion by any person, including the Crown or any Government Entity;
  - ii develop or implement policy or Laws that are only consistent with the Objectives and expected outcomes of the Agreement; or
  - iii exercise a power or discretion (not being a power or discretion under this Agreement as to which clause 5.1e (Relationship Principles) applies),

but this provision does not prejudice or affect the obligation of the Crown to compensate SKYCITY in the circumstances and in the manner set out in clause 9.19 (Costs of design), 22.11 (Liability of the Crown to Pay the SKYCITY Compensation Sum), 22.30 or 22.31 (Other matters).

3.2 The exercise by the Crown or by any Government Entity of any sovereign, executive or statutory powers or functions of the kind and in the manner referred to in clause 3.1 will not be construed or interpreted as a breach of this Agreement by the Crown, but this provision does not prejudice or affect the obligation of the Crown to compensate SKYCITY in the circumstances and in the manner set out in clause 9.19 (Costs of design), 22.11 (Liability of the Crown to Pay the SKYCITY Compensation Sum), 22.30 or 22.31 (Other matters).

3.3 Nothing in this Agreement will be construed or interpreted as restricting or otherwise affecting:

- a the unfettered discretion of the Crown, any Government Entity or the Gambling Commission to regulate, enforce, or to make any future changes to any regulatory regime affecting gambling, including casino gambling, in New Zealand; and
- b SKYCITY's ability to benefit from any other changes to the regulatory regime relating to gambling, including casino gambling, in New Zealand,

but this provision does not prejudice or affect the obligation of the Crown to compensate SKYCITY in the circumstances and in the manner set out in clauses 9.19 (Costs of design), 22.11 (Liability of the Crown to Pay the SKYCITY Compensation Sum), 22.30 or 22.31 (Other matters).

3.4 In this clause 3, 'Crown' also means any other part of the Crown.

## 4 Conditions

4.1 This Agreement is subject to the following conditions subsequent:

- a **Treaty of Waitangi:** The Crown being satisfied that there is no matter arising from or in respect of the Crown's obligations under the Treaty of Waitangi which would be an impediment to this Agreement and the Objectives no later than 3 months of the date the parties sign this Agreement;
- b **Overseas Investment Act:** SKYCITY applying within 2 months of the NZICC Design Option 9 Satisfaction Date or the NZICC Design Option 10 Satisfaction Date, whichever occurs, for, and obtaining within 6 months of the NZICC Design Option 9 Satisfaction Date or the NZICC Design Option 10 Satisfaction Date on terms acceptable to SKYCITY (in its sole discretion), any consent required under the Overseas Investment Act 2005 in connection with the acquisition of the Land, the construction of the NZICC, and/or the operation of the NZICC;
- c **Concept Design:** Approval by both parties of the Concept Design and acceptance of the then estimated Total Construction Cost pursuant to clause 9.8 (Design of the NZICC) no later than 5 months after the NZICC Design Option 9 Satisfaction Date or the NZICC Design Option 10 Satisfaction Date, whichever occurs;
- d **Preliminary Design:** Approval by both parties of the Preliminary Design pursuant to clause 9.8 (Design of the NZICC) and acceptance of the then estimated Total Construction Cost no later than 5 months after the date of satisfaction of clause 4.1c (Concept Design);
- e **Developed Design:** Approval by both parties of the Developed Design pursuant to clause 9.8 (Design of the NZICC) and acceptance of the then estimated Total Construction Cost no later than 6 months after the date of satisfaction of clause 4.1d (Preliminary Design);
- f **NZICC Resource Consents:** Subject to clause 10.2, SKYCITY obtaining the resource consents required in connection with the NZICC (including consent to operate the NZICC) by the date following 31 December 2015 which is determined by reference to the number of days from the date of this Agreement to the NZICC Design Option 9 Satisfaction Date or the NZICC Design Option 10 date, whichever applies;
- g **Casino Alterations Consents:** SKYCITY obtaining all resource consents required in connection with the Casino Alterations by the date following 31 December 2015 which is determined by reference to the number of days from the date of this Agreement to the NZICC Design Option 9 date or the NZICC Design Option 10 Satisfaction Date, whichever applies, and SKYCITY continuing to be entitled to undertake gambling activities at the Casino (including the increased area specified in clause 7.2 (Regulatory Concessions));
- h **Detailed Design:** Approval by both parties of the Detailed Design and acceptance of the then estimated Total Construction Cost pursuant to clause 9.8 (Design of the NZICC) no later than 6 months after satisfaction of the latest of clauses 4.1e (Developed Design), 4.1f (NZICC Resource Consents) and 4.1g (Casino Alterations Resource Consents);

- i **Harm Minimisation:** The Crown being satisfied that SKYCITY has included in the Host Responsibility Programme to the satisfaction of the Gambling Commission the Harm Minimisation Mechanisms prior to the Building Works Contract being entered into, it being agreed that a letter substantially in the form of Schedule 19 (Form of Gambling Commission Letter) will constitute evidence of satisfaction of the Gambling Commission;
  - j **NZICC Act:** The NZICC Act, which is to give effect to this Agreement, including clause 7 (Regulatory Concessions) and Schedule 6 (Increase in Area of Casino Venue), Schedule 12 (New game Mix A and New Game Mix A.1), Schedule 13 (TITO and Cashless Gaming Technology), Schedule 14 (Minimum Standards) and Schedule 14A (Minimum Operating Standards) relating to the Regulatory Concessions, and to confirm the validity and legal enforceability of this Agreement, to the satisfaction of both parties, receiving Royal Assent by 31 March 2014;
  - k **Building Works Contract and Ground Lease:** SKYCITY:
    - i entering into the Building Works Contract; and
    - ii in the event that at that point of entering into the Building Works Contract no Ground Lease has been entered into, executing and delivering to the Crown any documentation required to effect registration over the Land of the Memorandum of Encumbrance and Restrictive Covenant in priority to any other Security Interest; and/or
    - iii in the event that at that point of entering into the Building Works Contract the Ground Lease has been entered into, meeting all the relevant requirements of clause 16.7 (Assignment),

within 4 months after satisfaction of the last of the conditions in clauses 4.1f (NZICC Resource Consents), 4.1g (Casino Alterations Consents), 4.1h (Detailed Design) and 4.1j (NZICC Act);
  - l **Intellectual Property:** SKYCITY providing the Crown with an acknowledgement (in such form as the Crown may require) from the holder of any Security Interest over the assets of SKYCITY that neither the Intellectual Property nor the Licence is subject to that Security Interest no later than 5 Business Days after the NZICC Design Option 9 Satisfaction Date or the NZICC Design Option 10 Satisfaction Date, whichever occurs; and
  - m **No Material Adverse Change:** No event having occurred prior to SKYCITY signing the Building Works Contract which has had a material adverse effect on SKYCITY and following which the SKYCITY board of directors determines that SKYCITY is unable to, or that it would not be financially prudent to, continue to design the NZICC or to sign the Building Works Contract, provided that this condition automatically lapses and ceases to have any effect upon SKYCITY signing the Building Works Contract.
- 4.2 The conditions in clauses 4.1c (Concept Design), 4.1d (Preliminary Design), 4.1e (Developed Design), 4.1f (NZICC Resource Consents), 4.1h (Detailed Design), 4.1j (NZICC Act), and 4.1k (Building Works Contract and Ground Lease) are for the benefit of both parties.

- 4.3 The conditions in clauses 4.1b (Overseas Investment Act) (in respect of SKYCITY obtaining the consent under the Overseas Investment Act 2005), 4.1g (Casino Alterations Consents) and 4.1m (No Material Adverse Change) are for the benefit of SKYCITY only.
- 4.4 The conditions in clauses 4.1a (Treaty of Waitangi), 4.1b (Overseas Investment Act 2005) (in respect of SKYCITY applying for consent under the Overseas Investment Act 2005), 4.1i (Harm Minimisation) and 4.1l (Intellectual Property) are for the benefit of the Crown only.
- 4.5 The parties have agreed to execute this Agreement on the following basis:
- a SKYCITY has agreed to purchase 93 Hobson Street, Auckland for the purposes of the NZICC and this property forms part of the Land.
  - b Both parties have a preference that the Land for the NZICC should also include 85 and 91 Hobson Street, Auckland, but at the date of this Agreement SKYCITY has not entered into agreements to purchase these properties.
  - c The NZICC proceeding on the basis of the Land including 93 Hobson Street, Auckland, but not 85 and 91 Hobson Street, Auckland, is referred to in this clause as '**NZICC Design Option 10**'. The NZICC proceeding on the basis of 85, 91 and 93 Hobson Street, Auckland is referred to in this clause as '**NZICC Design Option 9**', and 85 and 91 Hobson Street, Auckland, are the '**NZICC Design Option 9 Properties**'.
  - d The Design Brief accommodates both NZICC Design Option 9 and NZICC Design Option 10, but the KordaMentha Report and the Total Project Cost have been prepared on the basis of NZICC Design Option 9.
  - e SKYCITY will endeavour to enter into agreements to purchase the NZICC Design Option 9 Properties within 2 months of the date of this Agreement, but whether it does so, and on what terms, is at SKYCITY's sole discretion. If SKYCITY enters into such agreements the design for the NZICC shall utilise all three of the properties situated at 85, 91 and 93 Hobson Street, Auckland. The date on which SKYCITY enters into the last of the agreements relating to the purchase of the NZICC Design Option 9 Properties (if that occurs) is the '**NZICC Design Option 9 Satisfaction Date**'.
  - f If SKYCITY has not entered into agreements to purchase the NZICC Design Option 9 Properties within 2 months of the date of this Agreement, the parties agree that they nevertheless wish to proceed with NZICC Design Option 10, but in that event:
    - i the parties acknowledge that further design work is required in respect of the concept plans for NZICC Design Option 10 and to confirm that NZICC Design Option 10 can be built within the Total Construction Budget and in accordance with the Design Brief;
    - ii at the conclusion of the further design work, the parties will meet to consider whether either wishes to amend any aspect of this Agreement and if so, the parties will seek to agree the consequential amendments which may be required by either party in order that both parties will nevertheless achieve their respective intentions as recorded in clause 2.3 (Essential Commitments of SKYCITY). In doing so they recognise that a smaller area of land will result in a lower value being attributed to the land than that valued in the KordaMentha Report and different (but not necessarily higher or lower) construction costs will be incurred; and

- iii if the parties have not agreed such consequential changes within 4 months of the date of this Agreement, either party may cancel this Agreement and in that event clause 4.9 shall apply.
  - g Notwithstanding that the total period contemplated by the preceding provisions is 4 months, if it becomes clear that SKYCITY will not be purchasing the NZICC Design Option 9 Properties, or the 2 month period for doing so has expired, the parties will act diligently to seek to conclude the further design work and processes of agreement contemplated by the above provisions and as soon as, and if, the consequential amendments referred to in clause 4.5fii are agreed, they will formally record that as an amendment to this Agreement. The date of such amendment is the '**NZICC Design Option 10 Satisfaction Date**'.
- 4.6 A party who has the benefit of a condition may waive that condition by notice in writing to the other. In relation to conditions which are for the benefit of both parties, both parties must waive the condition by notice to the other party for the condition to be waived.
- 4.7 Any date for satisfaction of a condition may be extended but subject to clause 4.8, any extension has no effect unless it is recorded in writing and signed by the party not having the benefit of the relevant condition or, if the benefit is for both parties, by both parties.
- 4.8 In the case of:
- a clause 4.1j (NZICC Act), SKYCITY will at the Crown's request grant the Crown an extension of up to 3 months if at 31 March 2014 the NZICC Bill has been introduced into Parliament, and is either before a Select Committee, or has been reported back from a Select Committee;
  - b clauses 4.1c (Concept Design), 4.1d (Preliminary Design), 4.1e (Developed Design), 4.1h (Detailed Design), and 4.1k (Building Works Contract and Ground Lease) the Crown will at the request of SKYCITY consent to up to two extensions in each case of up to one month, if the Crown is satisfied (acting reasonably) that SKYCITY has made consistent and reasonable progress towards satisfaction of the relevant condition and each respective remaining condition and that it is reasonably foreseeable that the relevant condition will be satisfied within that extended period;
  - c clauses 4.1c (Concept Design), 4.1d (Preliminary Design), 4.1e (Developed Design) and 4.1h (Detailed Design) will be extended in accordance with clause 9.16 (Design of the NZICC) (if applicable); and
  - d clause 4.1f (NZICC Resource Consents), if there are any appeals to the High Court or superior courts, including any consequential referrals back to the Environment Court, SKYCITY may request the Crown to grant an extension in respect of the date for satisfaction of the condition in clause 4.1f (NZICC Resource Consents), and if the Crown is satisfied, acting reasonably, that there is a reasonable prospect that the necessary resource consents will be obtained within a reasonable period of time, the Crown will extend the relevant date for satisfaction to such later date as it may agree with SKYCITY;
- 4.9 If any of the conditions are not satisfied by the respective dates (or extended dates) specified or described in clause 4.1 (Conditions) then the party having the benefit of the condition may give notice of its intention to cancel this Agreement, and if the condition is not satisfied within 7 Business Days of that notice, then the beneficiary of the relevant condition, or either party,

where both parties are the beneficiary of the relevant condition, may cancel this Agreement by notice in writing to the other party. If the Agreement is cancelled in accordance with this clause, subject, and without prejudice, to clauses 9.19 (Design of the NZICC) and 17 (Availability of Agreement) neither party will have any claim upon the other, except for any antecedent breach of this Agreement. For clarity, the parties agree that from the date of execution of this Agreement, this Agreement shall be and continue in full force and effect unless and until it is cancelled pursuant to this clause 4.9 or terminated in accordance with clause 19.1 or 19.4 (Termination).

- 4.10 Each party will promptly advise the other when it considers a condition in clause 4.1 to be satisfied.

## **5 Relationship principles**

- 5.1 In their engagement with each other in relation to this Agreement the parties will abide by the following relationship principles:

- a it is the parties' shared intention to achieve the maximisation of the parties' respective benefits including the Crown's Objectives and SKYCITY's desire to run a successful commercial enterprise and be in control of the NZICC's commercial operation;
- b the parties will be open, prompt, consistent, and fair in:
  - i all dealings and communications between each other and between their agents, and representatives; and
  - ii the notification and resolution between the parties of any differences or disputes which may arise or be apprehended;
- c the parties will have an early warning system in respect of any issue or concern that is developing, including the timely supply of information as and when it is due, and raising any issue or concern at the earliest possible opportunity;
- d the parties will be non-adversarial in their dealings with each other and will take constructive mutual steps to avoid differences and to identify solutions;
- e unless expressly provided otherwise, where any party's consent, confirmation, or approval is required pursuant to any clause of this Agreement, such consent, confirmation, or approval must not be unreasonably withheld or delayed; and
- f the parties will act in a manner that promotes the expeditious and efficient resolution of any court proceedings and dispute resolution processes (including appeals, and applications for review of any decision or determination) relating to matters arising from, or in respect of, this Agreement, except that this clause 5.1f shall not apply in relation to any application for renewal of the Venue Licence as contemplated by clauses 7.3c and 7.3d (such applications being governed by those provisions).

- 5.2 The parties agree to abide by the relationship principles in their day-to-day interaction and in performing their obligations under this Agreement as from the date the parties sign this Agreement.

- 5.3 To enhance the relationship between them, the parties will also take active steps (including regular meetings) to increase the levels of cooperation and transparency between them.

5.4 The relationship principles are, at all times, subject to clause 25.8 (Relationship).

## 6 Harm Minimisation and Anti-Money Laundering Mechanisms

6.1 SKYCITY agrees that prior to the Regulatory Concessions coming into effect it will incorporate into its Host Responsibility Programme in respect of the Casino the following Harm Minimisation Mechanisms:

- a A set of predictive models developed by an independent social and marketing research firm, who specialise in population-based behavioural research based on data analytics and database modelling, using loyalty data and behaviour analytics (**'Focal Model'**). The Focal Model will assist SKYCITY Host Responsibility Executives in identifying risk for problem gambling among Casino customers who have loyalty cards at the Auckland Casino. The Focal Model has the following features:
  - i Data routinely gathered and stored by casino gaming systems is then used to build sophisticated multi-level algorithms that identify potential risk;
  - ii High-risk gambling is identified more robustly than relying on frequency (number of times played) and spend (amount of money spent), both of which are limited predictors of problem gambling among regular patrons;
  - iii The algorithms are custom built and tested and aim to detect complex behaviours found to be associated with a high probability of high-risk among specific patrons, regardless of how much a customer spends, detecting risk that otherwise would not be visible to staff or other observers;
  - iv The Focal Model is intended to enable SKYCITY to direct host responsibility resources where they are most likely to be needed and do the most good (namely high-risk players); and
  - v As part of SKYCITY's Host Responsibility Programme, the Focal Model is expected to offer SKYCITY another important tool in identifying and preventing high-risk gambling as well as assisting patrons in managing their gambling. The Focal Model is designed to alert gaming staff to those players most likely to be at high-risk, although other methods are required to confirm a player's actual risk status (for example, staff or self-assessment),

provided that if SKYCITY forms the view that it is not reasonably possible to implement the Focal Model in the manner contemplated in this Agreement, it shall be entitled to substitute the Focal Model for an alternative product with similar functionality, subject to the prior written approval of the Crown.

- b A facility which is to be available on gaming machines at the Auckland Casino which allows patrons to voluntarily set limits on how much they spend and how long they play for on gaming machines (**'Voluntary Pre-Commitment System'**). SKYCITY will introduce pre-commitment technology on its gaming machines and the system will add to its existing harm minimisation and prevention measures by facilitating a range of patron interventions and reporting tools for casino staff. Breaches of pre-commitment limits and multiple increases or disabling of pre-commitment limits will be regarded by SKYCITY as general indicators of gambling harm. The initial features of the Voluntary Pre-Commitment System include:

- i access to the pre-commitment facility will be provided via SKYCITY's loyalty card;
  - ii each time the card is inserted the pre-commitment facility will be activated;
  - iii the system will allow players to define their own limits for:
    - A time limit; and
    - B spend limit;
  - iv enrolment for Pre-Commitment can occur at either:
    - A the gaming machine by the player; or
    - B a loyalty member's workstation;
  - v an "Approaching Limits" and "Reached Limits" notification will be displayed on the gaming machine;
  - vi if limits are relaxed then the new limits must not be available to the player for a period of 24 hours;
  - vii once the limit is reached no more SKYCITY loyalty points may be accumulated or entries to promotions earned;
  - viii SKYCITY Host Responsibility Executives will be alerted once limits are reached;
  - ix no SKYCITY loyalty points can be earned by a player for the 24 hours following a limit being reached; and
  - x the system provides information, support and advice to the operational business units.
- c 24 hours per day, 7 days per week (on all days that the Casino is open for business) coverage of the Casino by Host Responsibility Executives employed at the Casino, the number of such Host Responsibility Executives doubling from 3 to 6. Host Responsibility Executives have the primary responsibility for ensuring that SKYCITY meets the requirements of its Host Responsibility Programme relating to the Casino and other host responsibility guidelines and protocols. At the date of this Agreement, their roles include:
- i Collecting, collating and analysing:
    - A Collection and management of information and observations concerning problem gambling, including dealing with problem gambling indicators, staff observations, patron interviews, third party inquiries;
  - ii Interacting with customers:
    - A Provision of information and advice to patrons who SKYCITY considers may be problem gamblers;
    - B Offering self-exclusion from the casino or enforcing exclusion;
    - C Referral of patrons to problem gambling counselors; and

- D Evaluation of excluded patrons who wish to come back to the casino after their 'exclusion' period has ended;
  - iii Staff training about host responsibility; and
  - iv Engaging with service providers, researchers and regulators.
- 6.2 SKYCITY agrees that prior to the Regulatory Concessions coming into effect it will put in place the new player identification measures for the issuance and redemption of Ticket In Ticket Out (TITO) tickets and some cashless gambling credit above \$500 in non-restricted areas, as set out in the new Minimum Operating Standards in Schedule 14A. The specific detail concerning thresholds for player identification is set out in Schedule 13 (TITO and Cashless Gaming Technology).
- 6.3 The adoption of the measures referred to in this clause 6 (Harm Minimisation and Anti-Money Laundering Mechanisms) will not affect SKYCITY's ongoing obligation to comply with harm minimisation and anti-money laundering obligations as they may apply to SKYCITY from time to time. The Crown acknowledges and agrees that the measures described in clause 6.1 (Harm Minimisation and Anti-Money Laundering Mechanisms) will be included in SKYCITY's Host Responsibility Programme in respect of the Casino.
- 6.4 Once SKYCITY has met its obligations under clauses 6.1 and 6.2, the Gambling Commission (not the Crown) will be responsible for reviewing SKYCITY's obligations in respect of SKYCITY's Host Responsibility Programme and clauses 6.1 and 6.2 shall cease to have contractual effect. Similarly, if the Gambling Commission should subsequently amend or revoke its requirements in respect of SKYCITY's Host Responsibility Programme, in a manner affecting the Harm Minimisation Mechanisms, no such amendments or revocation shall have the effect of reinstating any contractual obligations in this Agreement.
- 6.5 Incidental to, but not forming part of this Agreement, and having no contractual effect as between SKYCITY and the Crown, SKYCITY has agreed that it will trial the use of further available measures to identify and prevent excluded Problem Gamblers from gaining entry to the Auckland Casino.

## **7 Regulatory Concessions**

- 7.1 If the Crown determines, in its sole discretion, that it wishes to give effect to the Regulatory Concessions, it will prepare and introduce to Parliament a Bill (the '**NZICC Bill**') that if enacted will authorise and give effect to the Regulatory Concessions and the further regulatory changes set out in this clause 7.
- 7.2 The Regulatory Concessions are:
  - a The initial term of the Venue Licence is extended from the current expiry date of 1 February 2021 to 30 June 2048.
  - b The areas defined as constituting the Casino Venue in the Venue Licence, is amended by the addition of the further area described in Schedule 6 (Increase in Area of Casino Venue).
  - c In addition to the 1,647 Gaming Machines already permitted under the Conditions of the Casino Operator's Licence, the holder of the Operator's Licence may install and operate

in the Gambling Area of the Casino Venue during the opening hours of the Casino up to 230 additional Single Terminal Gaming Machines.

- d In addition to the 110 gaming tables already permitted under the Conditions of the Casino Operator's Licence (not counting any substitute tables or non-gambling fun play tables approved from time to time by the Gambling Commission), the holder of the Operator's Licence may install and operate in the Gambling Area of the Casino Venue during the opening hours of the Casino up to 40 additional gaming tables, having, in aggregate, the average gambling opportunities of 40 gaming tables at the date of this Agreement.
- e In addition to the Gaming Machines and gaming tables (already permitted and additional) referred to in clauses 7.2c and 7.2d, the holder of the Operator's Licence may install and operate in the Gambling Area of the Casino Venue during the opening hours of the Casino:
  - i up to 240 additional Automated Table Game terminals which may not be substituted for Single Terminal Gaming Machines; or in the alternative
  - ii up to 12 further gaming tables, if each such gaming table is substituted for 20 of the additional Automated Table Game terminals referred to in clause 7.2ei, at the discretion of the holder of the Operator's Licence.
- f The maximum denomination of banknotes able to be accepted by up to 359 Gaming Machines (whether Single Terminal Gaming Machines or Automated Table Game terminals, or a mix of both, at the discretion of the holder of the Operator's Licence), to be operated in Restricted Areas only, is increased from \$20 to \$100.
- g The holder of the Operator's Licence may, in substitution for the current approval under game rules to operate TITO Technology on 300 Gaming Machines, introduce and operate Cashless Card Based Technology and TITO Technology on all Single Terminal Gaming Machines, Automated Table Game terminals, Electronic Table Games and other table games in the Gambling Area of the Casino Venue as set out in Schedule 13 (TITO and Cashless Gaming Technology).

7.3 The further regulatory changes to implement certain of the Regulatory Concessions are:

- a To give effect to the Regulatory Concessions in clauses 7.2c, 7.2d and 7.2e, the Conditions of the Casino Operator's Licence are consequentially amended to record the Regulatory Concessions set out in clauses 7.2c, 7.2d and 7.2e, as follows:
  - i inserting after the current condition 5 new condition 5A:
    - 5A Notwithstanding anything in condition 5, the Licence Holder may install and operate in the Gambling Area, in addition to the gaming machines specified in condition 5, up to 230 additional Single Terminal Gaming Machines.
  - ii inserting after the current condition 6 new condition 6AA:
    - 6AA In addition to the gaming tables specified in conditions 6, 6A and 6B the Licence Holder may install and operate in the Gambling Area, up to 40 additional gaming tables.

- iii inserting after the current condition 6AA new condition 6AAA:
  - 6AAA Notwithstanding anything in condition 5, and in addition to the gaming machines specified in conditions 5 and 5A and the gaming tables specified in conditions 6, 6A, 6B and 6AA, the Licence Holder may install and operate in the Gambling Area:
    - (a) up to 240 additional Automated Table Game terminals which may not be substituted for Single Terminal Gaming Machines; or in the alternative
    - (b) up to 12 further gaming tables, if each such gaming table is substituted for 20 of the Automated Table Game terminals referred to in paragraph (a) above, at the discretion of the Licence Holder.
- iv amending condition 6 to read “The number of gaming tables in the Gambling Area shall not exceed 110 except as permitted by conditions 6A, 6AA, 6AAA and 6B”;
- v deleting Mix A from the Annexes to the Operator’s Licence and inserting the New Mix A and New Mix A.1 contained in Schedule 12 (New Game Mix A and New Game Mix A.1);
- vi inserting new condition 6D which reads as follows:
  - 6D Notwithstanding anything in conditions 5, 5A, 6, 6AA, 6AAA, 6A, 6B and 6C at no time shall the number of Single Terminal Gaming Machines in the Gambling Area exceed 1877.
- vii amending condition 6A to refer to “condition 6, condition 6AA and condition 6AAA”;
- viii amending condition 6B to refer to “condition 6, condition 6A, condition 6AA and condition 6AAA”; and
- ix inserting new definitions in condition 4 which read as follows:
 

The following terms have the meanings set out in the Agreement:

**Agreement** means the agreement given effect by the New Zealand International Convention Centre Act.

**Automated Table Game** means a gaming machine which replicates games played on table games and allows more than one person to play at the same time at different terminals.

**Single Terminal Gaming Machine** means a gaming machine at which only one person may gamble at any time.
- b To give effect to the matters in clause 7.2g:
  - i the minimum standards prescribed by the Secretary pursuant to section 327 of the Gambling Act are amended by the introduction of the new Minimum Standards in Schedule 14 (Minimum Standards). The Minimum Standards apply only to gambling equipment that may be operated at the Auckland Casino;

- ii the minimum operating standards specified by the Secretary pursuant to section 141 of the Gambling Act are amended by the introduction of the new Minimum Operating Standards in Schedule 14A (Minimum Operating Standards); and
  - iii the following game rule, namely Part 5A of Division III – Electronic Gaming Machines of the Rules of Casino Keno, Racing Game and Gaming Machines, is revoked (having been replaced with the Minimum Standards).
- c If the Regulatory Concessions are removed prior to 30 June 2048 pursuant to the terms of this Agreement:
- i the Casino may continue to be operated without the Regulatory Concessions (except to the extent that any of those Regulatory Concessions would otherwise be available in the absence of this Agreement);
  - ii all necessary consequential regulatory changes, including to the definition of the Casino Venue in the Venue Licence, and to any licence conditions, approvals, minimum standards, minimum operating standards and game rules, to give effect to clauses 7.3ci and 7.3ciii, will be deemed to have been made; and
  - iii the right of the holder of the Venue Licence to apply to renew the Venue Licence is to be preserved as follows:
    - A The holder of the Venue Licence may still exercise its right to apply to renew the Venue Licence in the period specified in section 134(2) of the Gambling Act.
    - B If the period for making an application under section 134(2) of the Gambling Act has passed, or if the expiry date of the original 25 year term of the licence has passed, any application made within 2 years of the removal of any Regulatory Concessions pursuant to the terms of this Agreement is deemed to have been made within time, and all the renewal provisions in the Gambling Act will apply.
    - C The Venue Licence will continue in force until the Gambling Commission decides whether or not to renew the Venue Licence and all appeals to the courts are decided or the period for appeal has expired.
- d If the Regulatory Concessions remain in force as at 30 June 2048:
- i the Casino may continue to be operated, including with the Regulatory Concessions, but only if and to the extent that the Venue Licence is renewed by the Gambling Commission following an application in terms of clauses 7.3dii and 7.3diii; and
  - ii the right of the holder of the Venue Licence to apply to renew that licence (including with the Regulatory Concessions) is preserved as follows:
    - A The holder of the Venue Licence may still exercise its right to apply to renew the licence as if renewals had been approved throughout the Term, and may make an application at least 12 months but not more than 2 years prior to 30 June 2048 in accordance with section 134 of the Gambling Act. The renewal provisions of the Gambling Act will apply as though the application had been made within time.

- B The Venue Licence, and the Regulatory Concessions will continue in force until the Gambling Commission decides, in accordance with the renewal provisions of the Gambling Act, as modified by clauses 7.3di, 7.3dii and 7.3diii, whether or not to renew the Venue Licence, and, if so, to what extent and on what conditions, and all appeals to the courts are decided or the period for appeal has expired.
  - iii As part of its consideration of whether the Venue Licence should be renewed, the Gambling Commission shall also consider the appropriateness of the continuation of the Regulatory Concessions as a matter which shall also be addressed in the Casino Impact Report required under section 134 of the Gambling Act, and in light of that Report and any other matters specified in section 136 of the Gambling Act that the Gambling Commission considers relevant, shall be entitled to make a determination as to whether, and to what extent, the Regulatory Concessions continue after 30 June 2048.
  - iv If the Gambling Commission decides that the Regulatory Concessions should not continue but that the Venue Licence should otherwise be renewed the provisions of clauses 7.3ci and 7.3cii shall apply.
  - e If this Agreement is terminated after Completion but before 30 June 2048 due to a Termination Event other than any of the circumstances described in clauses 22.1ciii to 22.1cvi, the Regulatory Concessions shall remain in full force and effect until a determination has been made under clauses 7.3diii and 7.3diiB (and all appeals to the courts are decided or the period for appeal has expired).
- 7.4 Notwithstanding satisfaction of clause 4.1j (NZICC Act), the Regulatory Concessions and the further regulatory changes in clauses 7.3 and 7.5 shall only come into effect on and from the date the Building Works Contract has been executed and there is no condition under the Building Works Contract remaining to be fulfilled by, or declared satisfied by, SKYCITY.
- 7.5 Nothing in this clause 7 affects the ability of SKYCITY or the holder of the Operator's Licence or the holder of the Venue Licence to benefit from any provision (present or future) of the Gambling Act or its Regulatory Framework where the application of the provision would be more favourable to the holder of the Operator's Licence or the holder of the Venue Licence than a Regulatory Concession or any of the further regulatory changes set out in clause 7.3 or Schedule 12 (New Game Mix A and New Game Mix A.1), Schedule 14 (Minimum Standards) or Schedule 14A (Minimum Operating Standards).

## **8 Achieving Completion**

- 8.1 Subject to clause 8.3, SKYCITY and the Crown will act, and will seek to ensure that all relevant third parties act, in a manner consistent with:
- a achieving satisfaction of each of the conditions in clause 4 (Conditions) as soon as reasonably possible and in any event by the last date for satisfaction of each such condition; and
  - b achieving Completion of the NZICC as soon as reasonably possible having regard to:
    - i the target date for Completion being 30 September 2017;

- ii the dates on which each of the conditions contained in clause 4 (Conditions) are satisfied; and
- iii the date for completion set out in the Building Works Contract.

8.2 Clause 8.1 shall be read subject to clause 3.1 and shall not apply in relation to the satisfaction by the Crown of the condition in clause 4.1j (NZICC Act), and the Crown will determine in its sole discretion whether it wishes to satisfy this condition. Nor shall clause 8.1 require the Crown to:

- a consider any application by SKYCITY under the Overseas Investment Act 2005 except in accordance with that Act and its Regulations; or
- b in any other way use its sovereign status to require or procure any action to be taken or not taken by the Crown or any other person.

In this clause 8.2 the 'Crown' also means any other part of the Crown and any Government Entity.

8.3 The parties agree that during the consultation process referred to in clause 11.2 (Construction of the NZICC) SKYCITY will discuss with the Crown the date for completion under the Building Works Contract and SKYCITY and the Crown will agree such date prior to the Building Works Contract being entered into.

8.4 The parties acknowledge that prior to the entry into the Building Works Contract:

- a they are dependent on the inputs and actions of each other, and of others which may be beyond the control of either the Crown or SKYCITY;
- b the timeliness, accuracy and completeness of such inputs and actions is critical to the achievement of Completion by the target date for Completion of 30 September 2017;
- c to the extent that such inputs and actions are not timely or complete, SKYCITY will keep the Crown fully informed on a regular basis of the circumstances and likely implications; and
- d the parties will agree the impact on the target date for Completion of 30 September 2017, which will fairly reflect the circumstances giving rise to a likely change in that target date for Completion.

8.5 The parties acknowledge that after the entry into the Building Works Contract, achievement of Completion by the target date for Completion of 30 September 2017 is substantially dependent on the performance of the Building Works Contractor. SKYCITY accepts the risk that if Completion does not occur by the Completion Long Stop Date, the Agreement may be terminated by the Crown under clause 19.4 (Termination) and the consequences of Completion not having occurred by the Completion Long Stop Date are set out in clause 22.3.

8.6 Having regard to the matters in clauses 8.4 and 8.5, the parties agree that if Completion occurs after 30 September 2017 but before the Completion Long Stop Date SKYCITY will not be in breach of this Agreement and SKYCITY will not be subject to any contractual consequences in relation to such circumstances, except that the Crown shall nevertheless be entitled to terminate this Agreement if a Termination Event occurs prior to Completion and in that event the provisions of clause 22.1b shall apply.

## 9 Design of the NZICC

### Design Brief, cost, and general design obligations

9.1 The parties agree that:

- a the NZICC is to be designed to be a convention centre which is capable of hosting 3,500 delegates, which is unique in style to New Zealand, and which is designed and constructed in accordance with contemporary international design standards but the Total Construction Cost will not exceed the Total Construction Budget except with the agreement of both parties;
- b as at the date of this Agreement and based on the assessments of the parties' respective quantity surveyors and architects it is the parties' expectations that NZICC Design Option 9 can be designed, constructed and fitted out in accordance with this Agreement including that the Design Brief can be fulfilled within the Total Construction Budget if the Land Value does not exceed \$87,000,000; and
- c the Total Construction Budget includes the cost of 780 carparks and the Link-way Bridge but excludes any value attributed to the Land.

9.2 The Design Brief is acknowledged by the parties:

- a as having established sufficient commonality of vision to justify their respective entry into this Agreement; and
- b to be the reference point for the parties' expectations of the Detailed Design.

9.3 SKYCITY is responsible for the design of the NZICC and must design the NZICC:

- a having regard to the content, quality and intent of the Design Brief;
- b in accordance with the terms and conditions of all resource consents and building consents, the Resource Management Act 1991, the Building Act 2004, the building code, the Health and Safety in Employment Act 1992, and all other relevant Laws, and otherwise must comply with the requirements of any Authority and any other relevant statutory or other regulations in accordance with the Approvals;
- c in accordance with the requirements of Auckland Council's consenting process under the Resource Management Act 1991, including a process of consultation with tangata whenua and the Auckland Council's 'urban design champion';
- d in a professional and workmanlike manner;
- e in a manner consistent with achieving satisfaction of the conditions in clauses 4.1c (Concept Design), 4.1d (Preliminary Design), 4.1e (Developed Design), and 4.1h (Detailed Design);
- f so as to be structurally sound and weathertight in all respects;
- g in accordance with good industry practice, and to sound and accepted architectural and engineering standards; and
- h in all other respects in accordance with this Agreement.

## **Phases of design**

9.4 There will be four Design Phases for the NZICC:

- a Concept Design;
- b Preliminary Design;
- c Developed Design; and
- d Detailed Design.

9.5 Each Design Phase will be:

- a developed collaboratively between the Crown and SKYCITY; and
- b subject to agreement by both parties and the provisions of clause 4 (Conditions).

9.6 Throughout each Design Phase the designs shall be developed:

- a in accordance with clauses 9.1 and 9.3;
- b having regard to the content, quality, and intent of the Design Brief;
- c reflecting that for SKYCITY, a critical element of the Detailed Design will be 780 basement carparks and the Link-way Bridge; and
- d reflecting that for the Crown, the critical elements of the Detailed Design will be:
  - i an exhibition hall, meeting spaces, pre-function facilities, and plenary space, all of a size, functionality and quality broadly along the lines specified in the 'Design' section of the Design Brief; and
  - ii at least 400 carparks always being available for casual use by the public (including NZICC users) in a manner which will meet the needs of NZICC attendees (for example by way of sufficient dedicated parking area(s)) within the 400 carparks for conventions as and when they are being held.

9.7 The parties will work collaboratively during each Design Phase, with SKYCITY's design team involving and consulting with the Crown's own design experts as and when required or requested by either SKYCITY or the Crown, the intention being not only that the Crown remains satisfied that the Design Brief continues to be met as the design progresses (or subject to inconsistencies agreed expressly pursuant to clause 9.9 understands and agrees or has previously agreed (in each case in writing) to the extent that there are inconsistencies from the Design Brief), but also so that the process of approval by the Crown of each successive phase can be facilitated and expedited. Acknowledging the matters set out in clauses 8.4a and 8.4b (Achieving Completion), the Design Phases are to be undertaken and completed by SKYCITY, and each Design Phase considered by the Crown in a manner consistent with the relevant Design Phase being completed and approved by the parties by the relevant condition date referred to in clause 4.1 (Conditions).

## **Approval of Design Documents**

9.8 At the conclusion of each Design Phase, the Design Documents and each element (including the contingency element at that time) of the then estimated Total Construction Cost must be

approved by, and be acceptable to, both parties before the next Design Phase can commence.

- 9.9 As part of the approval process in clause 9.8, and in any event prior to the parties' approval for the purposes of the design conditions in clause 4.1 (Conditions) the parties will review the extent to which the Design Documents relevant to that Design Phase are inconsistent with the Design Brief. Inconsistency will be grounds for either party withholding their approval of the relevant Design Documents and declaring the relevant condition in clause 4.1 (Conditions) not satisfied unless that inconsistency is one which the parties have previously approved in writing during that Design Phase or an earlier Design Phase or which is implicit from the approval of an earlier Design Phase where the inconsistency is clear, in which event the inconsistency shall be disregarded for the purpose of this clause 9.9. If the parties both agree in writing that notwithstanding the inconsistency they wish to approve the relevant Design Documents, then the parties will progress to the next Design Phase.
- 9.10 To obtain the Crown's approval, SKYCITY will not less than 15 Business Days prior to the date for satisfaction of each relevant design condition in clause 4.1 (Conditions):
- a provide the Design Documents and any other documents to the Crown which contain sufficient design detail of the relevant Design Phase to enable the Crown to fully understand the design, detail, and performance expectations of the NZICC and its services, and the relevant components thereof, and to be satisfied that they comply with the requirements of this Agreement and, in particular, clauses 9.1 and 9.3; and
  - b provide to the Crown the then estimated Total Construction Cost. SKYCITY must ensure that its quantity surveyors present the estimated Total Construction Cost in full and complete detail, including accurate schedules of quantities, rates, prices, materials, and all other costs.
- 9.11 The Crown must provide its approval, or otherwise, within 10 Business Days of the provision of the last of the necessary Design Documents and estimated Total Construction Cost provided that such Design Documents and the Total Construction Cost comply in all respects with the requirements of this Agreement.

#### **Dispute process for design approval**

- 9.12 If the Crown considers that any aspect of the Design Documents and/or estimated Total Construction Costs is incomplete or does not:
- a comply in all respects with this Agreement and, in particular, clauses 9.1 and 9.3 (Design);
  - b adequately respond to or incorporate the requirements of the Design Brief; or
  - c contain adequate detail to enable the Crown to understand the design, detail, and performances expectations of the NZICC and its services or the estimated Total Construction Costs,

then the Crown will, within the 10 Business Day period referred to in clause 9.11 give written notice to SKYCITY specifying any objections that the Crown has (together with explanations of any such objections), or requesting clarification in respect of any aspect, and providing sufficient detail of any amendments sought.

- 9.13 If the Crown has given notice of objection to any aspect of the Design Documents or costs, then the parties must consult and negotiate in good faith to resolve by agreement the Crown's objections, make the agreed amendments, and secure the Crown's approval. Where the disagreement is about any aspect of the costs comprising the estimated Total Construction Cost, the parties may seek market pricing on any such aspect.
- 9.14 If agreement to the Design Documents and estimated Total Construction Cost for a Design Phase is not reached within 10 Business Days of the date of the notice of objection by the Crown (or such further time as the parties agree), then either party may at any time thereafter, refer the dispute to the Disputes Panel for determination pursuant to clauses 24.5 to 24.27 of this Agreement, but only as to whether the Design Documents and estimated Total Construction Cost meet the Design Brief or comply with clauses 9.1 and 9.3.
- 9.15 During each Design Phase, the Crown may also request modifications to the design. Upon receipt of such a request, SKYCITY must promptly confer with the Crown and the Crown's consultants. If, in the reasonable opinion of SKYCITY and SKYCITY's consultants, such request will not compromise the Design Brief or SKYCITY's obligations under clause 9.1 or any other provision of this Agreement or reduce the project contingency which forms part of the Total Project Cost, then SKYCITY will consent to and duly incorporate the requested modification in the design of the NZICC (for the approval of both parties under clause 9.8).
- 9.16 If the process of approval of a Design Phase takes more than 20 Business Days from the date that SKYCITY provides to the Crown the last of the information referred to in clause 9.10, the date for satisfaction of the relevant condition in respect of that Design Phase in clause 4.1 (Conditions) and the date for satisfaction of clause 4.1f (NZICC Resource Consents) shall be extended by 1 Business Day for each Business Day in excess of the 20 Business Day period referred to in this clause 9.16 up to a maximum of 20 Business Days.

#### **SKYCITY's overall responsibility for design**

- 9.17 Notwithstanding the Crown's review or approval of the Design Documents and costs for each Design Phase, the design of the NZICC remains the sole responsibility of SKYCITY. The Crown will have no responsibility whatsoever in respect of the integrity, quality, or performance of the design irrespective of the Crown's input or approval of any aspect of the design.

#### **Costs of design**

- 9.18 Subject to clause 9.19 and the other provisions of this Agreement, SKYCITY will be responsible for all of the costs comprising the Total Construction Cost.
- 9.19 The Crown will pay SKYCITY on demand 50% of the Design Costs incurred at that time if this Agreement is cancelled by reason of non-fulfilment of any of the following conditions for the reasons set out against each such cancellation:
- a clause 4.1a (Treaty of Waitangi), if the Crown cancels for any reason;
  - b clause 4.1b (Overseas Investment Act), if either party cancels but only if the consent referred to in clause 4.1b (Overseas Investment Act) is not granted at all or is not granted on terms acceptable to SKYCITY, the application for consent having been made by SKYCITY within the period required by clause 4.1b;

- c clauses 4.1c (Concept Design), 4.1d (Preliminary Design), 4.1e (Developed Design), 4.1h (Detailed Design) and 4.1k (Building Works Contract and Ground Lease), if either party cancels, except if the reason for cancellation is that the design is materially inconsistent with the Design Brief (unless that inconsistency is one which the parties have previously approved in writing during that Design Phase or an earlier Design Phase, or which is implicit from the approval of an earlier Design Phase where the inconsistency is clear) as provided for in clause 9.9;
  - d clause 4.1f (NZICC Resource Consents) if either party cancels, but only if SKYCITY has:
    - i lodged the required consent application no later than 4 months following satisfaction of clause 4.1d (Preliminary Design); and
    - ii complied with clause 10.2 (Consents); and
  - e clause 4.1j (NZICC Act), if either party cancels for any reason, provided that:
    - f SKYCITY is not in material default of any term of this Agreement, except that to rely on this proviso, doing so must be a proportionate response to the materiality of the default;
    - g at the time of demand, SKYCITY provides copies of all invoices in respect of such Design Costs for the period up to the date of cancellation;
    - h upon payment by the Crown, SKYCITY must irrevocably transfer to the Crown all its rights (including sublicensing any licence rights), title, and interests in the designs, drawings, specifications and all other intellectual property, in relation to the design of the NZICC which are reasonably capable of being transferred or sublicensed by SKYCITY; and
    - i the maximum aggregate sum for which the Crown is liable under this clause is \$10 million.
- 9.20 SKYCITY will be responsible for all consultants, project managers, quantity surveyors, building advisors, or other professionals, engaged by SKYCITY to provide services or advice to SKYCITY on any aspect of the NZICC.
- 9.21 SKYCITY will be responsible for the costs of the Crown and for the costs of consultants and advisers engaged by the Crown to review and give advice to the Crown, in relation to the Design Phases, or any other aspect of the design, from the date of this Agreement which shall form part of the Total Project Cost, provided that the total costs payable by SKYCITY under this clause and clause 11.10 (cost of construction) will not exceed \$1.4 million in aggregate.
- 9.22 SKYCITY will ensure that it has the rights, title, and interest in the design, drawings and specifications and all other intellectual property in relation to the design of the NZICC (other than any third party licence rights which SKYCITY does not hold) as is customary for a transaction of the nature and scale of the proposed NZICC, and if requested by the Crown, will provide confirmation and/or evidence of such to the Crown.

## **Preservation of Access**

- 9.23 The parties acknowledge and agree that the design of the NZICC will need to ensure that the current public and vehicle access from Nelson Street via the NZICC site to SKYCITY's existing carpark at its main site is retained or, in its absence, that there is alternative access acceptable to SKYCITY to at least an equivalent standard so that there is continuity of access both during construction and following Completion of the NZICC. This clause does not impose any obligations on the Crown.

## **10 Consents**

- 10.1 SKYCITY is solely responsible for ensuring that all consents required in connection with the construction and operation of the NZICC are obtained and immediately following execution of this Agreement will promptly and diligently, prepare, file and pursue the obtaining of such consents in a manner consistent with achieving satisfaction of the condition in clause 4.1f (NZICC Resource Consents).
- 10.2 SKYCITY may seek resource consent for any reasonable aspect of design that is additional to the Design Brief (including the Link-way Bridge, more than 780 carparks, and a hotel on the Future Development Unit), but a failure to obtain resource consent to the Link-way Bridge, more than 780 carparks or to an associated hotel development on the Future Development Unit will not be a ground to withhold satisfaction of clause 4.1f (NZICC Resource Consents). SKYCITY shall structure its application for consent in a manner which will ensure that it is clear whether consent is declined by reason of any of such matters.
- 10.3 SKYCITY must promptly and diligently prepare, file and pursue the obtaining of all consents necessary for the Casino Alterations in a manner consistent with achieving satisfaction of the condition in clause 4.1g (Casino Alterations Consents).
- 10.4 SKYCITY will provide the Crown with regular reports as to progress in obtaining the consents under clauses 10.1 and 10.3 as the Crown may reasonably require.

## **11 Construction of the NZICC**

### **General construction standards**

- 11.1 SKYCITY must ensure the NZICC is constructed:
- a in accordance with the approved Detailed Design (except as amended by the parties by agreement during the term of the Building Works Contract);
  - b in accordance with the terms and conditions of all resource consents and building consents, the Resource Management Act 1991, the Building Act 2004, the building code, and the Health and Safety in Employment Act 1992, all other relevant Laws, and otherwise complying with the requirements of any Authority in accordance with the Approvals;
  - c in a professional and workmanlike manner;
  - d so as to be structurally sound and weathertight in all respects;

- e so that all the building services function to the standard set out in the Detailed Design or otherwise as appropriate for an international convention centre as at the date that the Detailed Design is finalised;
- f in accordance with industry practice as set out in the Detailed Design or otherwise as appropriate for an international convention centre as at the date that the Detailed Design is finalised, and to sound and accepted architectural and engineering standards; and
- g in all other respects in accordance with this Agreement.

### **Tender process and Building Works Contract**

- 11.2 SKYCITY must consult with the Crown, and provide the Crown with reasonable opportunity to comment, on which contractors it will request to tender for the Building Works Contract and the basis and contract terms on which tenders will be sought, including, without limitation, participation by the Crown in a procurement workshop with SKYCITY, and appointment of a Crown representative on a panel to be established by SKYCITY to review and advise on buildability.
- 11.3 SKYCITY must provide to the Crown such information as SKYCITY holds and is relevant to the choice of contractors. SKYCITY will manage the tender process and must:
- a ensure that the tendering process is consistent with best commercial practice and industry standards;
  - b include in the request for tenders the Design Documents as approved by the Crown and such guarantees from the Building Works Contractor, consultants, suppliers and sub-contractors as the Crown may reasonably require;
  - c ensure that the Building Works Contract provides that the Building Works Contractor must comply with all the terms set out in clause 11.1;
  - d ensure that the Building Works Contract is specifically tailored to ensure consistency and compliance by the Building Works Contractor with SKYCITY's obligations to the Crown under this Agreement;
  - e ensure that the Building Works Contract provides for Completion in accordance with the date for completion as agreed between the parties in accordance with clause 8.3 (Achieving Completion);
  - f ensure that the Building Works Contract and all related contracts provide for adequate insurance for all risks, events, and circumstances in relation to the carrying out of the Building Works to the extent that such insurance is not obtained directly by SKYCITY;
  - g ensure that the Building Works Contract contains guarantees and warranties from the Building Works Contractor (and its subcontractors) in favour of SKYCITY as to the performance of, and remedying defects, in the Building Works by the Building Works Contractor, its subcontractors and personnel, of a nature and extent that is customary for projects of the nature and scale of the NZICC;
  - h ensure that to the extent reasonably achievable, the guarantees and warranties referred to in clause 11.3g are assignable to third parties without the Building Works Contractor's

consent and within 3 months of Completion will provide the Crown with a full list of such guarantees and warranties and will provide copies on request; and

- i consult with the Crown on the result of the tendering process, advise the Crown of SKYCITY's preferred Building Works Contractor, and provide the Crown with a reasonable opportunity to comment.

11.4 Prior to entering into the Building Works Contract, SKYCITY must provide to the Crown, within a reasonable time prior to the execution of the Building Works Contract, a copy of the finalised Building Works Contract which includes the final agreed price for the Building Works and all other information that the Crown may reasonably require for the purposes of:

- a assessing the suitability of the Building Works Contract;
- b assessing the Total Project Cost at that time; and
- c assessing whether any adjustment is required pursuant to clauses 11.40 to 11.47 (Total Construction Cost adjustments),

and SKYCITY must not enter the Building Works Contract before the Crown has confirmed in writing that it is reasonably satisfied that the requirements of clause 11.3 (Tender process and Building Works Contract) and clauses 11.40 to 11.47 (Total Construction Cost adjustments) have been met, such confirmation not to be unreasonably withheld or delayed.

11.5 If the process for approval of the Building Works Contract takes more than 10 Business Days from the date SKYCITY provides the Building Works Contract to the Crown pursuant to clause 11.4, the date for satisfaction of the condition in clause 4.1k (Building Works Contract and Ground Lease) shall be extended by 1 Business Day for each Business Day in excess of the 10 Business Day period referred to in this clause 11.5 up to a maximum of 20 Business Days.

11.6 Following consideration of the Crown's comments pursuant to clause 11.3i and the Crown's confirmation under clause 11.4, SKYCITY must engage the Building Works Contractor to proceed with the Building Works under the terms of the Building Works Contract.

11.7 SKYCITY must obtain, or procure the Building Works Contractor to obtain, all necessary building and other statutory and regulatory consents, and any other third party consents or Approvals that are required in respect of the Building Works by the time that such consents are required by law.

11.8 The Crown will not be a party to the Building Works Contract. Notwithstanding any other clause in this Agreement, the Crown will have no liability whatsoever (in contract, equity, tort (including negligence) or otherwise) for the construction or Completion of the NZICC or for any matter arising out of or in relation to the Building Works Contract or the Building Works Contractor.

### **Costs of construction**

11.9 SKYCITY will be responsible for all the costs of construction in all respects. Such costs will include all the costs of the Building Works, SKYCITY's consultants and advisers, the Land, the Approvals, and all other costs associated with or arising out of the construction of the NZICC incurred directly or indirectly by SKYCITY.

- 11.10 SKYCITY will be liable for the costs of the Crown and of the consultants and advisers engaged by the Crown to review and give advice to the Crown, during the construction of the NZICC, which shall form part of Total Project Cost. The obligation of SKYCITY under this clause is subject to the proviso in clause 9.21 (Costs of design).

#### **Variations to the Building Works and Building Works Contract**

- 11.11 Unless SKYCITY and the Crown agree otherwise the Detailed Design cannot be changed once the Building Works Contract has been executed.
- 11.12 Prior to the Building Works Contract being executed, in order to facilitate the efficient progress of the Building Works, the parties will agree a protocol for determining the manner in which, notwithstanding clauses 11.1 and 11.11 to 11.17, SKYCITY shall be permitted to make changes to the Detailed Design and/or the Building Works without the consent or agreement of the Crown where those changes are not material to the Building Works to facilitate the efficient progress of the Building Works.
- 11.13 Once the Building Works Contract has been signed SKYCITY will not vary or waive any provision of it without the consent of the Crown which shall not be unreasonably withheld or delayed where:
- a the variation or waiver does not impose a cost on the Crown;
  - b the variation or waiver does not diminish the Detailed Design approved by the Crown; and
  - c the variation or waiver does not result in a change to the scheduled Completion.
- 11.14 Notwithstanding clause 11.11, either party may request variations to the Building Works after the completion of the Detailed Design and during the Building Works Contract. Such requests shall be communicated in writing and contain adequate explanation and detail of the variation sought.
- 11.15 If, in the reasonable opinion of the recipient of the request and its consultants, the request from the other party for a variation will not compromise the Detailed Design, the scheduled completion of the construction of the NZICC, the operational efficiency of the NZICC or SKYCITY's obligations under this Agreement, then SKYCITY will promptly request the Building Works Contractor to provide its price for the variation and advise whether the variation will have any time impacts on the Building Works Contract.
- 11.16 Upon receipt of the variation price and advice as to time impacts from the Building Works Contractor, SKYCITY and the Crown will confer and agree as to whether or not the variation will be carried out, and any consequential changes made to the programme for the Building Works and/or the Completion Long Stop Date taking into account the cost to either party and the likely impact on the Building Works Contract.
- 11.17 If:
- a the Crown has requested the change;
  - b the parties have agreed the cost of the change; and

- c the change will result in the Total Construction Cost exceeding the Total Construction Budget or such other figure as may have been agreed by SKYCITY under clause 11.43a (Total Construction Cost adjustments),

the Crown will pay the agreed cost of the change within 30 Business Days of the later of:

- d SKYCITY's project manager certifying to the Crown that the agreed change has been satisfactorily completed; and
- e the Crown receiving an itemised invoice for that change supported by such documentation as the Crown may reasonably require to reconcile the invoice against the agreed cost.

### **Building Works programme**

- 11.18 SKYCITY must ensure that the Building Works Contractor prepares a programme which:
- a shows how the date for completion under the Building Works Contract is to be achieved;
  - b shows the proposed sequence of all significant on site and off site activities; and
  - c identifies the critical path for the Building Works.
- 11.19 SKYCITY must provide the programme to the Crown and report against the programme. SKYCITY must also ensure that the Building Works Contractor maintains and updates the programme regularly (and not less than monthly) to:
- a accurately reflect the progress of the Building Works; and
  - b provide for the achievement of Completion by the date for completion under the Building Works Contract.
- 11.20 SKYCITY must notify the Crown without delay if there is any material delay to the Building Works or if there is any event or circumstance which SKYCITY considers is reasonably likely to cause material delay. The parties will consult with respect to any material delay in the Building Works or any proposed changes to the programme.
- 11.21 SKYCITY must obtain the Crown's prior written approval to all proposed changes to the programme which are reasonably likely to impact on the achievement of Completion by the date for completion under the Building Works Contract except for changes which result from extension of time reasonably requested by the Contractor in the exercise of its rights under the Building Works Contract. SKYCITY shall notify the Crown promptly of all extensions granted under the preceding exception.

### **Representatives**

- 11.22 Each party must identify a Representative (named in Schedule 1 (Reference Schedule)) who will be responsible for and who must have appropriate authority to:
- a administer and manage that party's rights and obligations prior to and during the Building Works, in relation to design and construction of the NZICC; and
  - b take and communicate decisions to the other Representative or to third parties prior to and during the Building Works, in relation to design and construction of the NZICC.

- 11.23 Each party will be entitled to rely fully in all respects upon any decision or instruction received in writing from the other Representative, and each party will be bound by the decision and instructions of its Representative, provided that no decision or instruction will be competent to vary the clauses of this Agreement, the Design Brief, the Detailed Design, the Building Works Contract or the programme.
- 11.24 Unless otherwise agreed between the parties, each party's Representative will have no authority after the Completion Date.
- 11.25 Either party may, by notice to the other party, change its Representative for any particular purpose either temporarily or permanently.

#### **Monitoring of Building Works during construction**

- 11.26 If there is any material default or material breach by the Building Works Contractor under the Building Works Contract, then SKYCITY must notify the Crown without delay and take all such steps, actions, or proceedings under the Building Works Contract as SKYCITY thinks fit, using all reasonable commercial endeavours to continue with the Building Works.
- 11.27 SKYCITY must ensure that the Building Works Contractor remedies all defects relating to the Building Works which may become apparent during construction or within the defects liability period under the Building Works Contract.
- 11.28 The Crown may notify SKYCITY of any defective work which it considers should be rectified pursuant to the Building Works Contract.
- 11.29 SKYCITY will not terminate the Building Works Contract without consulting with the Crown.
- 11.30 If the Building Works Contract is terminated, SKYCITY will as soon as reasonably possible, and in any event within 12 months, enter into a new Building Works Contract in accordance with clauses 11.2 to 11.6 and in that event, clause 8.3 (Achieving Completion) and clauses 11.8 to (and including) this clause 11.30 shall apply to that new contract.

#### **Project Steering Group**

- 11.31 The parties will constitute a Project Steering Group for the duration of the Building Works. The Project Steering Group will meet at such times as the parties may agree but, in any event, no less than two-monthly.
- 11.32 The Project Steering Group will be responsible for:
- a providing regular updates to the Crown and SKYCITY on the ongoing progress with the construction and Completion of the NZICC;
  - b monitoring each party's compliance with its obligations under this Agreement with respect to the construction of the NZICC and monitoring progress of the Building Works programme;
  - c monitoring progress since the last meeting against the Building Works programme; and
  - d recommending steps to mitigate or avoid any breach, delay, or other non-compliances.

- 11.33 At each meeting of the Project Steering Group, SKYCITY's Representative will report on the status of the Building Works in terms of the Building Works Contract, the programme and any other relevant aspects of this Agreement.
- 11.34 The following persons will be members of the Project Steering Group (at relevant times):
- a SKYCITY's Representative and up to two additional SKYCITY representatives;
  - b the Crown's Representative and up to two additional Crown representatives;
  - c SKYCITY's project manager;
  - d either party's consultants, as required by that party;
  - e a representative of the Building Works Contractor, if requested by a party and consented to by the other; and
  - f a representative of any major subcontractor, if requested by a party and consented to by the other.
- 11.35 Either party may, by 5 Business Days prior written notice to the other party's Representative, require the convening of a special meeting of the Project Steering Group.
- 11.36 The parties will take into account all reports and recommendations of the Project Steering Group, having regard to the relationship principles set out in clause 5 (Relationship Principles).
- 11.37 The Project Steering Group will cease to act upon Completion of the NZICC.

### **Completion**

- 11.38 SKYCITY must certify completion of the NZICC in accordance with the terms of completion of the Building Works under the Building Works Contract but, prior to certification, SKYCITY must consult with the Crown as to whether or not, in its reasonable opinion, the requirements of completion have been met.
- 11.39 SKYCITY acknowledges and agrees that the certification of completion under the Building Works Contract in no way releases SKYCITY from any of its covenants, warranties, or obligations under this Agreement other than to the extent that SKYCITY has performed such obligations.

### **Total Construction Cost adjustments**

- 11.40 As provided for in clause 9.1 (Design Brief, Cost, and General Design Obligations), SKYCITY and the Crown have entered this Agreement having agreed that the Total Construction Cost will be equal to the Total Construction Budget.
- 11.41 The parties acknowledge and agree that:
- a the Total Construction Cost includes an allowance of \$4.5 million for the Link-way Bridge. If SKYCITY does not obtain resource consent for the Link-way Bridge:
    - i to the extent that the cost of establishing any alternative method of linking the NZICC to the main SKYCITY site is less than \$4.5 million, SKYCITY may include

another design element to the NZICC which has a value approximately equal to that difference; and

- ii to the extent that the cost of establishing any alternative method of linking the NZICC to the main SKYCITY site is more than \$4.5 million, any such excess will not be taken into account when determining whether the Total Construction Cost exceeds the Total Construction Budget;
  - b the Total Construction Cost is premised on constructing 780 carparks within the NZICC. If SKYCITY obtains resource consent for more than 780 carparks the cost of those additional carparks, and any additional cost incurred over the base case of 780 carparks shall be disregarded in calculating the Total Construction Cost; and
  - c the Total Construction Cost will exclude any costs which are incurred in connection with the development of the Future Development Unit.
- 11.42 If at the conclusion of each Design Phase, but before receiving the tender for the Building Works Contract, the then estimated Total Construction Cost is less than or more than the Total Construction Budget, the parties will meet to consider modifications to the design so that the then estimated Total Construction Cost is equal to the Total Construction Budget. A failure to agree on such modifications will be a ground on which either party shall be entitled to cancel this Agreement under clause 4.9 (Conditions) due to clause 4.1c (Concept Design), 4.1d (Preliminary Design), 4.1e (Developed Design) or 4.1h (Detailed Design), as applicable, not being satisfied by the date for satisfaction described in such relevant clause.
- 11.43 If having approved the Detailed Design, the price tendered in respect of the Building Works Contract results in the Total Construction Cost exceeding the Total Construction Budget, SKYCITY may elect to either:
- a sign the Building Works Contract; or
  - b require the Crown to meet to consider modifications to the design so that the Total Construction Cost will not exceed the Total Construction Budget.
- 11.44 If having approved the Detailed Design, the price tendered in respect of the Building Works Contract results in the Total Construction Cost being less than the Total Construction Budget, the Crown may require SKYCITY to include in the Building Works Contract other design elements so as to bring the Total Construction Cost to (but not more than) the Total Construction Budget.
- 11.45 In the case of clause 11.43b or 11.44, if the parties cannot agree such modifications, either party shall be entitled to cancel this Agreement under clause 4.9 (Conditions) due to clause 4.1k (Building Works Contract and Ground Lease) not being satisfied by the date for satisfaction described in that clause.
- 11.46 Any dispute as to the Total Project Cost (and therefore the Total Construction Cost) may be referred by either party to the Disputes Panel for determination.
- 11.47 Nothing in this clause 11 precludes the parties from agreeing that rather than making a modification to the design, either party may pay the other cash to ensure that the Total Construction Cost remains equal to the Total Construction Budget.

11.48 Clauses 11.42 to 11.44 cease to have any effect from the date SKYCITY signs the Building Works Contract, the intention being that the risk of Completion within the Total Construction Cost passes to SKYCITY from the point it signs the Building Works Contract.

## 12 Operation and maintenance of the NZICC

### Operating Standards

12.1 SKYCITY must:

- a operate the New Zealand International Convention Centre in a manner that when taken as a whole is in accordance with standards that are generally accepted in relation to international convention centres;
- b operate the New Zealand International Convention Centre at all times in a manner that promotes the achievement of the Desired Outcomes; and
- c operate the New Zealand International Convention Centre in a manner that when taken as a whole does not frustrate the realisation or achievement of the Objectives.

In assessing whether SKYCITY is in breach of clauses 12.1b and 12.1c, the comparative benchmark shall be that of a reasonable international convention centre operator having an obligation of the kind referred to in paragraph 2.2 of the Operating Standards.

12.2 The Crown acknowledges that SKYCITY is a commercial enterprise with an obligation to seek to maximise the economic return to its shareholders, including through the operation and maintenance of the NZICC and that the achievement of the Desired Outcomes and the Objectives is only partly within the control of SKYCITY.

12.3 SKYCITY will, in accordance with this Agreement and the terms of the Operating Standards:

- a perform or comply with, as the case may be, all Operational Obligations;
- b satisfy all Key Performance Indicators;
- c measure its performance of, and compliance with, the Operational Obligations and satisfaction of the Key Performance Indicators;
- d openly and diligently report to the Crown regarding its performance of, and compliance with, the Operational Obligations and satisfaction of the Key Performance Indicators;
- e pay to the Crown the Non-Compliance Payments associated with non-compliance with its obligations identified, or referred to, in the Operating Standards;
- f not provide the Crown with any materially false or materially misleading information in relation to the actual operating performance of the NZICC taken as a whole;
- g from Completion own all the plant, equipment and software (collectively '**resources**') necessary to operate the NZICC, or where it does not own the resources, have contracts for the supply of such resources on commercial 'arm's length' terms, and no Security Interest may exist in respect of any of such resources; and
- h provide the Crown with access to its documents, accounts, records and other information (and the Crown will be entitled to retain copies thereof):

- i as may be necessary (acting reasonably) in order for the Crown to be satisfied that SKYCITY is complying with its obligations under this Agreement and the Operating Standards in respect of the NZICC;
  - ii as may be necessary (acting reasonably) to enable calculation and verification of any Compensation Claim; and
  - iii following a Default, as may be necessary (acting reasonably) to enable the Crown to exercise its rights under the Agreement.
- 12.4 The Crown and SKYCITY will, in accordance with the Agreement and the terms of the Operating Standards:
- a meet with each other to discuss matters concerning the operation of the NZICC and the performance of, or compliance with, the Operational Obligations; and
  - b from time to time, review and amend by agreement the Operational Obligations, Key Performance Indicators, and Non-Compliance Payments.

#### **Meetings and Reporting on NZICC operations**

- 12.5 The Crown Liaison and the SKYCITY Liaison agree to meet during the Term to review the operation of the NZICC and SKYCITY's compliance with the Operating Standards, all as provided for in more detail in the Operating Standards.
- 12.6 SKYCITY must annually prepare an Annual Business Plan in accordance with the Operating Standards.

#### **Communications protocol and non-compliance reporting**

- 12.7 A communications protocol governing the manner in which the parties communicate with each other and make any significant public statement in respect of the operation of the NZICC will be developed, agreed, and applied taking into account any legal requirements applicable to each party (including any Cabinet conventions applicable to the Crown). That protocol will be reviewed from time to time and amended as agreed.
- 12.8 SKYCITY and the Crown must each designate a liaison person who will be the key contact point for all communications between the parties regarding the operating of the NZICC in accordance with the requirements set out in the Operating Standards.
- 12.9 SKYCITY must notify the Crown of any Contraventions and Material Issues (as defined in the Operating Standards) within a reasonable time having regard to the nature and severity of the Contravention or Material Issue.
- 12.10 SKYCITY will report and publish information on the performance of the NZICC as provided for in the Operating Standards.

#### **Operation and management**

- 12.11 SKYCITY is entirely responsible for all its costs of operation and management of the NZICC, including all its costs of producing the Annual Business Plan.

## **Access to information and reporting**

12.12 SKYCITY must throughout the Term:

- a in accordance with generally accepted accounting practice, prepare financial statements for the NZICC and its operations;
- b provide the Crown with copies of the financial statements prepared in accordance with clause 12.12a within 3 months of every half year and full year financial reporting periods; and
- c provide the Crown on a confidential basis upon request following a Default with:
  - i lists of all material items of plant and equipment that are used in connection with the NZICC owned by SKYCITY or any member of the SKYCITY Group;
  - ii depreciation schedules in respect of plant and equipment referred to in clause 12.12ci; and
  - iii copies of all material standalone contracts for the provision of plant, goods, services, or software to or in connection with the NZICC.

## **Crown events at the NZICC**

12.13 Subject to availability of the NZICC facilities on each occasion, the Crown or any other Government Entity will be entitled to use of the NZICC facilities and will notify SKYCITY not less than six months prior to the occasion in order for SKYCITY to check such availability.

12.14 Except as otherwise agreed, use of the NZICC must be provided to the Crown or any other Government Entity under clause 12.13:

- a free of charge for venue hire only, subject to a total annual aggregate value to the Crown (including any other Government Entity) equivalent to the venue hire standard rate for the entire NZICC facilities for 4 days; and
- b where clause 12.14a applies, at the Crown or Government Entity's cost for all operational costs attributable specifically to the Crown or other Government Entity's use other than venue hire (including, by way of example only, audio visual, staging, catering and security costs),

and except as set out in clauses 12.13 and 12.14, the use of the NZICC by the Crown or any other Government Entity will be provided on SKYCITY's normal commercial and contractual terms and will reflect the level of use of the NZICC by the Crown and other Government Entities and the level of other business referred directly by the Crown to the NZICC.

## **References to SKYCITY in this clause 12**

12.15 Where any other member of the SKYCITY Group is or becomes the operator of the NZICC pursuant to clause 16.3 (Assignment), references to SKYCITY in this clause 12 shall be deemed to be a reference to that other member of the SKYCITY Group but without prejudice to the rights of the Crown under clause 16.3 (Assignment) to hold SKYCITY liable for the performance (or non-performance) of these obligations.

## 13 Intellectual Property

### Licence and term of licence

- 13.1 On and from the date of signing this Agreement, the Crown grants to SKYCITY an exclusive, worldwide licence to use the Intellectual Property on, and in connection with, the NZICC and, the Crown will grant to SKYCITY authority, pursuant to the NZICC Act (if enacted), to use the name New Zealand International Convention Centre and the acronym NZICC, subject to the terms of this Agreement (**'the Licence'**).
- 13.2 The Licence granted under clause 13.1 includes the right to use the Fern Device Mark as part of the Logos but not to use the Fern Device Mark in isolation. The Crown has been granted an exclusive licence to use the Fern Device Mark as part of the Logos, including the ability to sub-license such rights.
- 13.3 The Licence granted under clause 13.1 continues in force throughout the Term, unless this Agreement is terminated earlier or the licence is suspended pursuant to clause 18.17g.
- 13.4 The exclusive Licence granted to SKYCITY under clause 13.1 does not restrict the Crown's right to make use of the Intellectual Property except on convention centres other than the NZICC.

### Right to sub-license

- 13.5 SKYCITY may sub-license its right to use the Intellectual Property to any other wholly-owned subsidiary of SKYCITY for the Permitted Uses.
- 13.6 SKYCITY may sub-license its right to use the Intellectual Property for any of the Permitted Uses to third parties that SKYCITY contracts with where:
- a the sub-licence is necessary for that third party to perform or give effect to its contract with SKYCITY;
  - b the sub-licence is on the same terms as the licence granted to SKYCITY under this Agreement, including the requirement that the third party must adhere to the Brand Guidelines; and
  - c SKYCITY has provided details of any such sub-licences to the Crown.
- 13.7 Except as expressly permitted in clauses 13.5 and 13.6 SKYCITY may not sub-license its right to use the Intellectual Property without the prior written consent of the Crown.

### Permitted Uses

- 13.8 SKYCITY may only use the Intellectual Property for the following Permitted Uses and at all times in accordance with the terms of this Agreement:
- a marketing the NZICC both in New Zealand and overseas from the date that this Agreement is signed; and
  - b operating the NZICC in accordance with the Operating Standards.
- 13.9 SKYCITY must not use, nor permit any other person to use, the Intellectual Property in any manner that would:

- a bring disrepute to the Crown or to the Government of New Zealand;
- b have a negative impact on the goodwill of the Intellectual Property; or
- c have a negative impact on the reputation or standing of the NZICC.

### **Brand Guidelines**

- 13.10 The Intellectual Property may only be used (whether by SKYCITY, subsidiaries of SKYCITY under clause 13.5, or contractors of SKYCITY under clause 13.6) in accordance with the Brand Guidelines outlined in Schedule 2 (Brand Guidelines), or any modifications to such Brand Guidelines which the Crown has notified to SKYCITY from time to time.

### **Marketing materials**

- 13.11 SKYCITY will ensure that all marketing materials (including letterhead and business cards) for the NZICC are consistent with the Brand Guidelines and prominently display the Intellectual Property. All marketing material must have a distinct 'look and feel' from SKYCITY's own marketing materials.
- 13.12 SKYCITY must consult with, and gain approval from, the Crown on the initial design of the marketing materials for the NZICC, and SKYCITY must not make use of marketing materials that vary in a material way from the initial approved design without the Crown's prior approval, such approval not to be unreasonably withheld or delayed. SKYCITY must provide samples of marketing materials to the Crown at the quarterly meetings required pursuant to the Operating Standards. The acronym NZICC should only be used in marketing materials for the NZICC in situations where the full name for the NZICC has already been used earlier in the materials and the acronym is more practicable for subsequent references due to word constraints or styling. If in doubt, the full name of the New Zealand International Convention Centre should be used.

### **Website**

- 13.13 The Crown will select, obtain, and maintain throughout the Term, at its cost, the registration of a suitable domain name address for the Website, and hereby grants SKYCITY an exclusive licence to use such domain name during the Term.
- 13.14 SKYCITY will, at no cost to the Crown, design, develop, create, launch, host, and maintain the Website, on the Internet accessible to the public at the domain name referred to in clause 13.13, and will ensure the Website meets all specifications advised to SKYCITY by the Crown from time to time (acting reasonably) and is fully operational and accessible to the public at least 3 years prior to the Completion Date and thereafter on an ongoing basis throughout the Term. The Website must be designed, developed, and hosted to a good industry standard (including security standards) that is current from time to time for websites that promote international convention centres.
- 13.15 The Website must promote New Zealand as a whole and Auckland as well as the NZICC and must not have the same 'look and feel' as any other SKYCITY website (namely [www.skycity.co.nz](http://www.skycity.co.nz)) or any other website operated or controlled by SKYCITY.
- 13.16 SKYCITY will provide the Crown with a mock-up of the Website for the Crown's review and approval no later than 7 Business Days before the Website is publicly launched. SKYCITY

must not launch the Website without the Crown's consent. SKYCITY must not alter the 'look and feel' of the Website at any time without the Crown's prior consent.

- 13.17 The Website must not automatically redirect any visitor of the Website to any other website, including any SKYCITY branded website.
- 13.18 SKYCITY must permit third parties to advertise, on the Website, services reasonably related to the NZICC and its operation, on a reasonable commercial basis. SKYCITY may also receive from such third parties agreed click through commissions relating to those advertisements.

### **Uniforms**

- 13.19 SKYCITY must ensure the Intellectual Property is displayed on all uniforms of participant facing staff. SKYCITY will consult with, and obtain the approval of, the Crown on the style, placement and extent of branding that contains the Intellectual Property on such uniforms. SKYCITY must ensure that such uniforms do not display SKYCITY or any third party branding without the Crown's prior approval except in the NZICC carpark (which will be integrated with the SKYCITY carpark). The Crown acknowledges that from time to time circumstances will arise that will require support staff and contractors to be on the NZICC premises temporarily wearing SKYCITY uniforms (other than in the NZICC carpark as noted above).

### **Signage**

- 13.20 The parties will work together to develop the extent, style, shape, colour, and all other details of all internal and external Signage. The Signage must prominently display the Logos and will be subject to final approval by the Crown prior to erection ('**Approved Signage**').
- 13.21 SKYCITY must affix on or in the NZICC by the Completion Date the Approved Signage.
- 13.22 Except for Approved Signage and any directional signage (for example indicating the location of SKYCITY facilities) approved by the Crown (acting reasonably), SKYCITY shall not permit signs or structures or images bearing the name of any company, entity, or person, may be permitted to appear on or in the NZICC or Land except with the prior written consent of the Crown in each case except:
- a during construction of the NZICC, the Building Works Contractor and other contractors undertaking any Building Works may display their branding or logos on the Land or the NZICC; and
  - b after Completion of the NZICC, in connection with particular events, temporary signage and branding relevant to such particular event and/or its sponsor will be permitted.

### **Maintenance and cost of Approved Signage**

- 13.23 SKYCITY must:
- a maintain the internal and external Signage in good working order, repair, and condition; and
  - b comply with all applicable Laws relating to the Signage.
- 13.24 SKYCITY must meet all costs associated with:

- a the design, creation, and supply of the Signage;
- b the attachment, erection, and removal of the Signage; and
- c the repair and maintenance of the Signage.

13.25 Should any Approved Signage need to be changed due to changes the Crown makes to the Brand Guidelines or Intellectual Property, the Crown will bear the cost of such Signage changes, except for changes required to Signage that is more than 10 years old, in which case SKYCITY bears the cost.

### **Major Event**

13.26 If any event at the NZICC is deemed to be a Major Event requiring clean ground status, SKYCITY will bear the costs of:

- a the removal or temporary obscuring of the Signage (if, and to the extent, that removal or temporary obscuring of the Signage is required by the Major Events Management Act 2007);
- b the repair and maintenance required as a result of the removal or temporary obscuring of the Signage; and
- c the re-fixing of the Signage.

### **Restriction on use of SKYCITY branding**

13.27 Except as permitted pursuant to clause 13.28, SKYCITY must not use its (or any of its wholly owned subsidiaries other than New Zealand International Convention Centre Limited) name, branding, or logo in, on, or directly in connection with the NZICC, any of the Intellectual Property, or on any marketing or other material the principal purpose of which is to promote the NZICC (both in New Zealand and overseas).

13.28 Notwithstanding clause 13.27, SKYCITY may:

- a refer in marketing materials for the NZICC to services (other than gambling) that SKYCITY provides, (e.g. its hotel and restaurant services on the Website) but only if the reference to such SKYCITY services is one of a number of such service providers promoted;
- b include information regarding the NZICC, including use of the Intellectual Property, on any of SKYCITY's own websites provided that no SKYCITY website may promote gambling on the same website page as there is reference to the NZICC or use of the Intellectual Property;
- c during promotional activities run by SKYCITY, allow the distribution of NZICC marketing materials, provided such NZICC marketing materials are separate from, and have a distinct look and feel from, materials promoting SKYCITY and/or its facilities; and
- d refer to the NZICC, including use of the Intellectual Property, in its whole of group financial reporting, including material prepared for the benefit of investors or potential investors and other material that refers to the operations of the SKYCITY Group including on its websites.

## **Maintenance and ownership of Intellectual Property**

- 13.29 The Crown will seek to obtain, and maintain, trade mark registrations for the name of the NZICC (including any relevant variations thereof) and any logos that may be used in connection with the NZICC (including the Logos) that it deems appropriate in the Crown's absolute discretion, in New Zealand and any relevant key markets overseas, and such trade mark applications will be filed in the name of the Crown.
- 13.30 SKYCITY will meet the costs of filing, registering, and maintaining the trade mark applications under clause 13.29 in New Zealand, and in the overseas jurisdictions selected by the Crown under clause 13.29, unless SKYCITY does not agree that protection is required in any specific overseas jurisdictions, in which case the Crown will bear the costs of protection in such jurisdictions should the Crown decide to pursue such applications.
- 13.31 If new trade mark applications are required (in the absolute discretion of the Crown) to cover any changes made to the Intellectual Property by the Crown, SKYCITY will bear the cost of such to the extent it is obligated to under clause 13.30, unless such trade mark applications are filed less than 10 years since the trade mark application(s) relating to the Intellectual Property that was changed was filed.
- 13.32 SKYCITY acknowledges and the Crown warrants that ownership of the Intellectual Property (including the Trade Mark Applications) is, and at all times will remain, during the Term exclusively with the Crown and SKYCITY acknowledges that all goodwill associated with the Intellectual Property remains with the Crown and SKYCITY will not at any time dispute or challenge, or assist any other person to dispute or challenge, the Crown's exclusive ownership of the Intellectual Property.
- 13.33 SKYCITY may not grant any Security Interest in the Intellectual Property.

## **Change of Intellectual Property**

- 13.34 If the Crown wishes to alter, amend, or change any of the Intellectual Property, it will provide SKYCITY with 40 Business Days' written notice of the same, and will consult with SKYCITY about a transition plan and timetable for effecting the changes to the Intellectual Property on Signage and other marketing materials. Subject to clauses 13.25 and 13.31, the costs of any such change in Intellectual Property will be borne by SKYCITY provided that SKYCITY has consented to the transition plan and timetable.
- 13.35 SKYCITY may not alter, amend, or change any of the Intellectual Property without the prior written consent of the Crown (such consent being at the Crown's absolute discretion), including the name of the NZICC. If SKYCITY does wish to alter, amend, or change any of the Intellectual Property, it will advise the Crown of the same, including reasons for such a request. The Crown will consider such request and will advise, in its sole discretion and not withstanding clause 5.1 (Relationship Principles), SKYCITY if it agrees to such a change. SKYCITY will bear the costs of alteration, amendment to, or change to any of the Intellectual Property agreed to by the Crown under this clause, including any trade mark applications or Signage required for the revised branding.

## **Royalties**

- 13.36 Subject to clause 13.37, from the Completion Date until the end of the Term SKYCITY will pay the Crown an annual royalty of \$50,000 in arrear (the '**Royalty**'), for the use of the Intellectual

Property. The first Royalty payment will be due on the 30<sup>th</sup> of June immediately following Completion. In respect of the periods from Completion to the following 30 June, and from the last 30 June during the Term to the last day of the Term, the Royalty will be prorated on a daily basis.

- 13.37 No liability to pay the Royalty will arise under clause 13.36 in respect of any period of suspension of the licence granted under clause 13.1 or any period after termination of that licence.
- 13.38 Any portion of the Royalty that SKYCITY has not paid by the relevant due date for payment is a debt due to, and recoverable by, the Crown.
- 13.39 The Royalty has been agreed as of the date of this Agreement and shall be automatically inflated annually by movements in the Producers Price Index. The commencing reference point for those calculations shall be the index as published at the end of the first quarter immediately after the Completion Date. The first adjustment to the Royalty will be made by reference to the Producers Price Index as at the following 30<sup>th</sup> of June, and shall be applied to the Royalty in respect of the following year. By way of example, if the Completion Date is 30 December 2017, the reference point will be 31 December 2017. The Royalty for the year to 30 June 2018 will be approximately \$25,000 (i.e. 50% of \$50,000.00 for the half year). The Royalty payable on 30 June 2019 will be \$50,000.00 adjusted by the movement in the Producers Price Index from 31 December 2017 to 30 June 2018, with subsequent adjustments occurring in the same fashion.

#### **Infringement of the Intellectual Property**

- 13.40 Each party will promptly inform the other party if it becomes aware of any infringement, or potential infringement, of any of the Intellectual Property by any person.
- 13.41 The parties will consult to decide the best way to respond to any infringement, or potential infringement, of any of the Intellectual Property.
- 13.42 If the parties cannot agree, the Crown will have the right, but not the obligation, to take action against any relevant third party.
- 13.43 SKYCITY will give all reasonable assistance to facilitate any proceedings by the Crown, and the costs for enforcement of the Intellectual Property will be borne by the Crown.

#### **Third party infringement**

- 13.44 If either party receives any warning letter or other notice of infringement, or a legal suit or other action is brought against either party, alleging infringement of third party rights arising from the use of the Intellectual Property, that party will promptly provide full details to the other party, and the parties will discuss the best way to respond.
- 13.45 If agreement cannot be reached between the parties, the party that is identified as the alleged infringer in the letter or notice, or the defendant (or potential defendant) in a law suit or judicial proceeding, will have the right, but not the obligation, to defend such suit (or allegations) and will have the right to settle with such third party. However, the Crown's written consent (such consent being at the Crown's absolute discretion) must be obtained if any action or proposed settlement by SKYCITY concerns the validity or enforceability of the Intellectual Property, or may affect any liability or rights of the Crown in relation to the Intellectual Property.

- 13.46 Where any other member of the SKYCITY Group is or becomes the operator of the NZICC pursuant to clause 16.3 (Assignment), references to SKYCITY in this clause 13 shall be deemed to be a reference to that other member of the SKYCITY Group but without prejudice to the rights of the Crown under clause 16.3 (Assignment) to hold SKYCITY liable for the performance (or non-performance) of these obligations.

## **14 Warranties**

- 14.1 SKYCITY warrants that:

- a it is properly constituted and incorporated under the Companies Act 1993 and has the corporate power to own its assets and to carry on its business as it is now being conducted;
- b it has the corporate power to enter into and to exercise its rights and perform its obligations under this Agreement;
- c no written information prepared by SKYCITY and provided to the Crown prior to the date of this Agreement under or in relation to the Casino's actual performance (taken as a whole), was materially false or materially misleading as at the date of provision or disclosure;
- d all written information prepared by SKYCITY and provided to the Crown after the date of this Agreement under or in relation to:
  - i any claim for compensation made by SKYCITY pursuant to this Agreement;
  - ii any claim for compensation made by the Crown pursuant to this Agreement; or
  - iii the actual operating performance of the NZICC,will be free of any materially false or misleading information, and will not be provided with the intent of misleading the Crown as at the date of provision or disclosure;
- e from the date of satisfaction of the condition in clause 4.1k (Building Works Contract and Ground Lease) it will either:
  - i own the Land and the Memorandum of Encumbrance and Restrictive Covenant will be registered in priority to any other Security Interest in the Land; or
  - ii be the registered proprietor of the Ground Lease and will have complied with the requirements of clause 16.7 (Assignment); and
- f it, and each of its applicable subsidiaries is complying with all the terms of any Ground Lease in all material respects.

- 14.2 Each of the warranties set out in clause 14.1 is deemed to be repeated each day during the Term by reference to the facts existing on that day.

## **15 Insurance and rectification**

- 15.1 During the Term, SKYCITY must ensure that there is in place insurance in respect of the NZICC with a reputable insurer for all risks, events, and circumstances to the level and of the type generally insured by companies in New Zealand:

- a prior to Completion, for comparable projects; and
- b after Completion, for buildings of comparable value and businesses of comparable nature.

15.2 It is acknowledged and agreed that:

- a professional indemnity insurance in relation to the design of the NZICC will be the responsibility of the project's consultants and included within their fees;
- b a difference in cover/difference in limits professional indemnity insurance policy may be procured by SKYCITY if, in SKYCITY's reasonable opinion, the project's consultants' professional indemnity insurance is insufficient or the cost is not acceptable to insure any design risk associated with the project and the cost of any such policy shall be included in Total Project Cost;
- c construction insurance shall be procured in respect of the NZICC on a standalone basis; and
- d upon completion, ownership and operation of the NZICC shall be insured by SKYCITY.

15.3 SKYCITY must:

- a not knowingly do or permit or omit to do anything which prejudices any insurance policy or the right to make a claim under any insurance policy;
- b rectify anything which would, if not rectified, prejudice any insurance policy;
- c apply the proceeds of any claim in respect of damage to the NZICC made under an insurance policy obtained under this clause 15 (Insurance and rectification) to the rectification of any damage to and/or the reinstatement of the NZICC; and
- d if required by the Crown, provide evidence of the insurance in place in relation to the NZICC.

15.4 Notwithstanding that SKYCITY may not have adequate insurance, in the event of damage or destruction of the NZICC, SKYCITY must nevertheless rectify any damage to, and/or reinstate the NZICC.

15.5 In any circumstance where that rectification or reinstatement takes, or will take, more than two years, SKYCITY must operate the NZICC beyond 30 June 2048 for a period equal to the period of rectification or reinstatement.

15.6 For the avoidance of doubt, a failure to operate the NZICC during the period of rectification or reinstatement will not be a breach of this Agreement.

15.7 Where clause 15.5 applies, and the relevant damage occurs after 30 June 2043, the parties will meet and discuss, but without creating any binding obligation on the part of the Crown to agree, whether the extent of reinstatement or rectification is such that SKYCITY should be relieved of its obligations under this clause 15.

## 16 Assignment

- 16.1 A change in the Minister or Ministry responsible for this Agreement will not be an assignment or transfer of the Crown's rights or obligations under this Agreement.
- 16.2 Except as provided in clauses 13.5 (Intellectual Property), 13.6 (Intellectual Property), 16.3 (Assignment) and 16.4 (Assignment), SKYCITY may not assign or transfer the whole or any part of its rights and obligations under this Agreement without the prior written consent of the Crown, acting in its absolute discretion, and any purported assignment or transfer on the part of SKYCITY without such prior written consent will be null and void. This restriction on assignment and transfer recognises that the grant and benefit of the Regulatory Concessions are not intended to be severable from SKYCITY's obligations under this Agreement.
- 16.3 By prior notice to the Crown, SKYCITY shall be entitled to specifically assign any right or benefit under this Agreement to any other member of the SKYCITY Group (including any right or benefit that SKYCITY has under this Agreement which might arise in respect of a breach of any obligation under this Agreement that SKYCITY procures that member to perform, but without limiting SKYCITY's ability to also utilise such rights and benefits) and to procure the performance of any obligation under this Agreement by any other member of the SKYCITY Group if the assignment is on terms that provide for that assignment to automatically cease on that subsidiary ceasing to be a member of the SKYCITY Group and for the rights and benefits and obligations to automatically revert to SKYCITY in that event. SKYCITY shall continue to be fully liable to the Crown for the performance (or non-performance) of all obligations of SKYCITY under this Agreement notwithstanding any such assignment. The rights and benefits of SKYCITY which have been so assigned may be enforced by the relevant member of the SKYCITY Group and a breach by that member is also a breach of this Agreement by SKYCITY.
- 16.4 SKYCITY may engage a suitably qualified sub-contractor for the purposes of carrying out its obligations under clause 12 (Operation and Maintenance of the NZICC) and the Operating Standards subject to the Crown's prior written consent which shall not be unreasonably withheld or delayed, it being noted that in considering a request for consent the Crown's interests are to ensure that the NZICC is operated to the standards set out in this Agreement (including for the avoidance of doubt the Operating Standards) over the full Term, and that any dealing will not prejudice the Crown's rights under this Agreement.
- 16.5 The Crown is aware of SKYCITY's intention to have the option to deal with its interest in the carparks intended to form part of the NZICC by way of management, operating, financing or ownership arrangements:
- a These arrangements may include SKYCITY entering into an arrangement with a member of the SKYCITY Group to ensure the availability of carparks in connection with the Casino or for such other purpose as SKYCITY may determine. SKYCITY may also grant in favour of the land on which the Casino is situated (together with the vehicular tunnel under Hobson Street) such rights of access and egress (including vehicular access and egress) over the carparks on the Land (and the access and egress thereto/from) as SKYCITY may determine.
  - b The Crown will consent to such arrangements provided that at least 400 carparks are always available for casual use by the public (including NZICC users) in a manner which will meet the needs of NZICC attendees (for example by way of sufficient dedicated

parking area(s) within the 400 carparks, for conventions, as and when they are being held). The Crown acknowledges that of the 400 carparks required to satisfy this proviso certain of those carparks may be required ('**RC Requirement**') to be held by SKYCITY for the purposes of satisfying resource consent conditions relating to NZICC and/or the Casino. The Crown agrees that the existence of any RC Requirement shall be disregarded for the purposes of assessing the satisfaction of the proviso and that the Crown shall not impose as a condition to satisfying the proviso any condition which SKYCITY cannot comply with without being in breach of the relevant resource consent conditions.

- c In the event that SKYCITY enters into any arrangement ('**Carpark Arrangement**') of the nature set out in clause 16.5a, the Crown agrees that (notwithstanding any other provisions of this Agreement) in the event that:
- i SKYCITY sells the freehold interest in the Land and enters into the Ground Lease, the sale and leaseback will exclude those interests in the carparks granted to the counterparty pursuant to the Carpark Arrangement;
  - ii the Crown Lease is granted, that lease will exclude those interests in the carparks granted to the counterparty pursuant to the Carpark Arrangement; and
  - iii the Crown Option is exercised, the transfer to the Crown of SKYCITY's interest in the Land (whether by way of freehold interest or Ground Lease interest) will exclude those interests in the carparks granted to the counterparty pursuant to the Carpark Arrangement,

such that in each case the Carpark Arrangements will not be varied or prejudiced and any rights or interests in that part of the Land comprising the carparks granted to the third party shall not be included in the interest in Land the subject of the sale and leaseback, Crown Lease or Crown Option provided however that in the case of the Crown Lease or the Crown Option:

- iv SKYCITY shall remain liable to perform any obligations of SKYCITY contained in the Carpark Arrangement (in which respect the Crown shall provide sufficient access to NZICC to enable SKYCITY to comply with those obligations); and
- v in the event that any net revenue would otherwise be receivable by SKYCITY pursuant to the Carpark Arrangement, SKYCITY will, to the extent that any amounts have become due to the Crown under this Agreement but have not been paid, assign its interest in such net revenue (excluding an amount equal to the costs incurred by SKYCITY in complying with clause 16.5civ) to the Crown, and shall notify the counterparty accordingly.

16.6 The KordaMentha Report was prepared on the basis that for the purpose of evaluating the proposed transaction the value of the Land is represented as an ongoing lease cost to SKYCITY (i.e. as if SKYCITY sells the freehold interest in the Land and enters into a Ground Lease and pays the Ground Lessor rent).

16.7 SKYCITY shall not sell or otherwise transfer the freehold interest in the Land other than in accordance with this clause 16.7. SKYCITY may with the consent of the Crown sell the freehold interest in the Land on terms pursuant to which the purchaser shall grant the Ground

Lease to SKYCITY. In the event that SKYCITY proposes to sell the freehold interest in the Land and enter into such a Ground Lease, then provided:

- a the purchaser of the freehold interest in the Land is solvent and of sound reputation; and
- b the Ground Lease will be registered at LINZ prior to or simultaneously with registration of the purchase of the freehold interest in the Land and the Ground Lease Title will be subject to the Ground Lease Memorandum of Encumbrance and the Ground Lease Restrictive Covenant registered in accordance with clause 16.7g; and

the Ground Lease:

- c is for a period that expires no earlier than 30 June 2048;
- d imposes no obligations on the Crown (except following any assignment to the Crown);
- e contains a prohibition on subletting or parting with possession otherwise than in terms of clause 16.5; and
- f is otherwise on commercial terms consistent with other ground leases in use in New Zealand central business districts, and not on terms which are unreasonably onerous for a Ground Lessee,

and contemporaneously with the registration at LINZ of the transfer of the freehold interest in the Land to the Ground Lessor and of the Ground Lease:

- g the Ground Lease Memorandum of Encumbrance and the Ground Lease Restrictive Covenant are registered against the Ground Lease Title (in each case in priority to any other Security Interest);
- h SKYCITY and the Ground Lessor enter into and deliver to the Crown the Ground Lease Tripartite Deed (subject to any amendments agreed pursuant to clause 16.8); and
- i the Ground Lessor Memorandum of Encumbrance is registered against the freehold interest to the Land in priority to any other Security Interest,

then the Crown will not withhold or delay its consent.

- 16.8 In the event that any prospective Ground Lessor wishes to negotiate any aspect of the Ground Lease Tripartite Deed or the Ground Lessor Memorandum of Encumbrance, the Crown shall duly enter into negotiations with respect to the same in good faith (subject to the terms of this Agreement).
- 16.9 Provided that SKYCITY complies with or procures compliance with (as the case may be) the registration obligations in clause 16.7, the Crown will contemporaneously release and discharge, from the freehold interest to the Land, the Memorandum of Encumbrance and the Restrictive Covenant.
- 16.10 SKYCITY will not grant any Security Interest in the NZICC to any third party without the consent of the Crown, which the Crown will provide if the security interest is expressly subject to the Crown's rights under this Agreement, and:
  - a if the Ground Lease has not then been entered into, also expressly subject to the Memorandum of Encumbrance and the Restrictive Covenant; or

- b if the Ground Lease has then been entered into, also expressly subject to the Ground Lease Memorandum of Encumbrance and the Ground Lease Restrictive Covenant.

## **17 Availability of Agreement**

- 17.1 The parties agree that this Agreement will be made publicly available once it is signed, and they will consult with each other with a view to co-ordinating its public release.
- 17.2 SKYCITY acknowledges that the Crown is subject to the Official Information Act 1982 and that the Crown is obliged to disclose information under that Act if so requested and if there is no good reason pursuant to that Act to withhold such information. SKYCITY acknowledges that it is obliged to provide all reasonable assistance to the Crown if that assistance is required to respond to a request under the Official Information Act 1982.
- 17.3 Without limiting clause 17.2, the parties acknowledge that:
  - a SKYCITY will be bound by disclosure obligations so long as its securities are listed on a stock exchange; and
  - b the Crown, and Ministers, and officials of the Crown, may be required or requested to make comment at any time in response to public interest in respect of the matters contained in this Agreement.

Accordingly, except as expressly provided in this Agreement, each party is free to disclose any information concerning this Agreement unless that matter is the subject of a separate agreement that it should be kept confidential, and that matter is one which need not be disclosed as a matter of law.

- 17.4 The parties acknowledge and agree that, notwithstanding clause 17.3, information that is disclosed by SKYCITY to the Crown concerning or affecting the financial or operating performance of the NZICC pursuant to clause 12 (Operation and Maintenance of the NZICC) is disclosed to the Crown in confidence and that the release of that information would be likely to cause commercial prejudice to SKYCITY. The Crown will keep confidential and not disclose or release that information unless:
  - a that information is published by SKYCITY;
  - b SKYCITY consents to the release of the information (in SKYCITY's sole discretion and notwithstanding clause 5.1e (Relationship Principles));
  - c the Crown is required to do so by law; or
  - d a recommendation to release that information is made by an Ombudsman under section 30(1)(d) of the Official Information Act 1982.
- 17.5 Without creating any binding obligation, if either:
  - a the Crown, Ministers or officials; or
  - b SKYCITY,

propose making any public statement concerning this Agreement and the circumstances allow, they will endeavour to advise the other in advance of that statement and provide the

other with an opportunity to verify or comment on the subject matter of that statement in advance of it being made.

- 17.6 Where the parties have agreed to keep any matter confidential, either party may disclose information to senior personnel, directors, or officers in its organisation, or its professional advisers, or to its financiers or lenders, where those persons need to know the information, or to the extent reasonably required, for the purposes of implementing this Agreement.
- 17.7 Both parties will ensure that any person or party to whom information is disclosed under clause 17.6 is made fully aware of the requirements for confidentiality and agrees to keep such information confidential in accordance with this clause 17.
- 17.8 In clauses 17.2 to 17.5, 'the Crown' also means any other part of the Crown and any Government Entity.

## **18 Default**

### **Overriding principles of breach and consequences**

- 18.1 The parties agree that:
- a both parties should have effective and enforceable remedies in the case of a breach of this Agreement by the other;
  - b the nature of this Agreement, the consideration being provided by each of them, and the time at which the consideration passes, requires a framework of remedies which provides an appropriate recognition and balancing of the interests of the parties; and
  - c in all cases any remedy (including the financial and other consequences to each party as a result of the exercise of such remedy) should be proportionate to the materiality of the default.
- 18.2 Having regard to clause 18.1, the parties agree, and each acknowledges to the other that it considers, the remedies provided for in this Agreement which recognise:
- a the default concepts of Contravention, Operating Standards Default, Fundamental Operating Standards Default, Default, Termination Event; and
  - b the resulting consequences, being Non-Compliance Payments, Damages, Specific Performance Events, Injunctive Event, Crown Lease Event, IP Licence Suspension Event, Crown Option Event, Termination, the Crown Compensation Sum, and other less significant consequences, as set out in this Agreement and the Operating Standards,
- are fair and reasonable and proportionate in the context of the circumstances and nature of this Agreement on the basis that clause 18.1 applies in respect of the exercise of such remedies and (except in the case of the impositions of Non-Compliance Payments pursuant to the Operating Standards) such exercise is subject to meeting the requirements of clause 18.1.
- 18.3 Notwithstanding anything else in this Agreement, nothing precludes a party from seeking urgent interim relief in the nature of injunctive, interlocutory, or declaratory relief from any Court or any injunction or ancillary relief that may be necessary to give effect to the remedies specified in this Agreement.

18.4 Notwithstanding clauses 18.1 and 18.2, but subject to clause 3 (Nature of the Crown's obligations), 16.3 (Assignment) and 24.1 (Dispute Resolution), the parties declare and agree that this Agreement is not intended to confer any rights on any person other than SKYCITY and the Crown, and nothing in this Agreement gives rise to any right on the part of any other person to enforce any aspect of this Agreement.

#### **Crown remedies codified**

18.5 Pursuant to section 5 of Contractual Remedies Act 1979, the parties intend that the remedies of the Crown provided for in this Agreement shall apply in place, and to the exclusion, of the remedies provided for in sections 6 to 10 of the Contractual Remedies Act 1979.

18.6 The parties acknowledge and agree that the remedies available to the Crown in respect of a breach of the Agreement (including the Operating Standards) by SKYCITY have been the subject of extensive negotiation prior to the execution of this Agreement and that it is their intention that such remedies will be codified and set out in the Agreement. Accordingly:

- a the remedies expressly set out or referred to in the Operating Standards are the sole remedies of the Crown in relation to a Contravention;
- b the remedies expressly set out or referred to in clause 18.17 are the sole remedies of the Crown in relation to a breach by SKYCITY of this Agreement (other than a Contravention); and
- c the Crown irrevocably and unconditionally agrees that except as expressly set out in this Agreement (including the Operating Standards) it will not make any claim of any kind against SKYCITY or seek to exercise any other remedy in respect of this Agreement (including the Operating Standards) under statute, common law, equity or tort (including negligence) and in respect of any matter which constitutes a breach by SKYCITY of this Agreement (including the Operating Standards).

18.7 Where a Damages Event has occurred under this Agreement (including the Operating Standards), the Crown is entitled to seek damages in accordance with the usual rules of common law damages except that:

- a the Crown will not be able to include within its claimed losses and SKYCITY shall not be liable for:
  - i any loss of Tax to which the Crown is entitled only by virtue of its Sovereign powers;
  - ii any failure to achieve all or part of the Gross Domestic Product increase expected to accrue to New Zealand as a whole from the operation of the NZICC in accordance with this Agreement;
  - iii any loss of revenue (other than Tax which is excluded in clause 18.7ai), loss of profits, loss of anticipated profits, loss of business, business opportunities or anticipated business, loss of opportunity or anticipated savings, business interruption; or
  - iv any indirect loss or damage of the Crown or any other person.

- b the Crown's duty to mitigate shall not include any duty to exercise any right or power it has by virtue of its Sovereign status and for these purposes the Crown will be treated as if it were a New Zealand limited liability company.

18.8 Nothing in this Agreement precludes the Crown from seeking damages in respect of a loss or diminution in value of the Intellectual Property that is suffered by the Crown as a result of a Damages Event, provided that SKYCITY's liability in respect of any such Damages Event will be limited to the actual loss or diminution in value of, or damage to, the Intellectual Property that is suffered by the Crown and in no event will SKYCITY's liability in respect of that Damages Event exceed an amount calculated according to the time periods set out below, provided that where a Damages Event giving rise to a liability under this clause occurs in more than 1 of the periods listed below, the maximum liability applying to the later period shall be the maximum liability in respect of that Damages Event:

Period within which the Damages Event occurs	Maximum liability
From the date of this Agreement to 30 June 2018	an amount being 5 times the Royalty
From 1 July 2018 to 30 June 2023	an amount being 10 times the Royalty
From 1 July 2023 to 30 June 2028	an amount being 15 times the Royalty
From 1 July 2028 to 30 June 2033	an amount being 20 times the Royalty
From 1 July 2033 to 30 June 2038	an amount being 25 times the Royalty
From 1 July 2038 to 30 June 2043	an amount being 30 times the Royalty
From 1 July 2043 to the end of the Term	an amount being 35 times the Royalty

18.9 Nothing in this Agreement precludes the Crown from making a claim for contribution by SKYCITY in respect of a claim brought against the Crown by a third party in respect of the construction or operation of the NZICC if that claim arises in respect of an act or omission which is a breach of this Agreement by SKYCITY.

18.10 In respect of a claim for damages due to a Damages Event, 'Crown' means any other part of the Crown.

### Contraventions

18.11 SKYCITY must notify the Crown, in writing, if it comes to its attention that a Contravention has occurred, such notification to be provided within a reasonable time having regard to the nature and severity of the Contravention.

18.12 A Contravention shall be a Non-Compliance Payment Event, an Operating Standards Default and/or a Fundamental Operating Standards Default to the extent provided for by the Operating Standards, and a remedy shall be available in respect of that Contravention, Operating Standards Default and/or Fundamental Operating Standards Default as provided for by the Operating Standards.

## **Remediable Breach**

- 18.13 SKYCITY must notify the Crown, in writing, without delay, if it comes to its attention that a breach of this Agreement, not being a Contravention, has occurred or is reasonably expected to occur.
- 18.14 If SKYCITY commits a Remediable Breach, then the Crown may give written notice of the Remediable Breach to SKYCITY, specifying the Remediable Breach and requiring remedy within 10 Business Days after service of the notice except where the circumstances of the Remediable Breach are such that the Crown in its discretion (acting reasonably) requires a remedy more urgently, in which case it will specify this in its notice to SKYCITY.
- 18.15 If the Remediable Breach has not been remedied within the time period specified by the Crown, or if SKYCITY has not taken reasonable steps to remedy the Remediable Breach to the Crown's satisfaction, then the Crown may do one or more of the following:
- a meet with SKYCITY to establish steps for remedying the Remediable Breach;
  - b require SKYCITY to put forward a remediation programme that is acceptable to the Crown (acting reasonably);
  - c require SKYCITY to take reasonable steps to remedy the Remediable Breach;
  - d where practicable and following steps in clause 18.15a, 18.15b and 18.15c being taken and if the Breach has not been remedied within a reasonable time, engage another party to remedy the Remediable Breach, or take other reasonable steps to remedy the Remediable Breach, in each case with SKYCITY paying the reasonable costs of doing so; and
  - e if the reason that SKYCITY has not remedied the Remediable Breach is that there is a dispute about the Remediable Breach, refer the dispute to the Disputes Panel under clause 24.5 and the subsequent relevant clauses,
- and if clause 18.15a, 18.15b, 18.15c or 18.15d does not result in the remedying of the Remediable Breach within a reasonable time, then the Remediable Breach will be deemed to be a Default.

## **Consequences of Default**

- 18.16 SKYCITY must notify the Crown, in writing, without delay, if it comes to its attention that a Default has occurred or is reasonably expected to occur.
- 18.17 Where a Default or a Contravention has occurred and the Default or Contravention (as the case may be) is:
- a a Damages Event, the Crown's remedy shall be damages determined in accordance with clause 18.7;
  - b a Non-Compliance Payment Event, SKYCITY shall pay to the Crown the amount specified in paragraph 10.1 of the Operating Standards as adjusted in accordance with paragraph 10.3 of the Operating Standards;
  - c a Specific Performance Event, SKYCITY shall perform the obligation upon the order of any competent court;

- d an Operating Standards Default, the Crown is entitled to any of the remedies provided for by paragraph 11.3 of the Operating Standards;
- e a Fundamental Operating Standards Default, the Crown is entitled to any of the remedies provided for by paragraph 11.11 of the Operating Standards;
- f an Injunctive Event, SKYCITY shall refrain from performing the act that constitutes a breach of its obligations upon the order of any competent court;
- g an IP Licence Suspension Event, the Crown may suspend the IP Licence or limit its terms by notice to SKYCITY but only if the Crown has either:
  - i taken the Crown Lease following a Crown Lease Event; or
  - ii terminated this Agreement following a Termination Event;
- h a Crown Lease Event, the Crown may take the Crown Lease under clause 20 (Crown Lease);
- i a Crown Option Event, the Crown may exercise the Crown Option under clause 21 (Crown Option); and
- j a Termination Event, the Crown may terminate this Agreement by notice to SKYCITY during the Term, but subject to clause 22 (Consequences of Termination of Agreement),

provided that all such remedies shall be exercisable and exercised subject to and in accordance with the provisions of this Agreement (including the Operating Standards where applicable). Without limiting the generality of that proviso or clauses 18.13 to 18.15, in the case of any Default the Crown shall provide SKYCITY with a reasonable opportunity to address the issue which gave rise to the breach, unless a reasonable person would conclude that it is not possible for SKYCITY to do so.

## **19 Termination**

- 19.1 Unless terminated earlier, this Agreement will terminate on 30 June 2048.
- 19.2 An extension, renewal, or replacement of this Agreement in relation to whether and on what terms SKYCITY would continue to operate the NZICC as a convention centre beyond 30 June 2048 will be a matter to be considered by the parties prior to that date. Similarly, the Regulatory Concessions will fall to be considered as part of any process which exists at that time for the renewal, or extension, of the Venue Licence and/or the Operator's Licence, or grant of new such licences. Any such consideration will occur in a manner consistent with all other conditions of such licences, in accordance with, and as, and to the extent, required, or permitted by, the law at that time. Notwithstanding the termination of this Agreement pursuant to clause 19.1, if an application has been made under clause 7.3d, the Regulatory Concessions and clause 7.3d (Regulatory Concessions) shall survive termination of this Agreement and remain in full force and effect until a determination has been made under clauses 7.3diii and 7.3diiB (and all appeals to the courts are decided or the period for appeal has expired).
- 19.3 The obligation in clause 19.2 to 'consider' does not create any obligation to agree to any extension, and no discussions or understandings as part of that consideration will constitute a

binding agreement, unless and until an agreement is reached and reduced to writing and signed by both parties.

- 19.4 The Crown may terminate this Agreement by notice to SKYCITY during the Term, but only if a Termination Event has occurred, and in that event, always subject to clause 22 (Consequences of Termination of Agreement).

## **20 Crown Lease**

- 20.1 At any time within 80 Business Days following a Crown Lease Event (which can only occur after Completion), and without limiting any other right of the Crown under this Agreement, the Crown is entitled to take the Crown Lease.

- 20.2 The Crown Lease contemplated by clause 18.17h (Consequences of Default) shall:

- a entitle the Crown to immediate exclusive possession of the NZICC and the Land;
- b be for the NZICC and the Land;
- c operate as a sub-lease in the event that there is a Ground Lease;
- d be for a term equal to the unexpired period of the Term through to 30 June 2048 but subject to the right of the Crown to terminate the Crown Lease on not less than 6 months' notice;
- e be for a nominal rent of \$10 for the entire Term payable on expiry of the Term;
- f commence by notice from the Crown to SKYCITY without the need for the parties to execute any other document (this Agreement evidencing the agreement of the parties as to this lease); and
- g be otherwise on the terms set out in Schedule 9 (Other provisions of Crown Lease).

- 20.3 Any breach by SKYCITY of its obligations under the Crown Lease shall be deemed to be a breach of this Agreement.

- 20.4 At the same time as, or at any time after, the giving of notice under clause 20.2f the Crown may also require SKYCITY to assign to the Crown any of the contracts, licences or arrangements set out in clauses 21.1c to 21.1f (Crown Option), and/or to sell to the Crown the personal property referred to in clause 21.1b (Crown Option).

- 20.5 During the term of the Crown Lease, clauses 12.1 to 12.14 (Operation and maintenance of the NZICC), 13 (Intellectual Property), and 18.17h (Consequences of Default) and all of the provisions of the Operating Standards shall not apply but otherwise this Agreement continues.

- 20.6 If the Crown Lease expires and this Agreement has not terminated under clause 19, the provisions referred to in clause 20.5 shall be effective again from the date of that expiry.

- 20.7 The Design Brief contemplates that the NZICC shall be capable of operating on a standalone basis without the support of any ancillary services (e.g. kitchen facilities) from the main SKYCITY complex. In the event that SKYCITY has chosen to provide such ancillary services from the main SKYCITY complex, then in the event that the Crown takes the Crown Lease, SKYCITY must either fit out the NZICC with the facilities necessary for it to operate on a standalone basis, or pay the Crown the cost of the Crown doing so.

## 21 Crown Option

21.1 Following a Crown Option Event (which can only occur after Completion), and without limiting any other right of the Crown under this Agreement, the Crown has the right to exercise the Crown Option and thereby to require SKYCITY to:

- a subject to clause 21.2, sell the Land and all improvements on the Land; and/or
- b sell all personal property owned by SKYCITY or any member of the SKYCITY Group and used wholly in connection with the NZICC (the property described in clauses 21.1a and 21.1b being the '**Tangible Assets**'); and/or
- c assign all SKYCITY's post-Completion rights in the Building Works Contract (if that contract remains in force); and/or
- d assign any other contract wholly for the provision of goods or services to, or in respect of, the NZICC; and/or
- e assign any licence to use any software or technology or other licensed property or intellectual property that SKYCITY has rights to that is used wholly in connection with the NZICC; and/or
- f assign the benefit of all current and assignable guarantees or warranties relating to the NZICC,

(the rights, contracts or benefits described in paragraphs c to f above being the '**Intangible Assets**') to the Crown or its nominee (which need not be owned or controlled by the Crown) on the terms set out in this clause 21, and in such event SKYCITY must do so, and must execute all documents and do all acts which will deliver to the Crown the full benefit of this Crown Option including any notice or deed of assignment required in respect of any of the Intangible Assets.

21.2 In the event that the Crown exercises the Crown Option following the entering into of the Ground Lease, instead of SKYCITY selling the Land and all improvements on the Land to the Crown, SKYCITY shall be required to assign to the Crown its interest in the Ground Lease and all improvements on the Land owned by SKYCITY or any other member of the SKYCITY Group in accordance with the Ground Lease and the Ground Lease Tripartite Deed.

21.3 For the avoidance of doubt if the Crown exercises the Crown Option, the Crown may, but is not obliged to, offer employment to any persons employed by SKYCITY in respect of the NZICC, except to the extent the law otherwise requires. Where the Crown proposes to offer employment to any such persons, SKYCITY must comply with any statutory disclosure requirements, and in any event must provide the Crown with all information as will enable the Crown to make any offer to such persons.

21.4 The Crown may exercise the Crown Option by notice to SKYCITY given at any time within 80 Business Days of the occurrence of a Crown Option Event. The notice of exercise need not be in any particular form, but shall specify (either specifically or generically) which of the assets and/or rights, and/or contracts set out in clauses 21.1c to 21.1f the Crown wishes to acquire (those specified together with the Land and improvements (or interest in the Ground Lease and improvements if clause 21.2 applies) being collectively '**the Option Assets**').

- 21.5 The date on which the notice of exercise is given, or deemed to have been given, is the **'Exercise Date'**.
- 21.6 In the event the Crown exercises the Crown Option, then subject to clause 21.7, the consideration payable by the Crown for the Option Assets (**'Option Consideration'**) shall be:
- a the aggregate costs of construction and fit-out of the NZICC as at the date of completion of the acquisition of the Option Assets, less depreciation on the buildings (calculated at 2 per cent per annum on a reducing balance basis) and on the fit-out (with depreciation determined by the remaining useful life of the fit out) and the book value of any Tangible Assets or Intangible Assets not already included in the costs of construction and fit out of the NZICC;

*Plus:*

- b the fair market value at that time of the interest in the Land or Ground Lease which SKYCITY then owns or holds and is selling to the Crown;

*Less:*

- c the sum of:
  - i the value of the Regulatory Concessions received up to the date of purchase; and
  - ii the net present value of the Regulatory Concessions to SKYCITY over the remaining period through to 30 June 2048,  
  
(in each case calculated by reference to the KordaMentha Report, and using in the case of any range of value, the mid-point of that range);
  - iii any cash contributed by the Crown in the event that the Total Construction Budget is exceeded; and
  - iv any deposits or other revenue paid in advance in respect of bookings for events taking place after the Option Completion Date which either the Crown elects to honour or SKYCITY requires the Crown to honour.

**'Fair market value'** for the purposes of this clause 21.6 shall be determined applying the following principles:

- a The acquisition of the Option Assets shall be treated as one between a willing, but not anxious seller, and a willing, but not anxious buyer;
- b While individual values are to be ascribed to the Option Assets, they shall nevertheless be valued as a whole having regard to all the Option Assets being acquired by the Crown, rather than as individual stand-alone assets and rights;
- c If the Crown is obliged to offer any employment to any persons employed in connection with the NZICC, that obligation and the terms of employment required to be offered shall be valued and taken into account; and
- d The Option Assets shall be valued as if they did not have the benefit of the Intellectual Property.

- 21.7 The Option Consideration shall be determined by:
- a in the case of the Land or Ground Lease (as the case may be) and the Intangible Assets, two registered valuers, one of which shall be appointed by SKYCITY and one by the Crown, in each case by notice to the other within 10 Business Days of the Exercise Date. In the event a party fails to appoint a valuer within this period, that party will be deemed to have waived its right to appoint a valuer, and the valuer appointed by the other party will be the sole valuer and his or her valuation will be binding on both parties;
  - b in the case of the construction and fit out costs of the NZICC, the Independent Experts using the audited financial statements and any relevant SKYCITY source information and such other information as may be provided by SKYCITY and verified by the Crown; and
  - c in the case of the Regulatory Concessions, by the Independent Experts.

In this clause 21, the valuers appointed under clause 21.7a and the Independent Experts are referred to as 'the Valuers'.

- 21.8 For the purposes of clause 21.7a, prior to commencing their valuation, the two valuers shall appoint a third valuer. If the two valuers are unable to agree on such appointment the third valuer will be appointed by the President for the time being of the New Zealand Institute of Valuers (or any successor body).
- 21.9 The Valuers will commence, complete and deliver their report to the parties within 30 Business Days of their engagement. In the case of the valuers appointed for the purposes of clause 21.7a, if they fail to agree on the value of the Land or the Ground Lease or the Intangible Assets, that value shall be determined by the third valuer within a further period of 30 Business Days from the expiry of the 30 Business Day period.
- 21.10 Each party shall be given the opportunity to make written or oral representations subject to such reasonable time and other limits as the Valuers (or the third valuer) may prescribe and they shall have regard to such representations but not be bound by them.
- 21.11 Notwithstanding any other provision of this Agreement, the Crown may cancel the exercise of the Crown Option at any time within 20 Business Days of delivery of the valuation report pursuant to clause 21.9. In this event SKYCITY has no claim against the Crown arising from the original exercise of the Crown Option.
- 21.12 The costs of the Valuers shall be shared equally by the parties.
- 21.13 Subject to clause 21.11, the Option Consideration shall be paid to SKYCITY by irrevocable payment of immediately available funds on the Option Completion Date.
- 21.14 The terms of the acquisition of the Option Assets that are Tangible Assets are set out in the form of agreement in Schedule 8 (Agreement following exercise of Option) ('**Sale Agreement**'). Subject to clause 21.11, both parties shall be bound by the Sale Agreement as from the Exercise Date, on the basis that the Option Consideration is the purchase price payable under it. The parties will review the ongoing suitability of the Sale Agreement in light of prevailing commercial conveyancing practice in conjunction with the Planned Reviews under the Operating Standards and consider whether to agree to any changes.
- 21.15 The terms of the acquisition of the Option Assets that are Intangible Assets ('**Intangible Option Assets**') will be as follows:

- a As from the date of completion under the Sale Agreement ('**Option Completion Date**') and, unless the Crown otherwise agrees, subject to completion under the Sale Agreement:
  - i the Crown will be beneficially entitled to the benefit of the Intangible Option Assets; and
  - ii the Crown will, from the Option Completion Date, on behalf of SKYCITY (but at the risk and expense of the Crown) assume responsibility for the future performance, and will perform and comply with all terms of any contract assigned to it in respect of the Intangible Option Assets as from the Option Completion Date. SKYCITY will remain solely responsible for the performance of all obligations in relation to any Intangible Option Assets, and any breach of any such contract which has occurred, prior to the Option Completion Date.
- b Without prejudice to the Crown's rights under clause 21.16, SKYCITY must use all reasonable endeavours to obtain an assignment of the Intangible Option Assets to the Crown with effect from the Option Completion Date, including giving notice to any person or signing any document required to give effect to such assignment.
- c SKYCITY agrees to indemnify the Crown and keep the Crown indemnified from and against any costs, claims, losses, liabilities, and expenses ('**Liability**') incurred by the Crown in relation to or in connection with the Intangible Option Assets, to the extent that such Liability arises from or is attributable to the period prior to the Option Completion Date.

21.16 In consideration of the Crown's obligations under this Agreement, SKYCITY irrevocably appoints the Crown its attorney to sign, execute and deliver all documents and do all acts necessary or incidental to the registration of any caveat against the Land, and giving effect to the exercise of the Crown Option and the acquisition of the Option Assets in accordance with this Agreement (including the registration of any transfer of the Land or Ground Lease or the giving of any notice on behalf of SKYCITY required to effect the assignment of an Intangible Option Asset).

21.17 Any person dealing with the Crown in the purported exercise of its powers under this clause may rely on a certificate of a person that they are acting on behalf of the Crown for the purposes of this Agreement and that the powers of the Crown have not been revoked as conclusive proof of those facts as at the date of that certificate, provided that person is dealing with the person acting on behalf of the Crown in good faith, without notice of that person not being a person acting on behalf of the Crown, and the certificate is given immediately before the doing of a thing by such person.

21.18 If the Crown exercises the Crown Option, the provisions of clauses 12 (Operation and Maintenance of the NZICC) and 13 (Intellectual Property) and all of the provisions of the Operating Standards shall cease to apply with effect from the Option Completion Date.

## **22 Consequences of Termination of Agreement**

- 22.1 In the event that this Agreement terminates pursuant to clause 19 (Termination), then all of the following (as the case may be) will apply on the same date:
  - a in respect of the Intellectual Property:

- i SKYCITY will within a reasonable time frame determined by the Crown cease use of the Intellectual Property;
  - ii SKYCITY will deliver all marketing or other materials incorporating the Intellectual Property in SKYCITY's possession or under its control to the Crown;
  - iii if instructed by the Crown, SKYCITY will notify all SKYCITY suppliers or contractors that any marketing or other material incorporating the Intellectual Property must not be publicly distributed unless authorised by the Crown;
  - iv SKYCITY will immediately provide the Crown with full access and control of the Website including all documentation reasonably required by the Crown to support and maintain the Website on an ongoing basis without reference to SKYCITY;
  - v SKYCITY will remove or permanently obscure all Signage; and
  - vi SKYCITY will change the name of its subsidiary 'New Zealand International Convention Centre Limited' to a name which will not contravene the NZICC Act and ensure that neither SKYCITY nor any other member of the SKYCITY Group trades under the name, or continues to represent itself as being associated with the NZICC name;
- b if the termination occurs prior to Completion, the Regulatory Concessions shall be removed but the provisions of clause 7.3c shall survive termination and those provisions shall remain in full force and effect notwithstanding termination of this Agreement, and SKYCITY must pay the Crown Compensation Sum (if any) in accordance with clauses 22.3 and 22.5 (if applicable). The removal of the Regulatory Concessions and the payment of the Crown Compensation Sum shall be the sole remedies of the Crown in relation to the Termination Event;
- c if this Agreement is terminated after Completion but before 30 June 2048:
- i SKYCITY will remain entitled to the Regulatory Concessions until 30 June 2048 and the Regulatory Concessions and clause 7.3d (Regulatory Concessions) shall survive and continue in full force and effect until 30 June 2048; and
  - ii if an application has been made under clause 7.3d (Regulatory Concessions), then from 30 June 2048, the Regulatory Concessions and clause 7.3d (Regulatory Concessions) shall survive termination of this Agreement and those provisions shall remain in full force and effect until a determination has been made under clauses 7.3diii and 7.3diiB (and all appeals to the courts are decided or the period for appeal has expired),

except if termination occurs after the Completion Date but before 30 June 2048 by reason of:

- iii an Insolvency Event, and a receiver or liquidator (or analogous person) disclaims the Agreement;
- iv SKYCITY having provided the Crown with materially false or misleading information of the kind described in paragraph c of the definition of Termination Event with the intent of misleading the Crown;

- v SKYCITY disposing of its interest in the NZICC in material breach of the terms of clause 16 (Assignment); or
- vi the voluntary surrender by SKYCITY, or cancellation by the Gambling Commission, of the Venue Licence,

in which event the Regulatory Concessions shall be removed and the provisions of clause 7.3c shall apply and survive termination of this Agreement and remain in full force and effect but SKYCITY is not obliged to pay the Crown Compensation Sum, and nor is the Crown obliged to pay the SKYCITY Compensation Sum; and

- d all other rights and obligations of the parties to each other under this Agreement will cease, other than those set out or referred to in:
  - i Clause 1 (Definitions and Interpretation);
  - ii clause 16 (Assignment);
  - iii clause 17 (Availability of Agreement);
  - iv clauses 18.1 to 18.10 (Default);
  - v clause 19.2 (Termination);
  - vi this clause 22;
  - vii clauses 25.10 to 25.18 (General); and
  - viii all schedules to this Agreement which are referred to in any of the clauses listed in clauses 22.1di to 22.1dvii above,

all of which remain enforceable by either party.

### **Liability of SKYCITY to pay the Crown Compensation Sum**

22.2 SKYCITY acknowledges that if the Building Works Contract is executed and becomes unconditional, the Regulatory Concessions will only have come into effect for the benefit of SKYCITY in consideration of SKYCITY agreeing to design, construct and build the NZICC, and agrees that:

- a the occurrence of an event prior to Completion falling within paragraphs a to f of the definition of 'Termination Event'; or
- b a failure to achieve Completion by the Completion Long Stop Date (being the circumstances described in paragraph g of the definition of 'Termination Event'),

would make it unjust for SKYCITY to retain any benefit of the Regulatory Concessions earned by SKYCITY.

22.3 Accordingly the Crown and SKYCITY agree that if, after the Regulatory Concessions become available to SKYCITY, but prior to Completion:

- a this Agreement is terminated under clause 19.4, SKYCITY must pay the Crown Compensation Sum to the Crown upon demand; and

- b this Agreement is terminated under clause 19.4 by reason of an event falling within paragraphs a to f of the definition of 'Termination Event', the Crown is also entitled to treat the Termination Event as an IP Licence Suspension Event.

The provisions of this clause 22.3 are the sole remedies of the Crown in the event this Agreement is terminated prior to Completion.

- 22.4 The Crown and SKYCITY further agree that if this Agreement is terminated by the Crown under clause 19.4 (Termination) after Completion, the Crown is entitled to treat the Termination Event as a Damages Event, a Crown Option Event, a Crown Lease Event, and an IP Licence Suspension Event but the Crown is not entitled to any other remedy.
- 22.5 The Crown Compensation Sum will be calculated by the Independent Experts by determining the net present value (if any) of the Regulatory Concession(s) received to the date of termination of the Agreement as determined by reference to the KordaMentha Report and Schedule 7 (Value of SKYCITY costs and Regulatory Concessions), and using in the case of any range of value, the mid-point of that range. In order to calculate that value SKYCITY must promptly (and in any event within 10 Business Days of a written request from the Crown) provide to the Independent Experts access to such of its documents, accounts, records, and other information as may be reasonably necessary in order for the Crown to calculate the Crown Compensation Sum.
- 22.6 If SKYCITY fails to pay the Crown Compensation Sum demanded by the Crown, then the amount payable will become a debt due to the Crown in any Court.
- 22.7 Within a reasonable time following payment by SKYCITY of the Crown Compensation Sum, the Crown will release and discharge from the freehold interest to the Land, the Memorandum of Encumbrance and the Restrictive Covenant.

#### **Liability of the Crown to pay the SKYCITY Compensation Sum**

- 22.8 The Crown acknowledges that in entering into this Agreement SKYCITY is making a substantial capital expenditure commitment, the consideration for which is the Regulatory Concessions.
- 22.9 The capital expenditure and operational commitment of SKYCITY is to build and fit-out the NZICC with a Total Construction Cost within the Total Construction Budget. The cost of that capital expenditure and operational commitment is irrevocably committed or incurred by SKYCITY once SKYCITY is unconditionally bound by the Building Works Contract or will be incurred prior to Completion, whilst the benefits of that commitment will be derived over the full Term.
- 22.10 Because many of the costs comprising the Total Construction Cost are incurred early in the Term, SKYCITY requires certainty as to the consequences of the Regulatory Concessions being changed or removed during the Term.
- 22.11 Subject to clause 22.13, it is agreed that:
  - a If, after the Regulatory Concessions come into effect but prior to 30 June 2048, any of the Regulatory Concessions are changed or removed by the direct or indirect action of the Crown, so that:

- i The expiry date of the Venue Licence is brought forward to a date earlier than 30 June 2048;
- ii The permitted hours for the conduct of gambling at the Auckland Casino are reduced below those applying at the date of this Agreement;
- iii The total area of the Casino Venue in the Venue Licence as expanded by the Regulatory Concessions is reduced;
- iv The total number of Single Terminal Gaming Machines is reduced from the aggregate of the presently permitted 1,647 plus the additional 230 allowed as a consequence of the Regulatory Concessions;
- v The total number of gaming tables (based on the gaming mix set out in Schedule 12 (New Game Mix A and New Game Mix A.1)) is reduced below the level permitted as a consequence of the Regulatory Concessions;
- vi The total number of Automated Table Game terminals is reduced below the level permitted as a consequence of the Regulatory Concessions;
- vii The number of Single Terminal Gaming Machines and Automated Table Game terminals in Restricted Areas permitted to accept banknotes with a denomination greater than \$20 is reduced below 17% of all Single Terminal Gaming Machines and Automated Table Games terminals in the Auckland Casino;
- viii TITO Technology and Cashless Card Based Technology are no longer permitted on all Single Terminal Gaming Machines, Automated Table Game terminals, Electronic Table Games and other table games at the Auckland Casino; or
- ix Any matter set out in Schedule 13 (TITO and Cashless Gaming Technology) is amended in a manner adverse to SKYCITY, other than as a consequence of a change in the anti-money laundering regulatory framework, or to which SKYCITY does not consent in writing,

the Crown will pay the SKYCITY Compensation Sum to SKYCITY upon demand following SKYCITY making a Compensation Claim.

- b In this clause 22.11:
  - i 'direct or indirect action of the Crown' includes, and is not limited to:
    - A the making of any statutory or other legislative change including repeal (including but not limited to any change to the Gambling Act or its Regulatory Framework or to the NZICC Act);
    - B the exercise of any sovereign, executive or statutory powers and functions, including the exercise of any powers under the Gambling Act and its Regulatory Framework; and
    - C any action by the Crown which directly or indirectly authorises, enables, or empowers any Crown Entity under the Crown Entities Act 2004 or any statutory or other entity beyond the authorities or powers of any such entity as at 12 May

2013, to change any of the above Regulatory Concessions in the manner described in clause 22.11); and

- ii 'Crown' includes Government departments but does not include Government Entities.

22.12 For the avoidance of doubt SKYCITY's right to be paid the SKYCITY Compensation Sum is not triggered where the breach by SKYCITY of any legal requirement has the effect of SKYCITY being unable to enjoy the benefits of any of the Regulatory Concessions to be granted under this Agreement, not being a breach which has occurred as a result of any direct or indirect action of the Crown as described in clause 22.11.

22.13 The Crown will have no obligation to pay SKYCITY a SKYCITY Compensation Sum if the Regulatory Concessions are changed or removed due to a Termination Event where any of the following circumstances apply:

- a a receiver or liquidator (or analogous person) disclaims this Agreement following the Insolvency of SKYCITY;
- b SKYCITY having provided the Crown with materially false or misleading information with the intent of misleading the Crown;
- c SKYCITY disposes of its interest in the NZICC in material breach of the terms of this Agreement;
- d the Auckland Casino Venue licence is surrendered by SKYCITY or cancelled by the Gambling Commission;
- e the Ground Lease is surrendered, terminated, cancelled, forfeited, or the rights of SKYCITY as lessee are otherwise brought to an end prior to 30 June 2048 other than by way of SKYCITY's reacquisition of the fee simple estate in the Land from the Ground Lessor; or
- f Completion has not occurred by the Completion Long Stop Date.

22.14 If the Crown fails to pay the SKYCITY Compensation Sum owed by the Crown to SKYCITY in accordance with this Agreement, then the amount payable will become a debt due to SKYCITY in any Court, and SKYCITY may, at its option by notice in writing to the Crown, be relieved of its obligations under this Agreement (including the Operating Standards) to construct and operate the NZICC.

### **Crown Compensation Cap**

22.15 The Crown may be liable to pay SKYCITY a SKYCITY Compensation Sum on more than one occasion, but the aggregate of all compensation will never exceed, and at any relevant date will be capped at, the value of SKYCITY's investment in the NZICC and other agreed assets acquired or developed as a consequence of this Agreement ('**Compensation Cap**'). The Compensation Cap will be an amount equal to:

- a the lower of the Total Construction Cost (including projected cost and any contingency previously agreed by the parties to be included within this term) as at the date of signing the Building Works Contract or the Total Construction Budget, plus any increase to construction costs agreed between the parties;

- b the value of the Land; and
- c the capital costs, or agreed projected capital and other costs, as at the date of signing the Building Works Contract of the agreed Casino Alterations and the Other Agreed Assets which SKYCITY will acquire or develop as a consequence of this Agreement as set out or described in Schedule 11 (SKYCITY costs resulting from the NZICC and this Agreement);

Less:

- d an amount equal to the aggregate of the tax benefit of all tax deductions received or to be received by SKYCITY in respect of depreciable assets relating to the NZICC and those described in clause 22.15c calculated as from the end of the financial year in which such deductions are permitted; and
- e an amount equal to the gross proceeds of disposal at any time of any interest or entitlement in the Land or buildings of the NZICC (including any Ground Lease of the NZICC land, a strata title development of the carparks or any licensing arrangements in respect of the carparks, or other development rights) calculated from the date of receipt of those proceeds,

provided that the Compensation Cap shall not operate to limit any additional amount payable by the Crown to SKYCITY pursuant to clauses 22.21 to 22.26 (Other matters).

#### **Calculation and adjustment of SKYCITY Compensation Sum**

- 22.16 The values attributed to the components of the Compensation Cap will be calculated and agreed at the date of signing the Building Works Contract in a manner consistent with the KordaMentha Report and will be recorded at that time, but will be adjusted to take into account any of the above agreed increased costs, deductions, proceeds or cash contributions which occur after that date. Any such adjustments must be recorded in writing and SKYCITY will provide the Crown on request with all information the Crown may reasonably require in order to assess whether, and to what extent, an adjustment is required.
- 22.17 The SKYCITY Compensation Sum will be calculated by determining the net present value impact to SKYCITY of the change to or removal of the Regulatory Concessions to which the KordaMentha Report attached a value over the remaining period to 30 June 2048. The SKYCITY Compensation Sum will be based on those values (as set out in Schedule 7 (Value of SKYCITY costs and Regulatory Concessions) being the agreed mid-points of the ranges of values in the KordaMentha Report) and the methodology by which they were determined in the KordaMentha Report.
- 22.18 If the Crown has reason to believe that the benefits derived by SKYCITY from the Regulatory Concessions up to the date on which the change to or removal of the Regulatory Concessions takes effect, when aggregated with the SKYCITY Compensation Sum determined above (and any SKYCITY Compensation Sum previously paid) may result in the Compensation Cap being exceeded, the Crown may require an assessment or determination of the actual post-tax benefits earned by SKYCITY in a manner consistent with the KordaMentha methodology as a precondition to any payment of compensation.
- 22.19 In the event that the benefits so assessed have exceeded the KordaMentha model up to the date on which that change to or removal of the Regulatory Concessions takes effect (again,

using the mid-point in the case of any range of value), then any excess shall be deducted from the SKYCITY Compensation Sum which would otherwise be payable.

- 22.20 All calculations of the Compensation Cap and the future and historical benefits of the Regulatory Concessions will either discount future values, or inflate historical values, to the date of the change to the Regulatory Concessions at the rates assumed by the KordaMentha model for each category of cashflow.

#### **Other matters**

- 22.21 The parties acknowledge that the KordaMentha Report assesses the present economic value of the costs and benefits of the Regulatory Concessions to SKYCITY using the predicted cashflows on an 'after-tax' basis and using 'after-tax' discount rates ('after-tax' being after applying the current company rate of tax), and as a result the present economic value of the costs and benefits of the Regulatory Concessions is an 'after-tax' amount.

- 22.22 If, at any time the Crown must pay SKYCITY the SKYCITY Compensation Sum, and following the processes set out in clause 22.23c, New Zealand law would require SKYCITY to return the SKYCITY Compensation Sum as income for income tax purposes, the SKYCITY Compensation Sum will be adjusted to the sum which, when the then current corporate rate of income tax is applied, will leave SKYCITY with an 'after-tax' amount equal to the sum calculated in accordance with clauses 22.16 to 22.20.

- 22.23 In the event the SKYCITY Compensation Sum is adjusted in the manner provided for by clause 22.22 then SKYCITY must:
- a include the SKYCITY Compensation Sum as adjusted and paid by the Crown as income in its tax return as required by the relevant tax legislation;
  - b provide evidence to the Crown of its having complied with clause 22.23a upon filing of the relevant tax return and no later than 12 months after the end of the relevant financial year; and
  - c not at any time seek to have its tax return adjusted or amended so that the adjusted SKYCITY Compensation Sum is not treated as being liable for income tax or seek any refund in respect of it. SKYCITY must give notice to the Crown as soon as reasonably possible if it forms the opinion that it will require the adjustment to be made to the SKYCITY Compensation Sum. That notice must be accompanied by evidence, in a form reasonably satisfactory to the Crown, as to why the amount will be taxable. Examples of satisfactory evidence include a binding ruling from the Commissioner of Inland Revenue or the written opinion of an acknowledged tax professional independent of SKYCITY and whose appointment has been pre-agreed with the Crown.

- 22.24 The cost of seeking and providing this evidence will lie with SKYCITY.

- 22.25 If it is determined at any time that some or all of the SKYCITY Compensation Sum as adjusted is not required to be included in the taxable income of SKYCITY, SKYCITY must promptly repay to the Crown any amount of adjustment as reflects the amount not required to be included in income for tax purposes if that amount has been paid.

- 22.26 If SKYCITY is prima facie entitled to an adjusted amount on account of tax, the Crown may by notice to SKYCITY require it to:

- a exercise a right not to include the amount as income, or to defer payment of tax; and/or
  - b take any action specified by the Crown and confirmed by expert legal tax advice as appropriate action in the circumstances to respond to or contest a tax assessment; and/or a notice in relation to tax including a notice of proposed adjustment; and/or
  - c nominate and instruct counsel on behalf of SKYCITY whenever it exercises its rights under this paragraph; and recover from the Commissioner of Inland Revenue any tax paid that is refundable.
- 22.27 The above compensation provisions apply only to changes to the Regulatory Concessions which take effect before 30 June 2048.
- 22.28 If the aggregate of all SKYCITY Compensation Sums exceeds, or will exceed, \$150 million (inflated as provided in clause 22.20 from the date of signing the Building Works Contract) SKYCITY may at its option by written notice to the Crown be relieved of its obligations to the Crown to operate the NZICC as a convention centre and/or to own it, provided that in such event SKYCITY will not be entitled to any SKYCITY Compensation Sum in respect of the event entitling compensation and must repay any SKYCITY Compensation Sum already paid by the Crown.
- 22.29 If this Agreement is cancelled, or terminated in circumstances where the Crown is not entitled to exercise the Crown Lease, or any of clauses 22.14, 22.28 or 22.31 apply and SKYCITY elects to be relieved of its obligations under this Agreement, the Crown will remove the Memorandum of Encumbrance and the Restrictive Covenant (or Ground Lease Memorandum of Encumbrance and Ground Lease Restrictive Covenant, as the case may be) without delay.
- 22.30 Given the substantial financial commitment to be made by SKYCITY and the need for it to meet the costs of that commitment out of operating revenues, the Crown will also compensate SKYCITY in the event there is any Casino Duty or Tax Increase in respect of SKYCITY's casino business in Auckland (including business generated utilising the Regulatory Concessions) from signing this Agreement until 7 years after the signing of the Building Works Contract, such compensation to be equal to the Casino Duty and Tax Compensation Sum.
- 22.31 The compensation referred to in clause 22.30 shall be paid by the Crown to SKYCITY upon demand. SKYCITY shall be entitled to make such demand at such intervals as SKYCITY determines and shall at the same time provide to the Crown supporting information to enable the Crown to verify the amount claimed. If the Crown fails to pay such amount owed by the Crown to SKYCITY in accordance with this Agreement, then the amount payable will become a debt due to SKYCITY in any Court and SKYCITY may, at its option by notice in writing to the Crown, be relieved of its obligations under this Agreement (including the Operating Standards) to construct and operate the NZICC.
- 22.32 For the avoidance of doubt clause 22.30 does not apply to any Problem Gambling Levy, which may be changed from time to time without any obligation on the part of the Crown to compensate SKYCITY.
- 22.33 Except as provided in this clause 22, no other compensation will be payable by the Crown, and no additional rights including, without limitation, options will be granted by the Crown in respect of the change or removal of the Regulatory Concessions.

- 22.34 For the avoidance of doubt any right of SKYCITY to seek damages in accordance with the principles of the law of contract in respect of any change to, or the removal of, the Regulatory Concessions is expressly excluded.
- 22.35 In the definition of 'Casino Duty and Tax Compensation Sum' and 'Casino Duty or Tax Increase' in clause 1.1 (Definitions and interpretation) and in this clause 22, references to SKYCITY shall be deemed to include a reference to each member of the SKYCITY Group which is liable for a duty or Tax as described in those definitions, or benefits from any of the Regulatory Concessions.

## **23 Force Majeure**

- 23.1 Subject to this clause 23, SKYCITY will not be in breach of this Agreement to the extent that a Force Majeure Event affects it.
- 23.2 If a Force Majeure Event affects SKYCITY, then SKYCITY will, within 10 Business Days of it becoming aware of the occurrence of that Force Majeure Event, notify the Crown (a '**Force Majeure Notice**') specifying:
- a the nature of the Force Majeure Event;
  - b the reasons why the Force Majeure Event will delay or prevent it from performing its obligations under this Agreement; and
  - c the expected duration of the delay or prevention of the performance by SKYCITY of its obligations under this Agreement arising from the Force Majeure Event.
- 23.3 If the Crown receives a Force Majeure Notice and it does not consider that a Force Majeure Event has occurred in relation to SKYCITY, it:
- a may refer the matter to the Disputes Panel within 10 Business Days of receiving that Force Majeure Notice; and
  - b will not exercise such other rights available to it under this Agreement until the Disputes Panel has determined whether a Force Majeure Event has occurred.

### **Effect of Force Majeure Notice**

- 23.4 Subject to the determination of the Disputes Panel under clause 23.3, SKYCITY's obligation to perform the obligations under this Agreement that SKYCITY is delayed or prevented from performing due to the Force Majeure Event will be suspended until ('**Period of Suspension**')
- a the parties agree that the effect of the occurrence of the Force Majeure Event on SKYCITY's ability to perform such obligations has passed; or
  - b the Disputes Panel, on the application of one of the parties, determines that the effect of the occurrence of the Force Majeure Event on SKYCITY's ability to perform such obligations has passed,
- and all relevant dates and periods referred to in clause 4.1 (Conditions) will be extended by an amount equal to the Period of Suspension.

## **Mitigation or avoidance**

23.5 During the Period of Suspension:

- a SKYCITY will use all commercially reasonable endeavours to avoid or mitigate the effect of it being prevented from performing its obligations under this Agreement referred to in clause 23.4;
- b SKYCITY will give at least the same priority in responding to the Force Majeure Event as it gives under any other agreement to which it is party or as it otherwise gives to any of its other areas of business, subject to complying with relevant Laws; and
- c SKYCITY will keep the Crown informed as to the steps that it is taking to avoid or mitigate the effect of SKYCITY's inability to perform its obligations under this Agreement referred to in clause 23.4.

23.6 Nothing in this clause 23 will excuse a party from any obligation under this Agreement or at law for liability incurred prior to a Force Majeure Event.

23.7 Without limiting the foregoing provisions of this clause 23, if the Force Majeure Event occurs:

- a after the Building Works Contract has been signed and before Completion, the obligation to construct the NZICC will be suspended and the Completion Long Stop Date extended to properly take into account the result of the Force Majeure Event; and
- b after Completion, SKYCITY's obligation to operate the NZICC will be suspended to properly take into account the result of the Force Majeure Event,

and in either event SKYCITY's obligation to operate the NZICC will be extended for a commensurate period of time following 30 June 2048 if the Period of Suspension exceeds 2 years, but SKYCITY's obligation to operate the NZICC will not be so extended if notwithstanding the Force Majeure Event, Completion occurs prior to the Completion Long Stop Date that would have applied if that date had not been extended pursuant to clause 23.7a, but for the avoidance of doubt the Regulatory Concessions will not similarly extend except as otherwise provided for in this Agreement.

## **24 Dispute resolution**

### **Notice**

24.1 If there is a dispute arising in relation to any aspect of this Agreement or the subject matter of this Agreement then:

- a a party may notify the other party; and
- b in the case of a dispute arising under the Operating Standards, the NZICC Operator, if not a party to this Agreement, may also notify the Crown,

of the dispute by sending a written notice of dispute to the other party.

24.2 The notice must set out a brief description of the nature of the dispute, the contractual or other legal basis on which the dispute is based, and (where relevant) the remedy or relief claimed.

24.3 The dispute resolution process provided for in clauses 24.5 to 24.21 does not apply to:

- a any dispute relating to the interpretation or practical operation of the Regulatory Concessions;
- b the termination of this Agreement for any reason;
- c whether any condition of this Agreement has been satisfied;
- d any dispute arising in relation to the interpretation or implementation of clause 7 (Regulatory Concessions) or a Casino Duty and Tax Increase;
- e the SKYCITY Compensation Sum or the Crown Compensation Sum;
- f unless the parties agree, any dispute relating to clause 14 (Warranties) or 15 (Insurance and rectification);
- g any dispute relating to clause 16 (Assignment), 18 (Default), 20 (Crown Lease), 21 (Crown Option), or 22 (Consequences of Termination of Agreement); or
- h any decision by the Crown that is an exercise of a public function, power, or duty conferred or imposed by law.

### **Negotiation**

- 24.4 On receipt of a notice under clause 24.1, the parties will endeavour, in good faith, to resolve the dispute between them expeditiously by agreement within 20 Business Days of receipt of the notice.

### **Reference to Disputes Panel**

- 24.5 If a dispute cannot be resolved by agreement under clause 24.4, either party may refer the dispute to the Disputes Panel by sending the notice of dispute to the Secretary of the Disputes Panel as specified at Schedule 1 (Reference Schedule) (or as changed by agreement between the parties from time to time) and copying such notice to the other party. Any dispute may be referred to the Disputes Panel and the parties are not limited by the specific references to the Disputes Panel in any other parts of this Agreement.

### **Composition of Disputes Panel**

- 24.6 The Disputes Panel will comprise three members as follows:
- a Each party may appoint one member to act as its representative, or alternative or replacement representatives, where any nominee is unable to act or is replaced by either party. Each representative of the parties to the Disputes Panel will be empowered to make decisions on behalf of the party appointing such representative in all matters raised for determination of the Disputes Panel.
  - b One member (who will act as the chair of the panel) to be appointed by the parties jointly by agreement or failing agreement by the President for the time being of the New Zealand Law Society that member being, or having been, a senior member of the New Zealand Law Society.
- 24.7 Both parties will agree on a separate person (not being a member) to act as the Secretary of the Disputes Panel (and may by agreement change the Secretary of the Disputes Panel from

time to time), who will carry out the administrative tasks of the Disputes Panel, including receiving and distributing notices, submissions, and replies from the parties, convening meetings of the Disputes Panel, taking minutes of meetings, and such other tasks as may be required. The Secretary of the Disputes Panel may attend Disputes Panel meetings if required by the Disputes Panel but will take no part in the determination of any dispute.

### **Procedure of Disputes Panel**

- 24.8 Within 5 Business Days of the reference to the Disputes Panel, the parties may each provide the Disputes Panel and the other party with a written submission and any relevant supporting material. Each party will then have 5 Business Days to provide a reply to the other party's submission.
- 24.9 The Disputes Panel must meet within 5 Business Days of the date on which replies are due under clause 24.8 in a place as agreed by the members. Meetings may take place by video conferencing or other electronic means.
- 24.10 Disputes Panel meetings must be attended by all members, and if either party representative is not present within 45 minutes after the time appointed for commencement, the meeting will be adjourned to a time as soon as practicable thereafter but no later than 5 Business Days after that meeting.
- 24.11 The Disputes Panel may seek further submissions from the parties or ask questions of the parties, such submissions and responses to be provided in the timeframe determined by the Disputes Panel.
- 24.12 The Disputes Panel may:
- a require the parties to provide such evidence or further submissions as the Disputes Panel considers necessary to determine the dispute and a timeframe for response;
  - b ask questions of the parties;
  - c rely on their own knowledge, skill, and experience in relation to the matter in dispute;
  - d make their own enquiries without reference to the parties; and
  - e if the matter in dispute or an issue arising out of the dispute is outside the area of expertise of the Disputes Panel and if the Disputes Panel considers it appropriate and necessary to do so, take advice from other persons the Disputes Panel considers to have expertise in that area.
- 24.13 The parties do not intend the Disputes Panel procedure to be a submission to arbitration and the Disputes Panel are not to act as arbitrators.

### **Determination of Disputes Panel**

- 24.14 The Disputes Panel must make a determination and, in doing so, the Disputes Panel is required to take into account:
- a the written submissions and replies of the parties, provided that such submissions and replies are received by the Disputes Panel within the required timeframe;
  - b the context of and circumstances surrounding the matters in dispute; and

- c this Agreement in its entirety, including the relationship principles set out in clause 5 (Relationship principles).
- 24.15 The Disputes Panel must give its determination to the parties as soon as practicable but, in any event, within 15 Business Days of the date that replies are due from the parties (or within a further period only if agreed by both parties). The determination must be given in writing with reasons.
- 24.16 The Disputes Panel will use its best endeavours to determine issues by consensus. In the event that consensus cannot be reached, the representatives must vote on any issue(s) requiring a determination, with each representative having one vote and, in such case, the issue(s) will be determined by majority vote.
- 24.17 If a majority vote is not achieved, then the issue(s) will be referred to a second meeting of the Disputes Panel which will be held as soon as possible but, in any event, no later than 5 Business Days after the initial meeting takes place. If at the second meeting the issue(s) requiring determination is again not determined, then the Disputes Panel must notify the parties immediately.
- 24.18 The parties agree to be bound by the determination of the Disputes Panel subject only to appeals in relation to questions of law.
- 24.19 The costs of the Disputes Panel, including the costs of the Secretary of the Disputes Panel, will be shared equally between the parties.
- 24.20 Subject to this clause 24, the Disputes Panel may determine its own procedure as it thinks fit.

#### **Fast track determination**

- 24.21 Notwithstanding the above timeframes, the parties may agree that the dispute should be determined expeditiously by the Disputes Panel. In such case, the Disputes Panel may implement a fast track procedure for providing submissions and issuing its determination.

#### **Other provisions regarding disputes**

- 24.22 Except as otherwise provided in clause 24.19, each party will bear their own costs in relation to any dispute.
- 24.23 Pending resolution of a dispute, the parties must continue to meet their respective obligations under this Agreement.
- 24.24 Members of the Disputes Panel will not be liable to the parties arising out of, or in any way in connection with, the Disputes Panel procedures and determinations, except in the case of fraud or where the Disputes Panel or any member thereof is proven to have acted in bad faith.
- 24.25 Subject to clause 17 (Availability of Agreement) of this Agreement, the fact of a dispute, and any details regarding a dispute, are to be treated as confidential and neither party will disclose anything regarding a dispute. The parties agree in relation to all information disclosed to them, or coming to their knowledge in the course of the resolution of the dispute (including communications between them):
- a to keep that information confidential; and

b not to use that information for any purpose other than settling or resolving the dispute.

24.26 Nothing in this clause 24 or any other clause in this Agreement precludes a party from seeking urgent injunctive, interlocutory, or declaratory relief, from the Court.

24.27 Except as provided in this Agreement or unless the parties agree otherwise, the High Court of New Zealand at Auckland has exclusive jurisdiction to hear and determine any Court proceedings brought by the parties in relation to this Agreement or a matter which is the subject of this Agreement, including the matters referred to in clause 24.3.

## **25 General**

### **Entire Agreement**

25.1 This Agreement constitutes the entire agreement between the parties and supersedes all or any prior oral or written understandings, representations, or commitments, at any time express or implied, and in particular the Heads of Agreement executed by the parties on 12 May 2013 and extended by agreement on 13 June 2013 and 30 June 2013.

### **No representation**

25.2 SKYCITY acknowledges that, in entering into this Agreement it:

- a has conducted its own due diligence;
- b is not relying on any representation, express or implied, made to it by the Crown or any Government Entity; and
- c is not relying on the accuracy or completeness of any information provided to it by the Crown.

### **Variation**

25.3 No oral or written variation of this Agreement has any force or effect unless and until such variation is in writing and signed by both parties.

### **Waiver**

25.4 Any delay, failure, or forbearance by a party to exercise (in whole or in part) any right, power, or remedy under or arising out of this Agreement does not operate as a waiver of such right, power, or remedy. A waiver of any breach of any clause of this Agreement will not be effective unless that waiver is in writing and is signed by the party against whom that waiver is claimed. A waiver of any breach will not be, or deemed to be, a waiver of any other or subsequent breach.

### **Allocation of risk**

25.5 Wherever SKYCITY is obliged or required by this Agreement to do, or not do, any thing, then that obligation or requirement is at the risk, cost and expense of SKYCITY, unless this Agreement expressly provides to the contrary.

### **Further assurances**

- 25.6 Each party must do all acts and things necessary to give full effect to this Agreement and its obligations under this Agreement including without limitation the execution of all relevant documents.
- 25.7 Without prejudice to the generality of clause 25.6, the parties acknowledge that pursuant to this Agreement, at various times, memoranda of encumbrance and restrictive covenants in gross are required to be registered against the title to the freehold interest in the Land and/or the Ground Lease Title. In the event that at the time such registration is to be completed in accordance with this Agreement, any of such instruments are not registrable pursuant to the Land Transfer Act 1952 or the NZICC Act the parties shall enter into (or procure the entering into) of registrable instruments having an equivalent effect and which shall, in the event the same can be registered, be:
- a a restrictive covenant in gross in the event memoranda of encumbrance are not registrable; and
  - b a memorandum of encumbrance in the event restrictive covenants in gross are not registrable.

### **Relationship**

- 25.8 Nothing in this Agreement creates, constitutes, or evidences, any partnership, joint venture, agency, trust or employer/employee relationship between the parties, and no party will make, or allow to be made, any representation that any such relationship exists. No party has the authority to act for, or incur any obligation on behalf of, the other party.

### **Costs**

- 25.9 Each party will bear its own costs in relation to the preparation, negotiation, and completion of this Agreement.

### **Default interest**

- 25.10 If a party does not pay any sum payable by it under this Agreement as and when due and in the manner provided in this Agreement, it must pay default interest on that unpaid sum in addition to the sum payable (the '**Default Interest**'). Default Interest is to accrue on any unpaid sum from day to day from the due date to the date of actual payment, both before and after judgment at the Default Interest Rate. Interest on overdue payments is to be capitalised monthly. The demand for or the payment of Default Interest is not in substitution for, or to the exclusion of, any rights or remedies otherwise available to a party under this Agreement. SKYCITY agrees that production of a copy of this clause accompanied by a request from the Crown shall operate as consent by SKYCITY to any of SKYCITY's banks at that time to disclose sufficient information to allow the correct determination of the Default Interest Rate.

## **GST**

- 25.11 All amounts under this Agreement are exclusive of GST (if any) and any GST payable must be paid by the person to whom the goods or services are provided.

## **Documents mutually explanatory**

- 25.12 Each of the documents in this Agreement and the clauses or provisions within each of these documents will be treated as being mutually explanatory. No ambiguity or inconsistency in any clause, provision or document, or between any clause, provision or document, will invalidate this Agreement. Except as expressly provided in paragraph 1.3 of the Operating Standards, if there is any inconsistency between documents, then the clauses in this Agreement will prevail over the Schedules.

## **Governing law**

- 25.13 This Agreement is governed by, and will be construed in accordance with, the Laws of New Zealand.

## **Notices**

- 25.14 Unless otherwise stated in this Agreement as the method of communication, each notice or other communication under this Agreement is to be made in writing and may be sent by post or email.
- 25.15 Notices must be sent to the person and address specified in Schedule 1 (Reference Schedule). Such persons and addresses will be deemed to be correct until written notice is given of any change.
- 25.16 A notice or communication will be deemed to be received:
- a by post on the second Business Day after posting; and
  - b by email, when accessible by the recipient.

## **Status and delivery**

- 25.17 This Agreement is executed, and shall be construed, as a Deed notwithstanding the references to Agreement.
- 25.18 For the purposes of section 9 of the Property Law Act 2007, without limiting any other mode of delivery, this Agreement will be delivered by each party to be bound by it immediately upon the earlier of:
- a physical delivery of an original form of this Agreement executed by that party; or
  - b transmission (whether by facsimile or email) of a copy of this Agreement executed by that party,
- to the other party or to that party's solicitor.

**Executed as a deed**

**Signed and delivered by Her Majesty the Queen in Right of New Zealand acting by and through the Minister for Economic Development** in the presence of:



S L Joyce

Witness signature



Full name

Abby Ta Tark

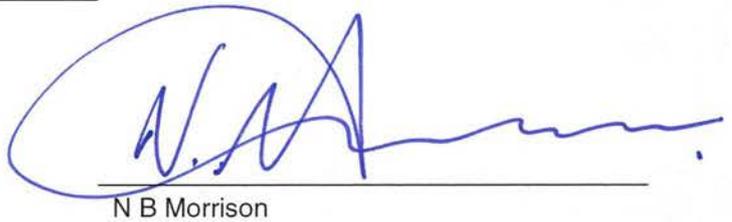
Occupation

Solicitor

City/Town

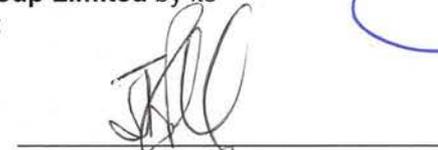
Wellington

**Signed and delivered for SKYCITY Entertainment Group Limited** by its Managing Director:



N B Morrison

Witness signature



Full name

JAMES BARRON

Occupation

CFO

City/Town

AUCKLAND

## Schedule 1 Reference Schedule

<b>CROWN</b>	
Addresses for notices and communications	<p>Name Roger Wigglesworth</p> <p>Postal address C/- Ministry for Business, Innovation and Employment 33 Bowen Street Wellington 6001</p> <p>Email roger.wigglesworth@mbie.govt.nz</p> <p>Telephone / mobile 04 474 2957/021 541 618</p>
Representative on the Project Steering Group	<p>Name Roger Wigglesworth</p> <p>Postal address C/- Ministry for Business, Innovation and Employment 33 Bowen Street Wellington 6001</p> <p>Email roger.wigglesworth@mbie.govt.nz</p> <p>Telephone / mobile 04 474 2957/021 541 618</p>
<b>SKYCITY</b>	
Addresses for notices and communications	<p>Name Peter Treacy</p> <p>Postal address Federal House, 86 Federal Street, Auckland</p> <p>Email NZICCN Notices@skycity.co.nz</p>
Representative on the Project Steering Group	<p>Name Peter Treacy</p> <p>Email NZICCN Notices@skycity.co.nz</p>
Secretary of the Disputes Panel	<p>Name To be appointed</p> <p>Postal address</p> <p>Email</p> <p>Telephone / mobile</p>

## **Schedule 2    Brand Guidelines**



**NEW ZEALAND  
INTERNATIONAL  
CONVENTION  
CENTRE**

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**Guidelines and Specifications**  
June 2012





## Brand New Zealand

New Zealand has a unique and identifiable masterbrand. It is New Zealand's calling card to the world. The masterbrand is unique in terms of nation branding and the opportunity for New Zealand to achieve where others have not.

The silver fern is well recognised and understood in New Zealand as a symbol that represents our unique country and its brand value and recognition is increasing on the international stage.

The Brand New Zealand is now at the core of our nation's global brand building activity.

This is a unifying logo that aligns our nation's brand internationally whilst also delivering a central and iconic partnership for your brand development. The Brand New Zealand will both increase value to your organisation and the nation's reputation.

We welcome you to the Brand New Zealand family and look forward to you promoting and supporting our nation's brand to the world.

## LOGO LOCKUP

These specifications have been created for the New Zealand International Convention Centre logo. The rules outlined in this document ensure brand consistency across a range of applications.

The logo lockup (including the Fern, trademark and typeface) has been specifically designed and should not be altered or re-created in any way.

## FORMAT

There are two formats available:

- Vertical
- Horizontal

The vertical format is the preferred version for use in all applications.

The horizontal format is only to be used when vertical space is limited and/or where size would make words illegible. Examples of horizontal format uses are horizontal web banners or horizontal signage.

In each of the formats there is a size differentiation in the Fern.

### VERTICAL FORMAT



INTERNATIONAL  
CONVENTION CENTRE LOGO  
CRAFTED DIN BOLD

### HORIZONTAL FORMAT



INTERNATIONAL CONVENTION CENTRE LOGO  
CRAFTED DIN BOLD

## PREFERRED COLOUR USAGE

The Fern and New Zealand wording always remain the same colour. International Convention Centre will always remain silver.

The primary and preferred colourways are:

### POSITIVE



BLACK/SILVER ON A LIGHT BACKGROUND

### REVERSED



WHITE/SILVER REVERSED OUT OF A DARK BACKGROUND

*Note: Do not ever apply a black box border on a white background. The reversed option example is to show the colour relationship when the Fern logo is applied to a dark background.*

Silver (or corresponding grey depending on print processes that are available):



SILVER  
PMS 877



GREY  
40% BLACK  
(or 40% K)

## SECONDARY COLOURWAY

If the silver or grey text entity name is illegible due to the background environment, apply the one colour to the logo.

### POSITIVE



BLACK ON A LIGHT BACKGROUND

### REVERSED



WHITE REVERSED OUT OF A DARK BACKGROUND

*Note: Do not ever apply a black box border on a white background. The reversed option example is to show the colour relationship when the Fern logo is applied to a dark background.*

## MINIMUM SIZE

The logo lockup minimum size is based on the size of the 'New Zealand' text being an overall width of 15mm. To ensure legibility, the logo lockup should not be reproduced any smaller than specified.



## CLEAR SPACE REQUIREMENTS

We have a minimum clear space requirement about the logo - it is to be kept clear of text or imagery.

The area is determined by the 1.5 x height of the New Zealand 'N'. This area is proportional when enlarging or reducing the lockup.



## INCORRECT USE

Do not in any way change or recreate the Brand New Zealand logos.

Never use the Fern mark or Fern only, without the supporting type.

Never tint or create a watermark from any element of the logo (with the exception of frosted window signage).



**DO NOT:** USE THE FERN IN ISOLATION



**NEW ZEALAND**  
INTERNATIONAL  
CONVENTION  
CENTRE

**DO NOT:** ALTER DIRECTION OR ANGLE OF THE FERN MARK



**NEW ZEALAND**  
INTERNATIONAL  
CONVENTION  
CENTRE

**DO NOT:** ALTER THE RELATIONSHIP BETWEEN ELEMENTS



**NEW ZEALAND**  
INTERNATIONAL  
CONVENTION  
CENTRE

**DO NOT:** ADD ELEMENTS OR SHAPES TO THE SIGNATURE



**NEW ZEALAND**  
INTERNATIONAL  
CONVENTION  
CENTRE

**DO NOT:** CHANGE TYPEFACES OF ANY ELEMENT



**NEW ZEALAND**  
INTERNATIONAL  
CONVENTION  
CENTRE

**DO NOT:** RECOLOUR ELEMENTS



**NEW ZEALAND**  
INTERNATIONAL  
CONVENTION  
CENTRE

**DO NOT:** USE THE TYPE IN ISOLATION



**NEW ZEALAND**  
INTERNATIONAL  
CONVENTION  
CENTRE

**DO NOT:** TINT OR CREATE A WATERMARK FROM ANY ELEMENT (with the exception of frosted window signage)



**NEW ZEALAND**  
INTERNATIONAL  
CONVENTION  
CENTRE

**DO NOT:** CROP ELEMENTS



**NEW ZEALAND**  
INTERNATIONAL  
CONVENTION  
CENTRE

**DO NOT:** TWIST OR ROTATE ELEMENTS

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## **Schedule 3    Design Brief**

COMMERCIAL IN CONFIDENCE - STRICTLY PRIVATE AND CONFIDENTIAL

# **AGREED DESIGN BRIEF FOR THE NEW ZEALAND INTERNATIONAL CONVENTION CENTRE**

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## 01 EXECUTIVE SUMMARY

- 1 The development of the NZICC is an opportunity for the Crown to achieve the following objectives:
  - having a convention centre which is capable of hosting 3,500 delegates, which is unique in style to New Zealand, and which is designed and constructed in accordance with contemporary international design standards, and operated in accordance with operational standards generally accepted in relation to international convention centres;
  - significantly increasing international tourism revenues from additional spending from greater numbers of business delegates and accompanying persons coming to New Zealand, especially in the shoulder and off-peak seasons, such revenue being calculated to generate benefits to the New Zealand economy as a whole in the vicinity of \$90 million in 2013 dollars;
  - enhancing GDP through investments arising from business and professional connections made between visiting delegates and New Zealand firms or individuals;
  - New Zealand being seen as an attractive business events destination because of the quality of its convention infrastructure; and
  - having an efficiently and professionally operated convention centre.
- 2 The Crown acknowledges that SKYCITY is a commercial enterprise with an obligation to seek to maximise the economic return to its shareholders, including through the operation and maintenance of the NZICC and that the achievement of the above Objectives is only partly within the control of SKYCITY.
- 3 The NZICC needs to respond to the rapidly expanding, changing and competitive convention industry. All the regional competitors are expanding and adapting to keep up with international convention centre standards, or have plans to do so. Without a centre of an acceptable international standard, New Zealand will miss out on being part of this significant industry and, as a consequence, miss out on the economic and social benefits associated with it.
- 4 The NZICC is intended to deliver the full suite of convention facilities capable of hosting a full programme for 3,500 delegates as well as providing the capability to host multiple concurrent events-the backbone of the convention centre industry. This investment will provide the following facilities:
  - At least 8,600m<sup>2</sup> of exhibition space
  - A dedicated plenary facility
  - 3,500m<sup>2</sup> of dedicated meeting/breakout spaces
  - Back of house and front of house facilities to host concurrent events (3 x1,000 delegates)
  - Kitchen facilities capable of hosting 3,500 delegates as well as 3 concurrent events.
- 5 These facilities must meet **contemporary, internationally acceptable operational and functional standards**; be flexible, technologically advanced, environmentally sustainable, provide international quality building services; offer superior quality service (food and people); and allow for future expansion and adaptation. To the extent it is possible, the NZICC should be

designed to allow for the possibility of expansion in the future years within the constraint of its current site.

- 6 Subject to section 05.01 of this Design Brief, The NZICC will be designed to operate as a **stand-alone facility, offering multi-function operation**, significant flexibility/adaptability and offer the national and international delegate an international convention centre standard experience. The NZICC is to be seen as “New Zealand’s meeting place” and be a key driver for marketing New Zealand’s international brand and reputation; the post card image, and unique culture. Importantly the NZICC is also intended to be relevant to the residents of Auckland and New Zealand, being seen as part of Auckland’s growing suite of civic facilities and a driver of urban renewal in Auckland’s inner city. In this context the NZICC must take account of the New Zealand urban design protocol and integrate with the Auckland Council’s city centre master plan.
- 7 The design of the NZICC must balance the fundamental operational requirements with the city’s expectations for the public realm; legibility and permeability, activation and contextual sensitivity.
- 8 Ultimately the NZICC is an investment in New Zealand’s future. The convention centre industry is one of the most connected and innovative businesses in the world. There is no better opportunity to stimulate business opportunities and connections than being a significant part of this global industry. Success in this case means significant new business opportunities and employment in New Zealand as well as the growth of the existing strong tourism industry and a reinforcement of the New Zealand brand.
- 9 While the Crown has not made any contractual commitment to provide funding to assist SKYCITY to successfully operate the NZICC, as part of the 2013 Budget, the Crown announced the Internationally Focused Growth Package which includes \$34 million over 4 years to be appropriated to Tourism New Zealand for the purpose of attracting international business events, including conferences, conventions and exhibitions.

## 02 INTRODUCTION & PROJECT SCOPE

- 1 This document is the Design Brief attached as a schedule to, and forming part of, the terms and conditions of the New Zealand International Convention Centre Project and Licensing Agreement (**'Agreement'**) entered into between Her Majesty the Queen in Right of New Zealand acting by and through the Minister for Economic Development and SKYCITY Entertainment Group Limited (**'SKYCITY'**) on or about July 2013 and under which in exchange for SKYCITY agreeing to design and build the NZICC in accordance with this Design Brief the Crown agreed to introduce and promote the NZICC Act and the Regulatory Concessions.
- 2 This Design Brief outlines the functional requirements of the NZICC, as well as its aspirational requirements. There are two functional elements which at the time of signing the Agreement are not included in the pre-concept plans (option 9 and option 10) nor agreed as to whether they will result in the Total Project Cost exceeding \$402 million. These are:
  - a) whether the exhibition hall spaces are entirely column free; and

b) the level of sustainability rating to which the NZICC will be designed.

3 It is the Crown's aspiration that:

a) The planned 8,600m<sup>2</sup>, single level exhibition hall space will be entirely column free; and

b) The design team shall adopt an internationally recognised sustainability assessment framework to rate the proposed design and achieve a formal independently certified rating. The sustainability rating will be agreed at a sufficiently high level so as to be competitive with other international jurisdictions competing for international conventions. The Crown's aspiration is that this level would be LEED new construction – Gold certification or an equivalent rating.

Consistent with the agreed processes set out in section 9 of the Agreement, the parties will endeavour to design the NZICC so as to achieve if possible the functional elements described in paragraphs 2 and 3 within the Total Project Cost of \$402 million and without compromising any other element of the design set out in the Design Brief (other than as agreed between the parties).

Specifically this Design Brief is focused on 6 key areas:

- Flexibility of function, and the ability to host 3 medium sized events at any one time;
- The postcard image/New Zealand identity;
- Integration with the Auckland Council's city centre master plan;
- The ability to host events of up-to 3500 delegates;
- The ability to support future development/expansion; and
- The ability to operate commercially in the international convention centre market.

4 As set out in clause 8.1bi of the Agreement, the target date for completion is 30 September 2017.

5 As set out in clause 9.1b of the Agreement, the Total Construction Cost will not exceed the Total Construction Budget except with the agreement of both parties.

## **02.01 Project Scope**

10 The NZICC needs to be able to accommodate a "full" programme for 3,500 people including breakout, exhibition, banquet and circulation.

- Develop a facility with the capacity to host international events of up to 3,500 delegates
- Expand the capacity for exhibitions by adding at least 8,600 square metres of multipurpose convention floor-space and creating appropriate pre-function space and pedestrian entrances;
- Plenary facility for 3,500 delegates (combined raked and flat floor); and
- Provide meeting room spaces and support infrastructure (including B.o.H and F.o.H) to support events of up to 3,500 delegates.

- 11 The proposal must be capable of operating as a single, integrated entity to cater for large single events as well as being able to operate/host three distinct events, allowing for the separate events to occur concurrently with minimal crossover of delegates.
- 12 The proposal must provide maximum flexibility and usage by:
- Offering multi-function operation;
  - Incorporating flexible spaces that respond to the needs of a diverse client base;
  - Offering the ability to host multiple, simultaneous events, subdividing to host smaller events;
  - Allowing efficient turnaround of the NZICC during the course of an event;
  - Offering the ability to have sequential events that have the ease of access for pack in/out;
  - Incorporating movable walls and the ability to consolidate or subdivide space;
  - Incorporating retractable/moveable seating (in conjunction with flat floor seating);
  - Providing complete separation of delegates and services when required;
  - Providing a legible layout with clear way finding for users;
  - Providing defined complimentary spaces which will include the separation of interests, flow of delegates and discreet registration; and
  - Designing to allow future footprint expansion opportunities. An expansion strategy is fundamental to any convention centre master plan.
- 13 The Design Brief is acknowledged by the parties:
- a) as having established sufficient commonality of vision to justify their respective entry into the Agreement; and
  - b) to be the reference point for the parties' expectations of the Detailed Design.
- 14 At the conclusion of each Design Phase, the parties will review the extent to which the Design Documents are inconsistent with this Design Brief in accordance with clause 9.9 of the Agreement.

## **03 CONTEXT**

### **03.01 New Zealand's Competitive Edge**

- 1 In many cities throughout the world, the planning priorities of the convention centre and city centre have not been aligned. It is no doubt for this reason that the site selection process is so often motivated by defensive considerations, resulting in locations where the building can cause the least damage, but as a consequence limiting its ability to do the most good. Perceived by many city planners as a "box with docks", a convention centre is not obviously compatible with the finer grain of the city fabric, a situation which only tends to be exacerbated as the centre expands. The desire to maintain a seamless event experience

inside has often translated into buildings that feel like unwieldy mega-structures outside. Within such vast buildings, local events that are important to the community can feel lost, increasing the sense of alienation between the convention centre and the city it is meant to serve.

- 2 The “box with docks” model is a thing of the past. Four key factors have led to the re-definition of the model:
  - The world is more connected than ever and people can exchange their ideas readily, thus passing opinion on a place or event to many people in a short period. People are more experienced travellers and are readily able (and willing) to compare (and share) experiences. Expectations are higher and unique experiences are sought out.
  - The global financial crisis has placed greater emphasis on value for money. Businesses no-longer send more than their key people to events, particularly to long haul destinations. The event and by definition the place/venue need to offer a valuable proposition.
  - Competition. The convention industry has grown significantly in the past decade. Competition is fierce. In recent years all of Auckland’s key regional competitors have expanded or redeveloped their facilities. Each project raises the bar on the previous. The Asian market is booming. Most significant cities in Asia are either developing or planning to develop convention facilities.
  - Centres have evolved considerably in the last few years with a lot more focus on their context within the destination. Elements that are now being emphasized are the fittings and finish of the centre. They need to be of higher quality and reflective of the local environment. Centres are now often considered iconic elements with examples in cities such as Vancouver, Melbourne, Hong Kong and San Diego.
- 3 Whilst over recent decades iconic symbolic stand-alone architectural projects have been built, this goal has not always translated into the development of a successful centre. Integration with the city within which a centre is located is now understood to be a critical success factor.
- 4 Clients and delegates are placing an increased emphasis on having the building reflect the local experience so that delegates have the sense that they are experiencing the city rather than feeling that they could be anywhere.
- 5 Centres are now also being considered a major public and community asset and therefore the design needs to allow public access in a way that integrates them into the surrounding community.
- 6 Associations typically choose a different venue each year in order to offer their members a different city experience. This explains why the most attractive cities are typically the most popular convention destinations, and why the most successful convention centres tend to be those where the city experience is closely linked with the internal experience of the building. In contrast to the "black box" philosophy that characterises so many of its competitors, the NZICC needs to create signature spaces that are completely open to the city, in the process showcasing the city and making it an integral part of the convention experience.
- 7 There are many reasons why association planners choose different locations for their meetings and successful centres need to understand the motivations for site selection for all of their key markets. International, regional and national associations’ considerations include:

- Accessibility for more of their members to attend the meeting.
- Focusing on areas that are compatible with the particular association objectives i.e. International Diabetes Federation focuses on getting their message out in areas that have high increases in diabetes.
- Developing new and innovative financial opportunities.
- However focus is not always on the destination and its attractiveness. In some cases it is due to other local factors such as the skill focus's and local institutions/businesses.
- In that respect connections to universities, research facilities and professional activities can be as important as an attractive destination.

8 In some markets, i.e. national, you can never lose site of the fact that the largest proportion of business is national/regional and design needs to accommodate this type of repeat business.

### **03.02 Maximising the Intersection of Common Interests**

9 The characteristics that will give NZICC a competitive edge in the meetings market are precisely those which will enhance its value as a community asset. The distribution of entrances and pre-function areas of the building and the openness of its signature spaces need to create activity all around the building, animating the public spaces around it and making the building feel approachable. The mezzanine levels in the building will be the most sought-after venues in the city. These spaces are required to offer panoramic views of the city and harbour beyond, and must be designed in such a way as to allow fast and effortless conversion from meeting and exhibition functions to banquet and performance use, ensuring that they will be available for local events as well as for exhibitions and association meetings.

10 There is probably no conceivable asset that could be more effective in bringing life and vitality to the city-linking the emerging Victoria precinct to the CBD/Queen Street. The constant presence of events open to the city both day and night will create the vibrancy that is lacking today in that quarter of the city. The building must be open to the city, alive and engaging. The aim for the building is for it to not be seen so much as a stand-alone building, but as a major step toward creating a new urban quarter that will be seen in time as one of the most valuable assets in Auckland. It is the experience and quality of the quarter that should, in its own way be the goal. The quality architecture, and the compelling public spaces to which it will give shape and substance, need to be the centrepiece of this new quarter, which the NZICC will both inspire and help to make happen.

11 Communities need to be engaged and supportive of the NZICC. If they are not it can be detrimental to the business model.

### **03.03 A Collaborative Design Process**

15 Large complex urban projects have a wide range of stakeholders. Their successful design requires the resolution of often competing interests and needs into integrated design solutions. A successful project will first fulfil the core commercial and operational drivers and then go further to fulfil wider opportunities such as, for example, addressing the public realm

needs, the achievement of design excellence, environmental sustainability, or anticipating for future growth.

- 16 As a result of the success of some of the more complex public-sector redevelopment projects completed in Auckland over recent years there is an understanding of the value of inter-disciplinary master-planning in solving the complex questions. The direct relationship between the nature of the process, and the quality of the outcome is understood.
- 17 A collaborative design process provides the best opportunity to deliver the most enduring and highest quality outcome for all stakeholders. For this project to be successful in the widest sense the design team should be a multi-disciplined team with strong leadership working collaboratively from the outset. A master plan of the project will be developed by this design team to provide for consultation with affected and relevant stakeholders, and to guide the long term development of the project over time. Importantly such a process will also enable the risks to be identified, measured, and managed effectively.

#### **03.04 Benchmarking**

- 18 It is expected that the design process is informed by benchmarking of the proposed facility with relevant global/regional facilities. Key issues to consider are:
  - Facilities that are a direct competitor for the NZICC.
  - How existing world class facilities have balanced the civic and functional requirements of convention centres.
  - Area comparisons for key functional components.

## **04 BACKGROUND**

- 1 As the size, flexibility and the technical requirements of conference events continue to increase, the NZICC needs to reflect and respond to the competitiveness amongst other international convention centre venues. In recent years all of the regions other key public conventions centres have either expanded, been upgraded or have plans to do so. The existing New Zealand facilities are now the smallest and most limited of the major regional venues (such as those in Australia, SE Asia, South Pacific) and without expansion, New Zealand risks losing major events. As such, the nation is at risk of losing the associated economic benefit of hosting those events.
- 2 Focus needs to be on the project goals of: hosting larger events, multiple simultaneous events, and maximizing the flexibility and functionality of spaces rather than size of events, as events are typically not increasing in size. The facility needs to respond to the new complexities of meetings formats.
- 3 In today's market, international convention centres need to address current trends in the meetings industry and ensure that they are integrated with city amenities and culture. Current market trends as reported in recent industry survey results show that the industry is growing overall due to the current economic climate, but the growth is slow. Specific trends include:

- Events and exhibitions are at best stable but the growth seen in earlier decades is not evident.
  - Technology is having a huge impact on meetings agendas therefore consideration needs to be given to network infrastructure including audio visual and Wi Fi technologies. The experience is that centres having embedded technology are at a disadvantage as technology changes. Therefore there is a need to create capabilities that can support changing technology over time.
  - Competition amongst centres is increasing, with meeting organizers having a range of new and renovated centres creating a “buyers market” and increasing negotiation/expectation.
  - Shorter term booking windows and contracting.
  - Centres are looking for new revenue streams to enhance overall margins.
  - Clients are requiring higher quality food and beverage services.
  - Clients are focusing more on event design and ambiance.
  - Venue design and operations need to respond to all market segment needs, including international events, national and regional events and exhibitions (consumer and trade), sporting events, etc).
- 4 A key effect of these issues is that Centres are putting more emphasis on flexibility and functionality of spaces to provide better services, focusing on qualitative measures such as enhanced services.

## **05 PROJECT PROPOSITIONS**

Along with the key functional and spatial requirements, the design concept needs to be developed in a broader context:

### **05.01 Independent Facility**

- 1 The NZICC is to be conceived as substantially an independent facility in terms of its identity and operational effectiveness. As the NZICC is to be operated by SKYCITY, there may be operational efficiencies for some degree of interdependence with other SKYCITY facilities. Nonetheless, the prospect of such operational efficiencies shall not compromise the objective of the NZICC being able to operate as a stand-alone facility should that be required.

### **05.02 Identity – New Zealand in the world**

- 2 An essential success factor of the design will be its connecting the functional purpose of the project as a meeting place, with New Zealand’s international brand and reputation. The concept must have the symbolic objective of being identifiably “New Zealand’s Meeting Place”. The design and its development need to support New Zealand’s established reputation for being an open and welcoming destination. The project needs to be a postcard-image or “Face to the World” for New Zealand, and one that New Zealanders can be proud of.

First time visitors to New Zealand and to the NZICC need to feel that their experience of New Zealand starts for them there in an authentic and real way.

### **05.03 Identity – A “Face to the City”**

- 3 The NZICC will also act as a key feature and facilitator in the cultural identity of Auckland, and in driving its economic future. Alongside the NZICC playing a key role in projecting New Zealand’s identity internationally, it therefore also needs to play a central role in being a “Face to the City”.
- 4 There has been substantial and recent progress made in the development of Auckland as a highly liveable harbour city which alongside its economic development has led to Auckland developing a vibrant and rich cultural life.
- 5 The completion of the Auckland Art Gallery redevelopment, the ongoing investment at Auckland University (New Zealand’s largest), the revitalisation of Queen Street, the redevelopment of Britomart, Vector Arena, the Wynyard Wharf project, and the development of the Victoria Park Tunnel are amongst the family of projects that over the last decade have collectively begun to define the centre of Auckland as desirable and economically successful. The city is now without doubt a place designed for people to enjoy, and it is essential that this is built on further by the major projects that take part in this success.
- 6 Ultimately the aim is to create a convention centre that is inherently of Auckland and New Zealand whilst being recognisable to the world. It needs to be responsive to both the historic and existing fabric that surrounds it whilst also anticipating future development that will occur within its quarter. This objective needs to be balanced by international expectations for centre design and operation. Clients who will return on rotation will demand a centre designed first and foremost to be highly functional and efficient in its operation.

### **05.04 A Public Place**

- 7 As “New Zealand’s Meeting Place” the NZICC will be defined by animation and have life beyond the delegate. Whilst a very large building designed to be fit for its purpose, it will also have a strong character reflective of its context. Its design will make clearly legible its purpose and use as a public building – to be used as much by the local community as by international visitors. Amongst other things these needs will be manifested in the way in which the project:

**Appropriately manages scale in order to be inviting and to provide a range of spatial experiences** e.g.:

- providing shelter externally and internally as well as allowing the inside to be connected to the elements;
- grand and ceremonial spaces as well as intimate and contained spaces;
- a design that positively contributes to wider city views (when seen from a distance) as well as satisfying when experienced in close proximity.

**Is taken on by the community as being genuinely accessible as a public building through being:**

- supportive of community life;
- promoted in a way that is supportive of Auckland and New Zealand's identity;
- as physically accessible as possible for all;
- able to be experienced and accessed independently from the Casino.

**Provides for 'accidental' or impromptu use by the city and the community e.g.**

- the degree to which informal events or use at short-notice can be supported by the NZICC's management and design.

**Achieves authenticity, and architectural excellence:**

- The local community as well as international visitors must feel welcome and remember the NZICC's design and their experience of it as unique to being here in Auckland and of being here in New Zealand;
- The architecture of the NZICC should be clearly expressive of contemporary New Zealand values and technology and be valued by Aucklanders. This should include:
  - i Emphasis on and clear expression of excellence in environmental sustainability as integral to the project's design;
  - ii The cultural context of the NZICC, in particular the importance of both the heritage and contemporary influence of local Iwi; and
  - iii The achievement of an internationally recognised work of modern architecture.

8 Ultimately the aim is to create a convention centre that is inherently of Auckland and New Zealand whilst being recognisable to the world, responsive to both the historic/existing fabric and the developing fabric.

**05.05 Activation = Success**

9 Provide for a high degree of activation:

- inside and outside are fundamentally connected. The inside must embrace new tech savvy clients, facilitate multiple experiences (pop up retail), cultural (exhibitions) branding/identity (for clients/delegate and residents).
- pre-function spaces are conceived as public spaces. In operational terms, these spaces need to be both public and securable for particular events.
- all spaces are flexible, responsive and adaptable.
- all spaces are inclusive, accessible and inviting.
- all spaces facilitate connectedness:
  - i to the world;
  - ii to the city; and
  - iii to the community.

- 10 The NZICC will be designed to internationally recognised sustainability standards and be a suitable demonstration of New Zealand’s environmental credentials and image. Further information on the sustainability requirements are contained within section 11 of this document.

#### **05.06 Service Delivery**

- 11 A key component of a successful convention venue is the quality of the customer service. Staff training and support must take place under the context that they are selling the New Zealand brand.

## **06 FUNCTION AND ACCOMMODATION**

- The high level outline of the agreed Design Brief is as follows. As outlined in paragraph 14 under section 02.01 of this Design Brief, at the conclusion of each Design Phase, the parties will review the extent to which the Design Documents are inconsistent with this Design Brief in accordance with clause 9.9 of the Agreement.
- At least 8,600m<sup>2</sup> of divisible exhibition hall space. This space is to be divisible into at least three suitably proportioned spaces. The hall space must be suitable to host as a minimum, exhibition, flat floor plenary and banquet events.
- 3,500m<sup>2</sup> of break out meeting space. The average size of the meeting rooms should be 8m x 16m. There should be approximately 26 meeting rooms (of approximately 125m<sup>2</sup>) configured to function as modules, and larger rooms (400m<sup>2</sup>) should be divisible into 3 or 4 smaller rooms. Meeting rooms will be located on level 2 and 2A (under the current pre-concept plans option 9 and option 10 there is no provision for meeting rooms on level 3) to support the hosting of concurrent events.
- Pre-function spaces should be able to host 3,500 people in a comfortable and functional manner as well as host three stand-alone events of 1,000 people. As a rule of thumb the area required should be 0.8m<sup>2</sup> per delegate. However, operational overlay will be the primary manner for assessing suitability.
- A 2,500 seat plenary must be able to be expanded to 3,500 seats through the use of flat floor seating. Various methods for achieving the tiered plenary seating can be explored. The tiered seating should be able to be subdivided into 2x1 200 seat plenaries that form the backbone of an extremely flexible and adaptable venue. The plenary needs to be flexible (retractable/movable) and able to be adapted for flat floor functions. Back of house and other plenary support spaces are described in section 09.
- Banquet. The banquet space is a fundamental component of any convention venue. The venue should have superior finishes, appropriate furniture, fittings and equipment, and take full advantage of any vistas. The area of the banquet room can be considered as part of the 3,500m<sup>2</sup> meeting room space but must be able to host 1,000 people.
- Kitchen and serveries must be sized to support events of 3,500 people as well as multiple (i.e. three) concurrent events, of 1,000 delegates. The approximate area

allowance for kitchen services should be approximately 7.5% of the total functional area. However, operational overlay will be the primary manner for assessing suitability.

- Loading and storage must be sized to support events of 3500 as well as multiple (i.e. three) concurrent events of 1000 delegates. The approximate area allowance for loading and storage should be 15% of the total functional area and allow for efficient event turnaround. However, operational overlay will be the primary manner for assessing suitability.
- Exhibition, Plenary and Meeting room spaces will be divisible with approximately 650 lineal metres of moveable wall to give flexibility and options.
- Furniture, Fittings and Equipment. The furniture, fittings and equipment strategy must be developed to support both large events of 3,500 people and three medium events of 1,000 delegates at an appropriate international standard and allow for efficient event turnaround.

- 12 One of the key criteria for functionality assessment will be the demonstration of event overlays. Overlays for one stand-alone event of 3,500 delegates and three concurrent events of 1,000 delegates will be required. Each event will require the primary convention functions - plenary, exhibition, break out meetings, and banqueting to be able to function concurrently with minimal cross delegate and back of house overlap. This assessment will take precedence over the pure area analysis and requirements.

## **07 FUNCTIONAL TYPOLOGY**

### **07.01 Front of House**

- 1 Front-of-house spaces including pre-function spaces have the following characteristics:
- A high quality, flexible environment;
  - Maximize external view opportunities; daylight and outlook;
  - Have the capacity to host stand alone functions;
  - Provide for both large and small scale spaces for informal gathering and pre-function activities;
  - Have extensive audio visual infrastructure;
  - Incorporate break out zones to accommodate unprogrammed social interaction;
  - Be easy to secure: have easy legibility and way finding for delegates; and ability to control crowd movement;
  - Provide clear orientation and directional elements that are incorporated into the base building design;
  - Provide ample registration space with supporting utility services;
  - Provide technology to allow for flexibility of events; and

- Offer an event organizer's office located adjacent to the multi-purpose halls.

### **Wayfinding**

- 2 A holistic and integrated approach to wayfinding must be undertaken. It is crucial to consider signage as part of the base building concept (it is not an add-on). The quality of the delegate experience is highly dependent on both an intuitive and interactive wayfinding strategy. Signage is not only for orientation, it is also a part of the branding and identity of the NZICC. Consideration should also be given to emerging interactive signage technologies.

### **Informal Meeting**

- 3 An emerging trend in the convention centre industry is the need for informal meeting spaces within the pre-function spaces. These spaces must be able to change with ease from lounge, to gallery, to café, and are core to the delegate experience. These types of spaces should be distributed throughout the pre-function spaces whilst not interrupting the core pre-function requirements.

### **Retail Opportunities**

- 4 The pre-function spaces can operate (on occasion) as an extension of the public realm. Consideration should be given to location concessions that support the core function of the NZICC and be considered as part of the base building design, e.g:
  - food and beverage.
  - shops that support the "New Zealand brand". These can be permanent or temporary.

## **07.02 Multi-Purpose Halls**

- 5 The multi-purpose halls must have the following characteristics:
  - Flexible for exhibitions/banqueting/conferences;
  - Maximize daylight and outlook, but spaces must be able to be blacked out;
  - Be interlinked;
  - Have minimal sound transference between halls;
  - Offer where possible adjustable 'ceilings' to suit multiple size modules;
  - Have easy loading access;
  - Have easy service access;
  - Have even distribution of food service; and
  - Have minimal sound transference between halls (operable wall to have Rw57 at a minimum).

### **07.03 Small multi-purpose rooms/Ballrooms/Banquet**

- 6 The multi-purpose ballrooms must have the following characteristics:
- Flexible for exhibitions/banqueting/conferences;
  - Maximize daylight and outlook over the city and harbour;
  - Have minimal sound transference between halls (operable wall to have Rw57 at a minimum);
  - Have easy service access; and have access to an adjacent servery.
- 7 These venues are feature spaces, with superior ceiling and wall finishes.

### **07.04 Plenary**

- 8 The Plenary must have the following characteristics:
- Flexibility, allowing for a minimum of 2 different plenary modes from 1200-3500 seats. At least 2500 seats are to be in a raked format. There is flexibility as to the method of achieving the raked format. The objective is to allow for the main plenary to be easily divisibility into smaller plenary spaces. Examples to be considered include Edinburgh, Frankfurt, Melbourne and Adelaide.
  - Maximize daylight and outlook opportunities towards the city and harbour for pre-function spaces for the plenary;
  - Fast set up/turn-around times;
  - Have minimal sound transference between halls (refer to section 12.11 of this document for acoustic performance criteria);
  - Have easy loading access;
  - Have easy service access;
  - Have even distribution of food service; and
  - The ceiling to the multi-purpose plenary hall is to be a feature.

### **07.05 Meeting Rooms**

- 9 There must be 26 meeting rooms of varying sizes and it is proposed that:
- generally they must offer approximately. 400 m<sup>2</sup> modules;
  - they will be divisible into 3 or 4 smaller rooms;
  - a typical 125-130m<sup>2</sup> room will be a 8x16m module;
  - they be distributed across the site to allow for separation of facilities;

- they be arranged into discreet combinations of spaces for concurrent events;
- they will be generally serviced from rear; and
- they will generally have 4m ceiling heights.

#### **07.06 Back of House**

10 The back-of-house facilities are proposed to:

- be distributed relative to loading and service requirements;
- be in close proximity to halls and meeting rooms;
- incorporate localised storage areas;
- be evenly distributed across the redevelopment; and
- incorporate localised serveries, evenly distributed across redevelopment.

#### **07.07 Loading Docks**

11 Loading dock facilities:

- Allow all halls to be accessible by B double trucks. Should exhibition spaces not be directly accessible by trucks than suitable large vehicle lifts must be included. Functional suitability of vehicle lifts must be demonstrated;
- Include waste sorting, recycling and collection facilities;
- Must allow for all key functional areas to be accessed via large goods lifts (able to lift medium sized vehicles); and
- Need to be able to accommodate multiple event deliveries of goods and services.

12 The location and treatment of the loading facility needs to be considered. It could have an impact on the surrounding public realm. All effort must be made to minimise the negative visual impact of the facility.

#### **07.08 Kitchens**

13 Food and beverage has become one of the most important features and one of the few areas that can add to the baseline revenue potential. Accordingly:

- The kitchen facilities must be sized and located to support stand-alone events as well as three concurrent events of 1000 delegates. The core kitchen facility should be in the order of 7.5% of the functional area. However operational functionality will be the core measurable;
- Satellite serveries will be required adjacent to key functional spaces to ensure appropriate and timely distribution of food and beverages;

- Suitable cold and dry storage should be provided and located to support the food preparation sequence;
- Suitable waste and storage facilities should be provided and located to support the food preparation sequence;
- A stand-alone staff area is required to support the kitchen facilities including, but not limited to a handling/arrivals office, staff changing area, medical room and toilets; and
- International food handling standards must be met.

## **07.09 Storage**

- 14 A key component of any back of house strategy is that it must take into account both the base facility storage requirements and client requirements.
- 15 A storage overlay strategy must be developed that demonstrates that:
- Enough storage is provided to support three concurrent events;
  - Storage is distributed throughout the NZICC;
  - Storage is easily accessible for both staff and clients; and
  - Storage is suitably connected to the overall B.o.H network.
- 16 Storage facilities that are not suitable will undermine the operations of the NZICC adding time and cost for clients which in turn will reduce the centres competitive edge.

## **08 DETAILED EXHIBITION BRIEF**

This section documents the design assumptions in the agreed concept Design Brief.

As outlined in paragraph 14 under section 02.01 of this Design Brief, at the conclusion of each Design Phase, the parties will review the extent to which the Design Documents are inconsistent with this Design Brief in accordance with clause 9.7 of the Agreement.

### **08.01 Exhibition Hall**

#### **08.01.01 Exhibition Hall - FOH**

The required specifications are:

- Series of flexible multifunctional venues;
- Can be combined or divided into number of different sized venues;
- Ceiling heights to be 10.5m at a minimum;

- Flat floor (exhibition) mode – to have an area of at least 8,600m<sup>2</sup>;
- Banquet (Flat Floor @ 1.5m<sup>2</sup> / person).

#### **08.01.02 Exhibition Hall – BOH**

- Loading area;
- Stage facilities;
- Sound and light technical facilities;
- Food serveries to serve up to 3 concurrent banquet events;
- Combined banquet capacity of 3,500 people.

### **08.02 Meeting Rooms**

#### **08.02.01 Meeting Rooms – FOH**

- Range of meeting room spaces combined total functional area of 3,500m<sup>2</sup> (including ballroom);
- Approximate Subdivision: 1600m<sup>2</sup>, 800m<sup>2</sup>, 400m<sup>2</sup>, 130m<sup>2</sup>, 65m<sup>2</sup>.

#### **08.02.02 Small Meeting/VIP Rooms – FOH**

- Small meeting rooms (12-20m<sup>2</sup>) need to be distributed throughout the NZICC to support the requirement for impromptu meetings, boardroom events, and formal business discussions. Three groups of rooms located to support concurrent events are required. They also need to be located near to B.o.H access/facilities.

#### **08.02.03 Meeting Rooms – BOH**

- All meeting rooms are to be served from the rear.
- The multipurpose room/ballroom must have a standalone servery adjacent and at the same level connected to the main kitchen via lifts.

### **08.03 Public Foyer Facilities**

#### **08.03.01 Public Foyer Facilities - FOH**

It is important to recognise that well designed pre-function spaces are in themselves event spaces that add to the revenue opportunity. They can in some circumstances be the most sought after spaces in the NZICC. The key requirements are:

- Assembly type spaces responding to functional requirements, wayfinding and building character;

- Provide an inviting arrival experience;
- High quality space with entry from external concourse/street/plaza;
- Clear circulation to exhibition / plenary halls / meeting rooms / pre function spaces;
- Provide potential for complimentary commercial food/beverage and retail facilities (kiosks);
- Provision for impromptu/informal meetings spaces. These spaces are conceived as lounge spaces that are within the main foyer but have their own quality and a reduced physical scale. They should be evenly distributed around the edge of the public foyer spaces.

*Assumptions:*

- Exhibition Pre-function (assumption-one person @ 0.8m<sup>2</sup> approx.). Note the dimensions of the space need to demonstrate functionality;
- Foyers for meeting rooms and Ballroom (combined) halls levels;
- Connection to servery areas/ BOH circulation;
- Functional area (population x 0.8m<sup>2</sup>).

The public spaces must be able to operate with a security overlay where delegates of differing security status can be separated. This separation should be generally subtle (different spatial opportunities for instance) but the NZICC must have the means to physically secure key spaces from other key spaces.

### **08.03.02 Main Foyer Support Facilities**

- Flexible use spaces;
- Directory accessible public (main) foyer,

*Comprise:*

- Customer Service Desk (mobile);
- Luggage store (swing space);
- Conference Register desks (mobile);
- Conference Organiser offices (swing space and dedicated);
- Toilets/parenting facilities –evenly distributed throughout the NZICC to support concurrent events.

### **08.03.038 Public Foyers Facilities**

Foyers:

- Allow for wheelchair access to main foyer for display purposes;
- Floor pits and or trenches for tech access (9x9m grid);

- Servery access to P.F. Foyer for Event Catering.

#### **08.03.04 Foyers Support Facilities**

(unless otherwise stated, all functional areas for support facilities included in foyer area allowances)

##### *Assumptions:*

Customer Service Desk (can be mobile)

- Functional Area: 20m<sup>2</sup>
- Occupancy: 2
- Location: Adjacent main entry - First point of contact to visitors and delegates entering Plenary Hall

Foyer Technical Service Desk

- Functional Area: 20m<sup>2</sup>
- Occupancy: 2
- Location: Adjacent/near Customer Service Desk - Control and Service Info Desk for visitors & delegates

Ticket & Box Office (requirement to be determined-could be part of retail outlet)

- Functional Area: 35m<sup>2</sup>
- Occupancy: 2
- Location: Internal & external access for after-hours enquiries

Central Cloakroom

- Functional Area: 60m<sup>2</sup> (swing space with meeting room)
- Occupancy: 2
- Location: Luggage Storage Facility; requires swing space

First Aid Room

Tourist Services (requirement to be determined-could be part of retail outlet)

- Functional Area: 15m<sup>2</sup>
- Location: Office with desk and waiting area

Business Centre

- Not required in fully wired centres. Business lounge areas to be included in lobby areas.

Conference Registration Desks

- Functional Area: N/A (mobile units)
- Location: Assume 2 – 3 mobile technical service counters with storage

#### Convention Organisers Offices

- Functional Area: 3 x 20m<sup>2</sup>
- Occupancy: 6 min

### **08.04 General – BOH**

#### **08.04.01 General – BOH**

BOH areas linked through separable BOH circulation to all functional areas.

BOH areas comprise:

- Loading docks;
- Receiving;
- Facility storages;
- BOH administration department;
- Kitchen, Food storage areas (existing adapted and expanded);
- Storage amenities / change rooms;
- Waste storage / disposal facilities.

Functional combined area –approximately 20% of total functional area, however the primary method of functional assessment will be based upon the ability of the NZICC to support both a major event of 3500 delegates of three medium sized concurrent events of 1,000.

#### **08.04.02 Administration Facilities**

- FOH Administration Department (events management / operation and movement of plenary facilities);
- Reception/waiting;
- Executive suite;
- Marketing department;
- Food and beverage management department;
- Floor management department;
- HR/event planning/rostering/staff training.

It is important that the NZICC has an independent administration facility that is responsible for the operation of the NZICC as well as for setting the service standards for the NZICC. If existing

SKYCITY facilities can perform some or all of the above functions it must be demonstrated that functional efficiency and staff culture of the NZICC has not been compromised.

#### **08.04.03 Staff Facilities/Amenities**

It is important that the NZICC has independent staff facilities. This is a key component in ensuring functional efficiencies as well as a suitable staff culture.

If it can be demonstrated that functional and operational efficiency and staff culture of the NZICC will not be compromised, the existing SKYCITY facilities may be used to perform some or all of the above functions.

#### **08.04.04 Main Staff Change Room Facilities**

It is important that the NZICC has independent staff change room facilities. This is a key component in ensuring functional efficiencies as well as a suitable staff culture.

If it can be demonstrated that functional and operational efficiency and staff culture of the NZICC will not be compromised, the existing SKYCITY facilities may be used to perform some or all of the above functions.

#### **08.04.05 Main Staff Cafeteria (general floor staff) Servery / Bain Maries**

The staff are the face of the NZICC and a key part of the delegate experience is experiencing the New Zealand brand (reputation for friendliness and efficiency). As such appropriate facilities for full and part time staff must be provided including:

- dining area;
- lounge and TV area;
- vending machines; and
- refrigeration and self-serve counter.

If it can be demonstrated that functional and operational efficiency and staff culture of the NZICC will not be compromised, the existing SKYCITY facilities may be used to perform some or all of the above functions.

#### **08.04.06 Kitchenettes / Beverage Bays for Office Staff**

If it can be demonstrated that functional and operational efficiency and staff culture of the NZICC will not be compromised, the existing SKYCITY facilities may be used to perform some or all of the above functions.

#### **08.04.07 Localised Change Rooms Kitchen Staff**

Kitchen staff facilities are required to support international food preparation standards and must be independent of other staff facilities.

#### **08.04.08 Uniform / Linen Facility Distribution Office**

It is important that staff are able to undertake their duties in as efficient manner as possible. Staff are the single greatest operating cost for the facility and must be able to function effectively. Inefficiencies will add to operating costs which are passed onto the client and can undermine the business case. It is important that suitable facilities are provided and that the following are well located:

- Racking Storage Uniforms/Linen; and
- Workshop area – Ironing/Sewing/Repairs.

If it can be demonstrated that the functional and operational efficiency and the staff culture of the NZICC will not be compromised, the existing SKYCITY facilities may be used to perform some or all of the above functions.

#### **08.04.09 Technical Services Department**

A significant component of any international convention facility is its ability to offer the best technical equipment and service. Suitable, well located (well linked into the BOH system) facilities must be provided. These facilities must be located in a way that best supports the core centre operations but not be too removed from centre administration. Miscommunication/unaligned culture between the technical staff and administration/marketing staff is a key complaint of convention centre clients.

If it can be demonstrated that the functional and operational efficiency and the staff culture of the NZICC will not be compromised, the existing SKYCITY facilities may be used to perform some or all of the above functions.

#### **08.04.10 Office Area – Open Plan**

A client's first contact with the facility is via the administration and marketing staff. These staff need to be part of the NZICC and be fully immersed within the centres culture. They also need to be well linked to the Technical staff.

If it can be demonstrated that functional and operational efficiency and staff culture of the NZICC will not be compromised, the existing SKYCITY facilities may be used to perform some or all of the above functions.

#### **08.04.11 IT Workshop & Server Room**

Refer to general storage and Back of House.

#### **08.04.12 AV Store Room**

Refer to general storage and Back of House.

#### **08.04.13 Building Services Department**

A significant component of any international convention facility is its ability to offer the best building services possible. If there is an issue with building operations during an event it must be rectified in a timely manner. Suitable, well located (well linked into the BOH system) facilities must be provided. These facilities must be located in a way that best supports the core centre operations but not be too removed from centre administration. Miscommunication/unaligned culture between the technical/service staff and administration/marketing staff is a key complaint of convention centre clients.

If it can be demonstrated that functional and operational efficiency and staff culture of the NZICC will not be compromised, the existing SKYCITY facilities may be used to perform some or all of the above functions.

#### **08.04.14 Building Services Workshop & Equipment Store**

Refer to general storage and Back of House.

If it can be demonstrated that functional and operational efficiency and staff culture of the NZICC will not be compromised, the existing SKYCITY facilities may be used to perform some or all of the above functions.

#### **08.04.15 Housekeeping/Domestic (Staff) Department**

The staff are the face of the NZICC and a key part of the delegate experience and is experiencing the New Zealand brand (reputation for friendliness and efficiency) As such, appropriate facilities for full and part time staff must be provided including suitable cleaners' rooms, well distributed to facilitate minimal impact upon the delegate experience.

If it can be demonstrated that functional and operational efficiency and staff culture of the NZICC will not be compromised, the existing SKYCITY facilities may be used to perform some or all of the above functions.

#### **08.04.16 Building Control & Security Department**

The NZICC must be able to operate independently.

If it can be demonstrated that functional and operational efficiency and staff culture of the NZICC will not be compromised, the existing SKYCITY facilities may be used to perform some or all of the above functions.

#### **08.04.17 Storage Facilities**

Storage requirements:

- Storage required throughout the combined hall facilities & meeting rooms to store furniture fittings & equipment
- Strategic / Convenient location of stores key (fundamental) operational requirement
- Access to storage preferred at same level adjacent to rooms/areas storage serves

Nominal Storage for:

- Administration Facilities (totals)
- PC/Printers: approx 30m<sup>2</sup>
- Compactus: approx 70m<sup>2</sup>

Furniture store (totals):

- Chair Stores: 300m<sup>2</sup> (est.)
- Stage Equipment Stores: 3 x 25m<sup>2</sup> (est.)

#### **08.04.18 Amenity Areas**

Toilet facilities for FOH areas and BOH areas are to be based upon NZ building code requirements. However a degree of redundancy is required to ensure the facility can support three concurrent events or events that do not have standard demographic characteristics.

Toilet facilities are to be evenly distributed throughout the facility and support the hosting of concurrent events.

#### **08.04.19 Plant Room**

Refer to services return brief (section 12).

#### **08.04.20 Business centre**

Emerging technologies have reduced the need for the traditional business centre, however provision needs to be made for document printing and binding. Spatial provision of 16m<sup>2</sup> should be provided, located adjacent to pre-function space. There may be the need for more than one facility to ensure concurrent events are supported.

## **09 DETAILED PLENARY BRIEF**

This section documents the design assumptions of the agreed concept Design Brief.

As outlined in paragraph 14 under section 02.01 of this Design Brief at the conclusion of each Design Phase, the parties will review the extent to which the Design Documents are inconsistent with this Design Brief in accordance with clause 9.7 of the Agreement.

### **09.01 Plenary Hall Auditorium**

Full plenary inside with an occupancy of 3,500 seats, allowing for two different plenary modes ranging from 1,250 (2,500 seat plenary divisible into 2) seats up to 3,500 (1,000 seats on flat floor mode).

The primary sizes of plenary events at NZICC are to be in the range of:

- less than 350. Flat floor mode contained in meeting room module;
- 350-750. Contained in half 1,250 seat plenary (top half curtained off);
- 750-1250. Contained in 1,250 seat plenary;
- 1,250-2,000. Contained in 2,500 seat plenary or 1,250 seat plenary with additional flat floor seats of up-to 500 (i.e. 1,750 seats);
- greater than 2,000. Contained in 2,500 seat plenary that has flat floor expansion capacity of up-to 3,500.

The 2,500 fixed seats are required in order to host two medium sized events concurrently (i.e. 1 x 750 pax event and 1x 1,200 pax event). In addition a small event of 350 pax can be held in flat floor mode concurrently.

The key design criteria for the plenary (sight lines/distance/divisibility) must be based around the occupancy of up to 2500. Beyond 2500 visual aids will be required. Flat floor seating should not be greater than 20m in depth.

General use requirements to be:

#### *Assumptions:*

- Large and small conventions (1000 delegate events as base event);
- Video conferencing;
- Operable walls to sub divide Plenary Hall modes and configurations;
- Adjustable seating-retractable/movable;
- Entries to halls in all configurations not to align with centre line of stage areas;
- Storage space for stages/chairs and equipment
- Loading dock facilities connect directly into the plenary space;
- Crossover of back of house and front of house must be minimised;
- Plenary hall/s must be flexible column free space/s.

#### Sightlines:

- 100% seats unobstructed view of a speaker at front of fixed stage;

- Minimum of 85% seats to achieve unobstructed view of full proscenium;
- Maximum horizontal viewing (seat) distance 45m (measures from stage front) must be achieved for the main plenary seating 2,500;
- Delegates are able to view majority of audience;
- Sightlines measured from seated person (eyes) 1,250mm above seated floor level and 100mm to eyes and top of head;
- The quality of sightlines in tiered seating is measured in C values. In conference mode the C value is 120mm.

Good sightlines allow spectators to see all areas of a venue stage. It is recommended that a spectator's eye height must be not be lower than 800 mm above the stage.

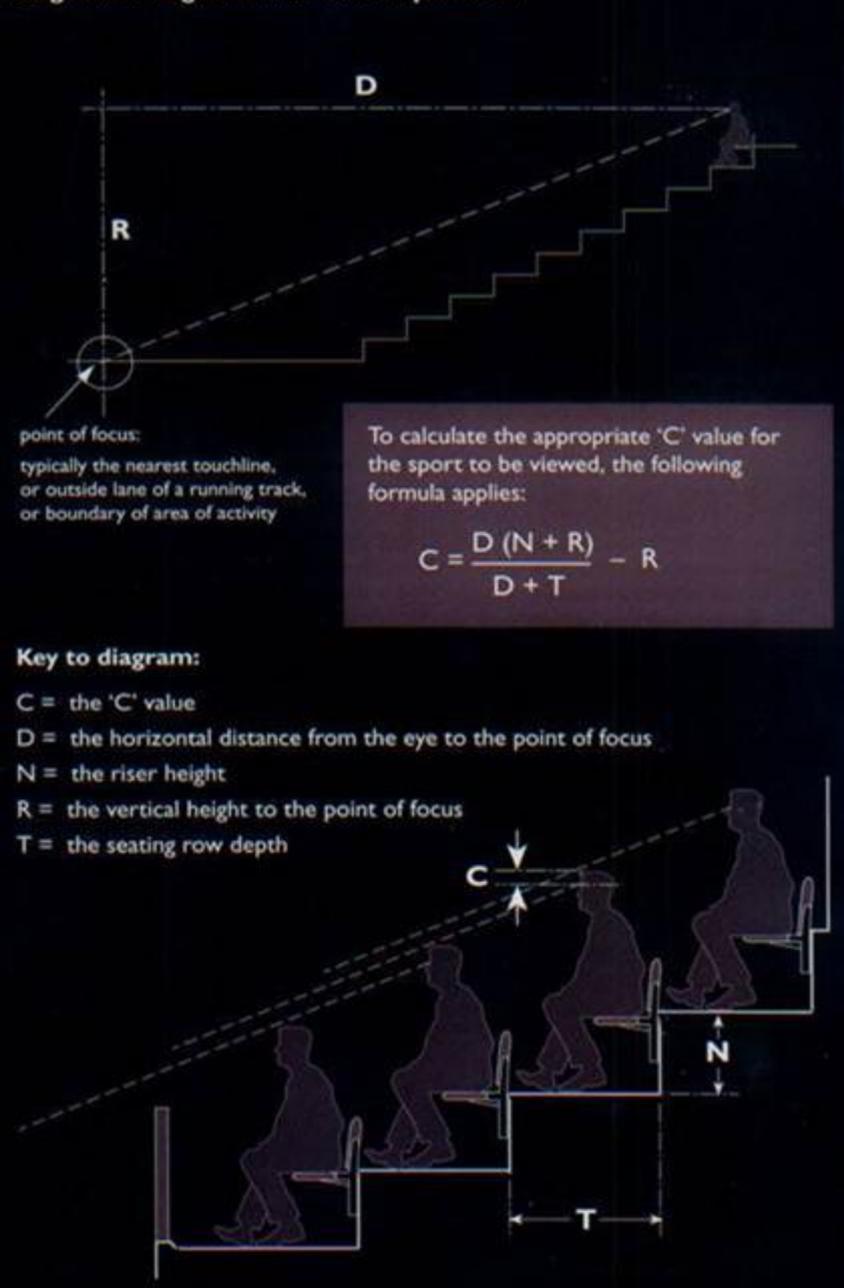
Calculating 'C-value':

$$C = \frac{D(N + R)}{D + T} - R$$

The angle from a spectator's eyes to the top of the forehead of the person in front of him is called a C-value. The C-value is a value that helps produce a rake.

- D = the horizontal distance from the eye to the point of focus
- N = the riser height
- R = the vertical height to the point of focus
- T = the seating row depth

Diagram 11. Sightlines for seated spectators



## Visual Planning

- Visual displays/projection/screens/electronic white boards

Seating configuration for each hall to follow:

- Maximum viewing distance 6 x screen H;
- Minimum viewing distance 1.5 x screen H;
- Maximum of axis viewing to screen centre = 45 degrees (in plan);
- Maximum unassisted viewing = 40-45m;

- Maximum assisted viewing = 70-75 m;
- Maximum from speaker on flat floor = 20m.

### **09.02 Plenary Hall – back of house**

Food and Beverage Serveries (for Plenary Hall)

- Adjacent (flat floor) area of plenary hall / access from back of house corridors and service from Full Plenary Hall & Public Servery (Public Foyer).

### **09.03 Staging and Production Facilities**

Plenary Hall Loading Dock:

- Min clearance 4.8m;
- Loading dock floor is level with exhibition floor area of plenary;
- Clear access to plenary flat floor stage area from dock area;
- 4.0m wide and height 4.8m;
- Dock areas to be all weather protected;
- Min truck lengths 8.8m long, allow for up to 19.0m long;
- Allow simultaneous delivery for:
  - Stage / flat floor delivery;
  - Food / beverage delivery (via lift);
  - Waste collection;
- Truck driveway min width access 4.8m. / clearance 4.5m.

Stage Area:

- Able to be adjusted to suit different sized events;
- Meet visual requirements for a multitude of events (however convention speakers must take precedence);
- Able to be efficiently relocated to support functional flexibility;
- Be suitable located adjacent to the back of house facilities and storage facilities.

Proscenium:

- The proscenium must support multiple event types; however convention speakers must take precedence.

#### Stage Cross Over:

- The back of house must be able to support two events without cross-over of support staff and facilities.

#### Technical access:

- Flexible high level grid incorporating catwalks/dedicated lighting bridges trafficable infill panels above main stage areas flat floor and racked seating access for full plenary and medium halls;
- Tech grid linked across widths and lengths of Plenary Halls with catwalks / gantries to back stage access and (AV) control room (main);
- Ceiling rigging points ability especially over flat floor and min one lighting bridge in forward position for lighting of speakers/performers on main stage areas;
- (Second) lighting bridge set back from forward position for use of “follow spotlights”;
- Front stage ‘sidelights’ fixed/ computerised for full Plenary Hall;
- Access to both sides of main stage tech. grid and linked to gantries and lighting ridges;
- Minimum headroom for all accessible + walkway areas to be 2.1m.

#### Interpreter’s facilities:

A key component of an international convention facility is the interpreters/translation facility. These facilities are ideally flexible and able to be moved to support differing speaker requirements:

- The need for an interpreter to be very near to the speaker (movable);
- The need for spaces to be set up for multiple interpreters (fixed);
- The need to support multiple speakers throughout the facility (fixed and movable).

### **09.04 AV Control Rooms**

#### Full Plenary Hall:

- Functional Area: 16m<sup>2</sup>
- Occupancy: 2

#### Medium Plenary Hall:

- Functional area: 2x8m<sup>2</sup>
- Occupancy: 1
- Projection facilities in control rooms/preferred projectors mounted in tiers 35m from screens;
- Small halls require no control room but allow for AV control desk (open) position within audience rear seating/mobile projectors floor or ceiling suspension mounted;
- Also allow for positions in medium + full plenary halls.

## **09.05 Plenary Halls**

Technical spaces at Tech Grid level.

All Accessed from Tech Grid Gantries to control rooms/lighting bridges and main stage (back) level.

Dimmer Rooms:

- Located at Tech Grid level either side of main stage;
- Allow 2 rooms (area) 12m<sup>2</sup>.

Link Room:

- Located at Tech Grid level;
- Area: 12m<sup>2</sup>.

Lighting Stores:

- Located at exhibition floor level;
- Area: 2x20m<sup>2</sup> evenly spread.

## **09.06 Presenters Back Stage Facilities**

- Back stage area to be used by presenter convention speakers and VIP guests;
- Delivery of stage sets and presentation materials;
- Backstage area either side of main stages for presenter assembly allowing entry to both sides of stage;
- Medium and Small Hall stages assume stage entry from one side.

### **09.06.01 Individual dressing rooms**

- 2x16m<sup>2</sup> occupancy. Can be multi-purpose space.

### **09.06.02 Green Room/Multi purpose**

- Occupancy: for assembly and relaxation of up to six speakers at any one time;
- Includes male and female toilets, showers (+ dressing) male and female change rooms, kitchenette.

### **09.06.03 VIP Room/Breakout non bookable spaces**

- Area 16m<sup>2</sup>. Can be swing space meeting rooms/multi-purpose spaces;
- Waiting area/lounge provided for patrons includes large lounge, reception area/unisex change room, male and female WC, separate room for secretariat disabled allowance;
- Front of house and back of house access.

### **09.07 Plenary Hall Meeting Rooms**

- Column free / accessible from pre function foyers;
- Flexible Use: green room for press conferences, prep room convention breakout areas;
- Functional areas (assumed) clear min 4.0m high;
- Meeting rooms to have toilet facilities in close proximity / convenient for disable access and located with pre function;
- Meeting rooms have BOH access to serveries;
- Ceiling rigging suspension points.

#### **09.07.01 Plenary Serveries**

- Food and beverage serveries provided by main kitchen serveries functional areas;
- Serveries are accessible via BOH corridor Pre-function beverage service, access for staff from serveries to serve into pre-function areas (meeting rooms + plenary hall).

### **09.08 Loading Dock**

- All deliveries and loading requirements for meeting rooms via the main loading dock.

#### **09.08.01 Preparation Rooms**

(Access is from pre function space /same level as meeting rooms.)

- Functional Area: 20m<sup>2</sup>;
- Note: meeting rooms can function as swing space prep rooms.

Storage requirements:

- Lockable cabinets;
- Benchspace.

## 10 CAR PARKING

1. It is a project requirement that a holistic approach to car parking is taken. Key issues to consider include:
  - Public transport infrastructure/proximity to, and the number of existing car parking facilities. Public car park spaces within 500m of the NZICC should be considered as part of the strategy;
  - International and national events have a low car parking requirement;
  - Local evening events are the core driver of the car parking requirements. Consideration should be given to providing the minimum spaces required to support two evening events of 1000. The assumption is that a maximum of one third of the delegates would drive to an evening event or approximately 650 delegates. Not all of these spaces need to be on site if it can be demonstrated that a suitable number of off-site spaces are available;
  - It is recognised that the Agreement provides that the NZICC will provide at least 400 car parks that will always be available for casual use by the public (including NZICC users) in a manner which will meet the needs of NZICC attendees (for example by way of sufficient parking area(s)) within the 400 car parks for conventions as and when they are being held.
2. The NZICC will require sufficient car parks to serve the local community visiting and using the facility. The definition of the number of car parks that is fair to expect will be practically required, as well as viable from a planning perspective, is important. It is anticipated that demand for car parking generated by the events within the NZICC will fluctuate depending on the mix of events underway at any one time e.g. local versus international events; as well as the timing of events during the day and during the week. Defining the car parking numbers required to serve the scale of the facility briefed within this document has been approached in a variety of ways, including in particular:
  - Benchmarking against equivalent facilities internationally within cities of a similar size with a similar (currently modest) level of public transport capacity/choice.
  - The demand that the facility as briefed will create when fully occupied at 100% capacity, with assessment from international experience of the level of car parking demand created as opposed to other options (e.g. taxis, walking, charter bus, public transport).
  - Analysis of the parking that could be expected to be developed when the site developed to its maximum capacity of approximately 73,000m<sup>2</sup> (MTFAR 6:1) in line with its zoning as provided for within the District Plan, including the range that arises as a result of considering access from the three differing street frontages.
3. After considering all relevant factors and with taking account of existing car parking on site of 515 spaces the agreed parking scope is:
  - A minimum total car parking spaces on site of 780 spaces; and
  - A design target of 1,000 car parks for the facility.

## 11 URBAN DESIGN AND PUBLIC REALM

Best practice urban design outcomes need to be achieved in the design of the NZICC in order for it to succeed in making a positive contribution to Auckland City and New Zealand. There are several key urban design challenges that the project faces, as well as some key opportunities presented.

### 11.01 The New Zealand Urban Design Protocol

In approaching the design, the New Zealand National Urban Design Protocol serves as a useful reference tool in defining what best practice urban design will mean in the delivery of this project. The Urban Design Protocol identifies seven essential design qualities that together create quality urban design:

- Context: seeing buildings, places and spaces as part of whole towns and cities;
- Character: reflecting and enhancing the distinctive character, heritage and identity of our urban environment;
- Choice: ensuring diversity and choice for people;
- Connections: enhancing how different networks link together for people;
- Creativity: encouraging innovative and imaginative solutions;
- Custodianship: ensuring design is environmentally sustainable, safe and healthy; and
- Collaboration: communicating and sharing knowledge across sectors, professions and with communities.

### 11.02 Auckland Council City Centre Master plan

The Auckland Council released a draft city centre master plan in September 2011 and are currently developing a response to submissions received following its release. Some of the outcomes and indicators noted in this document provide useful performance indicators for this projects urban design, in particular outcomes one, four, and five being relevant to the project.

Of more direct relevance in terms of planning is 'Transformational Move' number two, known as the East-West stitch. The development of the NZICC is noted as having the potential to be a catalyst for the transformation of Hobson Street in particular. The plan outlines, amongst other goals, the following aims for this area of the city's centre:

- That the areas major streets become "pleasant places to linger and to walk along. They are easy and safe for pedestrian's to cross";
- That "Hobson and Nelson streets become attractive boulevards or 'green links' that welcome people into the city";
- That "The big blocks have better pedestrian access through them, with more walk routes running north to south."

The most significant recommendation in the plan affecting the centre's design is the two-waying and greening of Nelson and Hobson Streets. One of the outcomes of this recommendation that is noted is the creation of favourable first and last impressions for those entering and departing the city at this

point on to the motorway system. This is a desirable outcome and with this in mind the urban design and master planning of the centre needs to take this goal in to account and be supportive of its delivery.

### **11.03 Key Urban Design Principles**

Amongst others a comprehensive response in the design of the centre to each of the following key urban design principle are of critical importance:

#### CPTED and Accessibility

Principles of working to achieve Crime Prevention Through Environmental Design are outlined in detail by Auckland Council, with the three key principles being:

- Awareness of the environment;
- Visibility by others;
- Finding help.

The design of the NZICC shall achieve excellence in the application of CPTED principles.

With respect to accessibility, the design of the NZICC shall achieve excellence in designing to achieve compliance with the relevant sections of the Building Act, as befitting a public building of this significance.

#### Legibility and Permeability

From a pedestrian perspective it is critical that the NZICC has a supportive and intuitive relationship with the surrounding street network. All public entrances should be clearly legible and welcoming - night and day. Significant public entries are required from a minimum of two streets. Under the current pre-concept plans option 9 and option 10 the public entries are on both Hobson and Nelson Streets. Entries should be independent of retail or commercial uses and designed to separate concurrent events. Entries should be located in a north/south direction in order to enable aligned at-grade connections across both Hobson and Nelson Streets to be viable. Through-site-linkages accessed at-grade are highly desirable.

It is noted that an elevated (bridge) connection is proposed across Hobson Street to link SKYCITY's existing facility to the NZICC. The requirement for location, width, functionality, materiality, and design of this connection will be of fundamental urban design importance.

#### Sense of Arrival

The primary entry to the NZICC shall be designed to maximise the sense of arrival created - matching the expectations of international visitors, as well as being satisfying for the local community. This will be an integrated design response involving the architecture of the building as well as the design at-grade of the related surrounding street-scape.

#### Contribution to Public Realm

The creation of a successful interface with the surrounding city shall be made real through the creation of a public plaza and streetscape improvements as part of the project. It is highly likely this will need to involve collaborative design and funding arrangements with Auckland Council.

A richness of detail will be expected in the buildings facades that makes a coherent contribution to the streetscape.

### Contextual Response

The design of the NZICC should adopt a holistic approach to the development of the whole city block, including a considered response to retained buildings and their activities, and the surrounding transport infrastructure and public realm.

The NZICC's design shall respond clearly to its context through the application of best practice urban design principles. This need not necessarily mean that the only approach should be that the scale of the building be broken down or reduced, as in some instances, the large height and mass of the project could be positively used to create impact, drama, and powerful urban form. A simple sculptural design response that clearly articulates the functions housed in a sophisticated way could result in a more enduring outcome. Of particular importance will be:

- The relationship of the project – on all sides - to the surrounding streetscape;
- The relationship of the project to the profile of the TVNZ building when viewed from Victoria Street, and the northern ends of Hobson and Nelson Streets;
- The relationship of the project to its surroundings when viewed on approach to the city, from the western-bay feeders such as College Hill, Franklin Road, Hepburn Street etc.;
- The experience of the project when arriving into the city and departing from the city down Nelson Street and up Hobson Street;
- The project's roof design and roofscape when seen from the Sky Tower and from other surrounding buildings, including the Karangahape ridge.

### Building Bulk and Scale

The arrangement of built form on the site should respond to the key physical features of the site including its sloping topography and exposure to long range views. The arrangement of built form should be in response to the adjacent TVNZ building, the SKYCITY complex opposite, and the retained Albion Hotel and Berlei factory. Increased building bulk at the corner of Nelson and Wellesley Streets should be considered (subject to Heritage requirements regarding the treatment of the Berlei Factory).

## **11.04 Key Urban Design Requirements, and Opportunities**

The following urban design requirements will be of particular importance in the design of the NZICC:

- The creation of highly active ground-floor frontages to Hobson and Nelson Streets.
- Building to the pavement edge of the block on the Hobson Street frontage in order to create a strong consistent building line. This will provide for an indent at the primary entrance to read as an entry and for its definition as a public space. This indent in the footprint of the building needs to read on the face of the building and its profile so that the main entry is clearly marked and legible from a distance.
- The 'front-door' to the NZICC to be located on Hobson Street and to be designed to connect with a major new at-grade pedestrian crossing across Hobson Street.
- Create a strong built form to address the corner of Nelson Street and Wellesley Street (exposure to long range views).

- The design for the NZICC will be limited to that land within the boundary of the NZICC site and over bridge link.

The following specific points concerning traffic design, vehicle access, and transport issues provide background to the urban design requirements and are to be considered and responded to in the design:

- Hobson/Nelson St - assume continued high traffic volumes but with slower speeds, reduced carriageway width (possibly 4 lanes) and additional pedestrian crossing facilities. Current traffic modelling supports reduction of Hobson Street's capacity as viable, and this is therefore a priority to enable enhanced pedestrian amenity. Assume retained one-way operation with reduced carriageway but design is to be future-proofed for potential two-way operation in the future. The activation of Hobson/Nelson frontages is required to support enhanced pedestrian environments.
- Wellesley St – Wellesley St is planned for significantly greater use by bus services as part of a wider bus service reorganisation and also links to proposed Aotea rail station at Wellesley St/Albert St. Wellesley St is likely to become one of the busiest passenger transport corridors in the City. Assume additional bus infrastructure on Wellesley St.
- Victoria St - a reduced traffic and bus service role is planned for the future with increased pedestrian activity as part of the Central City Masterplan proposals.
- Intercity Coach Terminal – it is vital to the network that an effective inter-city coach terminal is maintained. Fully explore the opportunity to relocate the existing coach station to elsewhere in the city in keeping with Auckland Transport Plan.
- Main Vehicular Access to the site is assumed to be at the existing car park entry and exit points and allowance for conference coach arrival at Nelson St or potentially Hobson St.
- Consideration will need to be given in the staging of the NZICC's construction with co-ordination with CRL works as traffic diversions for CRL will impact on the roads surrounding the site.

## **12 ENGINEERING BRIEF**

### **12.01.01 General**

The following section presents design briefing requirements for engineering services associated with the NZICC. These sections are to be read in conjunction with the other sections of this Design Brief.

These briefing requirements have been formulated so that the quality of the final installation is in keeping with a building which is required to compete on the international conference market. It is not intended to be a prescriptive design guide but rather a set of guiding principles to allow flexibility for the design team to develop concepts and to incorporate the optimum solution with respect to quality and cost.

### **12.01.02 User experience**

The proposed facility shall be designed with a focus on delivering an appropriate international-standard user experience for all users including hirers, event organisers and event attendees. All engineering services shall be designed to an appropriate level of quality, and effectiveness and to align with the relevant standards set out in the sections below.

The building engineering services shall be designed to be reliable, flexible and of a quality befitting a building design to cater for the expectations of international audiences.

#### **12.01.03 Life Cycle Cost**

To be competitive in the international conference centre market, operational cost will be a key factor. The solutions proposed for all major services shall be selected considering life cycle cost, with due consideration of capital, maintenance and energy costs for the life of the facility.

At each design milestone the designers shall report on the options considered, the life cycle estimate for each option and any other selection criteria evaluated in arriving at their proposed solution.

#### **12.01.04 Sustainability**

The design team shall adopt an internationally recognised sustainability assessment framework to rate the proposed design, and achieve a formal, independently certified rating. The design team shall select a specific framework appropriate for convention and event centres (e.g. LEED: New Construction) and the NZICC shall be designed and monitored against that proposed scheme and formal certification will be obtained as provided for in the Detailed Design (it being acknowledged that the level of such certification will be determined as part of the design process as contemplated in paragraph 3 of section 02).

#### **12.01.05 Environmental / Climate**

The proposed building design shall acknowledge and respond to the particular environmental characteristics of the site and the surrounding city and region.

In particular, the building shall be designed to respond to the Auckland city climate which is coastal and temperate, with periods of high humidity in summer, and high intensity rainfalls. The building fabric shall be designed to reduce, and control solar gain and glare.

Internal environmental control systems such as mechanical and lighting, shall be able to respond to, and take advantage of, the surrounding environmental conditions. Examples of this include economy cycles or free cooling cycles on mechanical systems, dimming lighting controls to respond to daylight, and collection and reuse of rainwater.

The services serving each space that is available for the use by the organisers shall be able to be independently controlled. This requirement also applies to each space formed in larger sub-divisible spaces.

#### **12.01.06 Design team**

Key members of the design team from each engineering discipline shall have relevant experience with the design of conference and event facilities of international quality.

The engineering design team members shall have a documented Quality Assurance programme certified to ISO 9001 or similar.

### **12.01.07 Flexibility**

One of the key drivers for the success of a conference and event facility is flexibility. All engineering aspects of the proposed facility shall be designed to be appropriately flexible to meet event requirements.

The design shall be reviewed by the parties at the end of each Design Phase to demonstrate the flexibility of the engineering design and the ability to respond to changing requirements over time.

Specifically, designers shall respond to each of the following topics:

#### **Overlays**

The designers shall present for review overlays of various envisaged operational scenarios and shall provide commentary on the ability of each of the engineering services to respond to each operational scenario.

#### **Future proofing**

The designers shall consider the impact of future changes in technology and how these could be accommodated within the building.

In particular, the Electrical and Data infrastructure should be designed with reasonable spare capacity and/or space for future expansion and for the increasing requirement for high volumes of data.

### **12.01.08 Maintainability**

All aspects of the engineering design shall consider the issue of maintainability from the point of view of a facilities maintenance team.

The design team shall propose and carry out a design methodology to review maintainability issues at the end of each Design Phase, and provide a mechanism for feedback from these reviews to be incorporated into the design.

An example of an acceptable design method would be to utilise the processes in CIBSE Guide 10.

In keeping with the quality standards required of this facility, maintenance within occupied spaces shall be kept to a minimum. Access to in ceiling services for maintenance shall be minimised where practicable.

### **12.01.09 Resilience / Redundancy**

The engineering services shall be designed to cater for the expected peak loads of multiple events within the facility operating simultaneously.

Major plants (e.g. chillers, boilers, transformers, and primary pumps) shall be designed so that peak system performance is not solely reliant on the operation of a single item of plant. Sufficient design capacity shall be available when the largest piece of plant is out of order due to maintenance or failure to maintain tenable operating conditions.

Redundant design capacity for major plants should target (on single item of plant failure):

- chiller redundancy minimum of 70% design load
- boilers – a minimum of 80% of design load
- transformers – minimum of 70% redundancy
- pumps – run and standby for primary plant

Options to achieve some of this redundant capacity by utilizing/sharing existing SKYCITY site infrastructure will also be considered.

Particular attention shall be placed on sanitary services and their ability to cope with continuous operation during intermissions or coffee breaks.

### **12.01.10 Safety in Design**

Safe Design is defined as the integration of hazard identification and risk assessment methods early in the design process to eliminate or minimise the risks of injury throughout the life of the product being designed.

The design team shall propose a methodology for the incorporation of Safe Design within the overall design process. A sample methodology is outlined in the document “Guidance on the Principles of Safe Design for Work” published by the Australian Safety and Compensation Council in 2006 (now Safe Work Australia).

## **12.02 Mechanical Services**

### **12.02.01 Design Considerations**

The mechanical services systems shall consider the following fundamental design requirements:

- The systems are capable of providing good comfort conditions throughout the building with large populations of people and consequent high latent loads;
- The systems will be responsive to changes in population loadings;
- Total life cycle cost;
- The facility must incorporate extensive operational flexibility at reasonable operating economy;
- The systems must be energy efficient;
- The systems should include a high level of maintainability.

### **12.02.02 Scope**

The mechanical services for the NZICC shall comprise the following systems:

- Air conditioning to habitable and normally occupied areas to meet environmental comfort criteria;

- Mechanical ventilation to all other areas, as required by relevant standards, regulations and authorities having jurisdiction;
- Smoke extraction;
- Catering extraction system.

### 12.02.03 Codes and Standards

The mechanical services shall be designed in accordance with the current New Zealand Building Code, and taking into account current NZ standards, joint AS/NZ standards and acceptable solutions under the New Zealand Building Code. Relevant standards are:

- New Zealand Building Code;
- AS/NZS 1668 Parts 1 and 2;
- NZS 4303;
- All relevant New Zealand Standards current at the date of Contract;
- All other regulations of authorities having jurisdiction over the works including Auckland City Council and the New Zealand Fire Service.

### 12.02.04 Design Criteria

#### Item    Design Parameters

Internal Environmental Control:

- Function / Event Areas      22.5 +/- 1.5°C. Target maximum humidity 60% however humidity not controlled.

Set point to be adjustable from 21 to 24 in summer and winter.

- General Office Admin Areas 22.5 +/- 1.5°C.

External Conditions:

- Summer: 27°C DB/23°C WB (based on Auckland 1 percent design day)
- Winter: 4°C DB (based on Auckland 1 percent design day and night time operation)

Areas with Natural ventilation:

- Openings for natural ventilation: free area greater than 5% of floor area
- Cross flow ventilation provided where possible. Window openings provided at high and low level
- Natural ventilation for large areas to confirm by computer modelling

Allowance for Exhibition Equipment and lighting:

- 50 W/sqm.

Ventilation Rate:

- Minimum 10 l/s per person in Function/Event areas;
- NZBC requirements in other areas. Typically 10l/s per person minimum.

Mechanical Ventilation:

- Mechanical ventilation systems shall be designed to meet the requirements of the New Zealand building code, typically to AS1668-2002 Part 2, or NZS 4303.

Smoke Hazard Management:

- Where required smoke hazard management shall be designed to meet the requirements of the Fire Report

Noise Levels:

Internal noise levels – the building services shall be designed to achieve the internal noise levels specified in the Acoustic section of this document. Refer to section 12.11 for acoustic criteria within each space.

Air Quality

- Air quality sensing and monitoring shall be provided to all function spaces, and mechanical systems shall be designed to be able to adjust outdoor air rates to maintain air quality standards.

Controls

A building management system with both monitoring and control capability shall be provided to fulfil the following objectives:

- Optimise building services reliability.
- Optimise productivity of building operation staff.
- Optimise energy, operations and maintenance costs.

## 12.03 Structural

### 12.03.01 Codes and Standards

The building structure shall be designed in accordance with the current New Zealand Building Code, and taking into account current NZ standards, joint AS/NZ standards and acceptable solutions under the New Zealand Building Code. Relevant standards are:

- Structural Design Actions: AS/NZS 1170.0: 2002  
AS/NZS 1170.1: 2002  
AS/NZS 1170.2: 2002  
AS/NZS 1170.3: 2003  
AS/NZS 1170.5: 2004
- Concrete Structures Standard: NZS 3101: 2006
- Concrete Masonry Standard: NZS 4230: 2004

- Steel Structures Standard: NZS 3404: 1997
- Timber Structures Standard: NZS 3603: 1993
- Piling: Design and Installation: AS 2159: 2009

### **12.03.02 Design Criteria**

The building structure will be designed in accordance with relevant New Zealand Standards and statutory requirements, and shall accommodate all functional and aesthetic requirements described elsewhere in this Design Brief. Specific criteria likely to have a major influence on structural design and form are highlighted below.

#### **12.03.02.01 Fire Rating and Protection**

The structure shall be designed to at least satisfy the minimum fire ratings specified by relevant statutory authorities. Where interpretation of and/or variation to standard building classifications or ratings is required due to the specific characteristics of a proposed design, the proposed fire safety strategy shall be based on established principles of fire engineering.

#### **12.03.02.02 Environmental Influences**

The structure shall be designed to resist wind loads, earthquake loading and the effects of temperature variations as specified in relevant New Zealand Standards. In addition, designers should consider the susceptibility of proposed roof profiles to blockage and/or ponding under extreme rain conditions and design the structure accordingly.

All internal walls are to be designed for internal wind pressures consistent with the building geometry and the size and location of potential openings in external walls.

In addition to the requirement for roller shutter doors and panel lift doors (if included) to resist wind loads, fixings and immediate supporting structure shall also be designed for catenary actions.

#### **12.03.02.03 Acoustics and Vibration**

The structure shall be proportioned and detailed to achieve the acoustic performance standards set out elsewhere in this Design Brief, and to provide satisfactory vibration performance under ISO 2631-2 "Evaluation of Human Exposure to Whole Body Vibration – Part 2". In particular, lightweight structural elements and floor systems shall be checked for vibration frequency and amplitude under footfall, machinery and wind induced excitation and shall meet the acceptable criteria of ISO 2631.

#### **12.03.02.04 Accidental & Deliberate Damage & Impact and Robustness Requirements**

Reasonable damage protection requirements, such as corner guards and door plates are to be incorporated in the final design.

Partitions shall possess adequate stiffness and robustness in addition to strength to resist human impact loads as well as seismic and wind face loads.

### 12.03.02.05 Service Penetrations

In addition to the normal requirements for accommodation of service penetrations, function and meeting room floors will be designed to provide service points in walls. Refer to the appropriate services section of this Design Brief for the services required.

Service points in walls should be incorporated from the BOH to the FOH and Main Foyer positions, in particular at the entrance doors to the Exhibition Hall, Plenary Hall and Meeting and Function Rooms. This will allow temporary service positions such as registration (power and data) and information positions to be set up without cables being exposed.

All service penetrations must be designed in accordance with fire and acoustic requirements.

### 12.03.02.06 Loads

#### General

The structure shall be designed to resist imposed vertical floor and roof loads generally in accordance with AS/NZS 1170.1 and .2, and/or otherwise assessed based on experience with the level of services and finishes anticipated in the building, and as may be modified below.

Superimposed Dead Loads (SDL) shall cover allowances for services, suspended ceilings and fixtures, fixed partitions, floor finishes, non-structural screeds and cladding.

Live load allowances shall cover furniture, movable partitions, shelving, storage, equipment and people and other such items that are non-permanent or transient and of more uncertain nature.

A detailed schedule of proposed floor and roof imposed design loads is to be approved by the Structural Engineer and provided to the parties prior to the Detailed Design phase. Structural elements shall be designed to carry emergency vehicle loadings where access is deemed necessary for such vehicles. These elements are to be additionally checked against the design principles set out in the Transit New Zealand Bridge Manual in respect to vehicle loading.

#### **Superimposed dead loads**

Type	SDL (kPa)
Allowances for all anticipated point loads for permanent equipment and temporary installations appropriate to international standard convention centres, including: <ul style="list-style-type: none"> <li>• Allowance for finishes, services, acoustic treatment and suspended ceilings (all areas except car park)</li> </ul>	1.00
<ul style="list-style-type: none"> <li>• Allowance for finishes and services in the car park basement areas</li> </ul>	0.25
<ul style="list-style-type: none"> <li>• Secondary structure for walkways, partition walls, specialist supports, etc</li> </ul>	0.35

### Superimposed live loads

Level or Area	Live Load (kPa)	Point Loads kN
Roof	0.25	1.4
Plenary – floor local load allowance	20.00	60
Plenary – global load allowance	10.00	
Hub – floor local load allowance	20.00	60
Hub – global load allowance	10.00	
Entry	10.00	31
Car parking	2.50	13
Roof Plant areas (generally AHU)	5.00	4.5
Energy Centre	10.00	9

The exhibition hall and plenary imposed loads will be used in determining the local strength of individual elements directly supporting the floors for gravity loads. In considering the global building earthquake response, a maximum imposed live load of 10kPa shall be assumed in determining the seismic weight.

#### Hall and Exhibition Roof Structure

In addition to New Zealand Standards, specified wind, dead and live loads, the roof structure for all Hall and Exhibition areas shall be designed for special performance equipment loading suspended from the underside of the roof and applied as uniform load distributed over an agreed tributary area. Final details and locations of loading requirements are to be agreed during the Preliminary Design phase.

The roof structure is also to be designed for loadings appropriate to Auckland conditions, to the proposed roof geometry, and to carry acoustic operable wall partition loads.

A description of the roof load capacity, and patterns and combinations of load associated with suspended performance equipment will be provided to the parties at the completion of the Preliminary Design phase.

#### Building Importance Level

The building shall be designed as an Importance Level 3 building in accordance with AS/NZS1170. The design wind and earthquake loads shall be determined adopting return periods commensurate with IL 3 requirements.

#### Design Wind Loads

Design wind loads shall be derived in accordance with the provisions of AS/NZS 1170.2:2002 “Structural design actions – Wind actions”.

A wind tunnel study may be undertaken to more accurately determine the design wind pressures on all cladding and supporting frameworks and resulting design forces on the building structure.

Wind vibration response of the building shall be reviewed to confirm levels of motion for occupant comfort are within acceptable limits.

#### Design Earthquake Loads

Design earthquake loads and design actions shall be derived in accordance with the latest revision of NZS 1170.5:2004 “Structural design actions – Earthquake actions – New Zealand”.

### Low Damage Design Philosophy

Consideration shall be given to the adoption of an appropriate “low damage” seismic design philosophy in the design of the building structure. This is aimed at reducing the potential for primary structural damage under a seismic event, therefore minimising rectification costs and disruption to the use of the facility.

#### **12.03.02.07 Geotechnical Considerations**

A detailed geotechnical investigation of the site is to be undertaken. This is to establish the underlying ground conditions, alternative suitable foundation solutions that may be adopted and corresponding design parameters to be utilised in their design.

The potential for liquefaction occurring in the subsoil layers under the site shall be assessed, considering the return period of ground shaking likely to cause such liquefaction. Where relevant, appropriate measures to mitigate damage to the building shall be incorporated in the building’s design.

The design of the buildings foundations shall take into consideration impact on adjacent building structures.

#### **12.04 Electrical Services**

##### **12.04.01 Design Criteria**

All electrical systems are to be designed to be of high quality in keeping with an International Convention Centre. The electrical system shall be designed with the following key criteria in mind:

- Be robust and reliable.
- During normal operation, the electrical supply shall be capable of supplying all of the building under full load operation with 20% spare capacity.
- The Low Voltage Distribution System shall be sized to allow for a reasonable degree of future expansion and space on all boards and include surge reduction filters and active power regulators at the Main Switchboard (MSB).
- Main electrical incoming service will have two incoming supplies.
- The standby power system will be sized to allow major events to “Trade-on” in the event of a major electrical power fault through the installation of a temporary generator.
- A permanent generator will be provided to provide power to emergency and essential services.
- Sufficient emergency capacity through on line UPS systems is to be provided to allow essential equipment to continue operation uninterrupted in the event of a power failure, until emergency generators are operational.
- All lighting systems are to be flexible in their design and operation, and to allow the various operating modes for each major space.
- Within the Plenary and Exhibition areas, provision will be made for three pin universal outlets capable of catering for standard international plug types within each floor box and other customer locations as agreed.

#### 12.04.02 Scope

The electrical services include the following principal components:

- High Voltage Distribution System
- Low Voltage Distribution system
- Standby power system including diesel generator
- General Power systems
- Lighting systems
- Lightning protection system.
- Earthing Systems

#### 12.04.03 Codes and Standards

The electrical system shall be sized based on the following key criteria and generally shall be designed in accordance with AS/NZS 3000 and all other relevant standards.

#### 12.04.04 High Voltage Power Supply

High voltage power to the site will be from the Vector 11kV or 22 kV system.

#### 12.04.05 Low Voltage Distribution

Where the mains cables run through different fire cells, cables from the substation to the main low voltage switchboard shall be via fire-rated cables with a total ampere rating of 110% of the related transformer full load current.

The main switchboard and all sub-mains shall be provided with a minimum of 30% spare capacity for future expansion. Where required, each switchboard shall be provided with Standby power.

The MSB design shall include for surge reduction filters and active power regulators.

Special care is to be taken to include for the mitigation of local harmonics generated by lighting (Dimming) and ventilation system controls (VSD's) within local distribution boards/switchboards.

Power to the Plenary and Exhibition Halls shall be independently check metered.

#### 12.04.06 Standby Power

A permanent standby generator shall provide sufficient generating capacity to serve emergency and essential services as follows:

Plant / Equipment	% Requirement
Communications and computer systems	100%
Fire safety including fire detection and alarm systems, fire fighting and smoke control systems	100%

Building management system / security systems	100%
Fire Lifts	100%
General house Lifts	50%
Security Lighting	100%
House Lighting systems	50%
Kitchen cold rooms and refrigeration	100%
Smoke spill fans mechanical services ventilation systems	100%
Air conditioning of front of house areas	50%
Air conditioning for communications equipment rooms	100%
Sewerage and storm water pumps	100%
Automatic doors, boom gates and roller shutters, etc	100%

Switching flexibility is required through the BMS (or other automated system) to enable configuration of both permanent and temporary generator capacity.

In addition to the above listed in-house generator capability, infrastructure only provision shall be made for 100% of all power requirements for the NZICC that would allow the on-going normal operation for a convention.

A Generator Connection Panel shall be provided in the Service Yard to permit the temporary connection of a truck- mounted generator set (provided by others) capable of supplementing the in-house generator in the event of a power failure.

#### **12.04.07 Lighting Systems**

The lighting system for the NZICC shall be flexible to match the various usages of the NZICC and the requirement for rapid change of function of areas. Multiple concurrent use of the NZICC shall be accommodated by the lighting system to include:

- Exhibition
- Banquets
- Cocktails
- Classroom/lecture Style
- Theatre Style
- Plenary Meetings
- Circulation

- Infrastructure provision for stage production to international standards (CIBSE, CIE guidelines)
- After-hours access
- Separation of FOH general lighting and theatre and entertainment lighting.

The Plenary and Exhibition Halls shall have a grid that will allow the attachment of lights, banners and audio equipment. The stage area of the Plenary Hall shall have provision for theatre style lighting and the infrastructure capacity to accommodate outside broadcast presentations.

A control cabling system shall be provided to control lighting and audio outlets in the Plenary and Exhibition Halls, enabling local or central control or special lighting.

Lighting control systems within the Plenary shall be programmable incorporating a minimum of six (6) pre-set scenes with controllers located within key areas to allow easy control.

A basic complement of stage spotlights, floodlights, follow spots, dimmer and control, colour filters or colour changing LED light and accessories shall be provided in the plenary and exhibition halls.

It is essential that the Plenary, Exhibition Halls and Meeting and Function Rooms shall be capable of being blacked out to achieve acceptable levels of functionality when required.

All areas throughout the building should be provided with minimum lighting levels in accordance with AS/NZS1680 – Interior Lighting Part 0: Interior Lighting Safe Movement, Part 1: Interior Lighting General Principles and Recommendations and Part 2: Recommendations for Specific Tasks and Interiors.

Areas with heavy concentration of visual display units (VDUs) shall be provided with low glare luminaires and semi-specular louvers.

Dimming control to be provided for plenary, exhibition halls, function and pre-function rooms, meeting rooms, and mezzanine.

Exterior floodlights and external security lighting shall be switched via a PE cell and controlled by the BMS (or other automated system complete with high level interface to the BMS) to pre-determined time zones. Lighting shall appropriately illuminate the Car park and provide suitable lighting for pedestrian and vehicle areas.

#### **12.04.08 Emergency Lighting**

Emergency Lighting shall comply with AS/NZS 2293 and the requirements of the NZBC F6 and F8 throughout the complex. Locations of exit signs shall also comply fully with the requirements of the Fire Report.

Notwithstanding the above requirements, emergency luminaires should be provided in all toilets, adjacent to each warden intercommunication point, fire control panel, fire indicator panel, all plant rooms, main switchboard, communications (PABX) and security rooms, adjacent electrical distribution boards and within the generator room.

A central monitoring and testing facility shall be provided for the Emergency and Exit Lighting Systems.

The emergency lighting shall include for panic lighting.

#### **12.04.09 Lightning Protection**

The lightning protection system shall be provided in accordance with AS/NZS 1768 - Lightning Protection.

#### **12.04.10 Earthing System**

The Earthing System shall be provided in accordance with AS/NZS 3000.

### **12.05 Communications systems**

#### **12.05.01 Scope**

The importance of the modern communications systems incorporating Structured Cabling System and ICT infrastructure in converged and unified networking topologies within a building is similar to that of other fundamental building utilities such as heating, lighting and power supply. Effective and coordinated design of all communications cabling infrastructure in a common Structured Cabling System and network platform provides opportunities to realise efficiencies in the installation, utilisation of equipment, and co-ordination of the maintenance and upgrade programmes of the network components and infrastructure.

The communications systems generally comprise all of the following principle elements:

- Structured Cabling System
- Voice (VoIP) network distribution system
- Wired and Wireless LAN networks
- Audio-Visual and presentation systems
- Public Address and paging
- Public Internet, mobile and telephony access
- BMS/Smart-Building control systems
- MATV and IP-video distribution
- Digital signage
- Hearing-aid loop and reinforcement systems

#### **12.05.02 Codes and Standards**

All systems shall be designed and installed in accordance with relevant AS/NZS standards and documentation including:

- Electrical wiring regulations and safety specifications and standards

- AS/NZS3080 and related series of documents
- AS/NZS2201 and related security documentation for access control and security installations

In addition, the design of all systems shall consider the following documentation:

- BICSI publications including the following:
  - o Telecommunications Design Methods Manual (TDMM)
  - o Electronic Security Systems methods Manual (ESS)
  - o Network Transport systems Methods Manual (NTS)
  - o Wireless Design Reference Manual (WDMM)
  - o A/V Reference Design Manual.
- IACC documents including “Design for Great Technology (2008)” (use concepts and performance data only, dated design and system definition should be ignored)
- Vendor installation and operational guidelines and specifications documents

### **12.05.03 Structured Cabling System**

The complete ICT and Structured Cabling System infrastructure shall be designed in a manner that recognises the unique working requirements of the conference centre environment and provide operational functionality and reliability without compromising the space and service requirements. The design shall support integration with the other networking infrastructure such as the Security and Audio-Visual systems and applications, and include provision for increased network traffic, increased network speeds and a greater variety of applications. The network will be designed with high service availability and fault tolerance in mind allowing for rapid restoration of services in the event of network problems, where possible without further network disruption or scheduled downtime.

The following key attributes shall be provided to support performance reliability and service availability requirements:

- Distribution cabling for services will be Cat.6A/Class-EA supporting both high-speed networking connection up to 10GB/s. Higher speeds are likely to be supported in the future as current investigations into 40GB copper cable performance matures.
- Distribution cable will be F/UTP supporting sheath-sharing and multiple services in a single cable assembly if required, allowing emergency restoration of services in the event of single cable damage.
- The SCS supports PoE and PoE+ standards providing power to remote devices such as Access Points, cameras, BMS and monitoring devices where applicable without the need of additional cabling infrastructure for low power distribution.
- PoE distribution of power to remote devices allows easy and quick restoration of power to these devices in the event of a port or switch failure.
- Fibre-optic distribution cabling will be Singlemode OS2. Dual diverse paths between CD and BD, and between BD and FD are provided. In addition each BD is connected to both CDs, and each FD will have connection to at least two BDs within the same building infrastructure.

- All cables will be certified for installation in the environment in which they are installed.
- Subject to commercial pricing and availability a 20+ year system and application performance warranty will be specified covering both replacement parts and remedial labour for the SCS system will be provided directly from the system component vendor to the NZICC.

#### **12.05.04 Voice (VoIP) network distribution system**

A central digital VoIP system should be provided with ample capacity for management and for exhibitors and attendees. The system should be capable of handling numerous incoming lines.

The VoIP shall provide comprehensive business facilities for the management of the NZICC and the requirements of the exhibitors and other hirers.

Handsets shall be provided at all management services telephone outlets. The telephone service for exhibitors shall be capable of operation both as shared tenant facilities and/or allow direct connection to the external network.

The VoIP server shall be installed in the main equipment room complete which is fully air conditioned with the air conditioning system designed for 24 hour operation.

#### **12.05.05 Wired and Wireless LAN networks**

Wired and Wireless LAN services shall be provide in the base system development for the support of building services and operational functions including standard voice/data applications as well as all audio-visual IP systems, IP-CCTV systems and IP-MATV networks. The network will provide:

- Minimum of 1GB/s Ethernet in all cabled backbone connections;
- Minimum 100MB/s to each connected telecommunications outlets;
- PoE for all telecommunications outlets, Poe+ to be provided to all locations requiring including higher power WLAN outlets for 802.3n and all PTZ camera interfaces;
- 802.a.b.g.n WLAN;
- Support for non-IP applications including the transmission of high quality audio-visual and presentation systems, and HDMI quality video over the converged networking infrastructure using AVB, HDBaseT or proprietary audio-visual applications. To be incorporated into the Detailed Design phase if possible; and

Access and connection points to the distribution infrastructure will include wall and ceiling mounted outlets as appropriate Support for non-IP applications including the transmission of high quality audio-visual and presentation systems, and HDMI quality video over the converged networking infrastructure using AVB, ,HDBaseT or proprietary audio-visual applications and trenched/ducted connection points in discrete floor boxes in key areas including foyers and conference room facilities. To be incorporated into the Detailed Design phase if possible.

## **12.05.06 Audio-Visual and presentation systems**

### Design and Applications

The AV system will be designed as a single-platform AV content distribution system for multiple applications including multi-media content streaming/recording/editing/archiving/ scheduled playback, entertainment content delivery, simulation lab content recording and playback, in-house programmable TV channels for messaging and information, as well as integration of IPTV and digital signage.

The fundamental aim of all audio visual systems shall be to facilitate effective communication, which is a key requirement for many of the spaces within a conference centre environment. For this reason, all AV systems shall be designed considering relevant industry best-practice guidelines and adhere to current and considering emerging global AV standards. Design outcomes shall include robust and reliable performance, providing ease of use and up-time.

Audio visual systems shall be provided for a range of facilities and shall include:

- Meeting and function rooms
- Public entrance and foyer locations
- Video conferencing facilities for small and large conference rooms
- Meeting and banquet rooms will include intelligent networked controllers allowing transferable operation and control from either the local room or a centralised A/V control facility. The central facility will be able to monitor and review content and provide assistance and operation in the event that users of the facilities are unable to effectively operate the managed systems
- Wiring and other “backbone” infrastructure to allow for key note speakers to undertake live video conferencing using the main display systems of plenary halls and meeting rooms and for bi-directional communication systems to allow the remote presenter to take questions from the local venue.
- Wiring and other “backbone” infrastructure to allow for media centre functionality including provision for multi-media (TV/radio/print media) as an integrated solution able to be centrally managed or locally controlled in the main foyer area and main venue positions.

AV system technologies can also serve a diverse range of applications, which may include:

- Presentation systems
- Collaborative and interactive teaching systems
- Multi-media content streaming/management
- AV links between venues and public spaces
- Digital signage
- Video conferencing
- AV system monitoring, management and reporting
- Wired and wireless microphone systems
- Temporary mobile multi-lingual translation services infrastructure (but not equipment) will be included to allow conferences supporting multiple languages.

## Flexibility

All audio visual systems shall be designed to provide flexibility of operation and configuration to accommodate application requirements.

AV designs shall also include the flexibility to support current AV technology requirements as well as emerging and potentially future technologies. The key factor in providing this flexibility in the AV system is the cabling infrastructure. By designing AV systems around category and fibre optic cable signal transport, current relevant industry best practice digital AV technologies will be deployed. As AV bandwidth requirements continue to increase, particularly due to growing resolution requirements for digital video, fibre optic and category cable offer the best means for accommodating growing AV requirements and new technologies. Other cable types such as HDMI cabling may be suitable where relatively short local runs of cabling are required.

## Integration

All AV system designs shall include integration with related building services, including electrical, mechanical, ICT, fire, security and acoustics.

Perhaps the most important point of AV integration will be with the ICT infrastructure. Utilising the same structured cabling will provide a major contribution to standardisation and may provide cost efficiencies. More importantly, as AV and IT technologies continue to converge, an increasing number of AV services are becoming network-reliant. These include:

- AV distribution over campus environments
- AV system monitoring, management and reporting
- Digital signage
- IPTV
- Content streaming/management
- Video conferencing.

Ensuring seamless integration with the ICT system is the key to the delivery of these services.

As this convergence increases, the future may well hold the potential for a unified AV/IT platform such as the developing Audio Video Bridging (AVB) protocol. Establishing AV integration with ICT infrastructure today will assist with a smoother migration and upgrade path to future technologies.

The ICT network also provides the potential to design a single-platform AV content distribution system for multiple applications including multi-media content streaming/recording/editing/archiving/scheduled playback, entertainment content delivery, an in-house programmable channel, as well as integration of IPTV & digital signage. Benefits would include ease of scalability for future growth, ease of management, improved end-user experience, greater user flexibility, and potentially reduction in up-front costs as opposed to designing & procuring disparate systems.

The AV system shall incorporate design from current and emerging video standards. Basic video system resolution will be full HDMI (1920x1080) systems shall be provided for relevant display devices. Infrastructure provision shall be made for all larger screens (>100" diagonal display) in main conference rooms to support 2K and 4K video presentation system formats.

Infrastructure provision shall be made allowing the connection of outside broadcasting providers to internal fibre network facilities. Permanently installed cables, owned by the outside broadcaster will be accommodated if required in the cable pathway and containment systems.

The audio and video distribution systems shall be digital (IP based distribution systems) utilising the Cat.6A F/UTP Structured Cabling System. Sufficient telecommunications outlets are to be provided to support reconfiguration of audio-visual systems throughout the facility.

Audio systems shall include the following:

- General background music and paging with appropriate interface to the EWIS system. This shall be zoned to suit various operational modes and be capable of extension into adjacent areas;
- Individual speech reinforcement and low level music replay to the function rooms, Plenary and Exhibition Halls using LCD touch control panels;
- Base audio visual fit out to be provided. Demountable music systems and associated equipment would be hired as required;
- There shall be a network of microphone or line level cabling, loudspeaker cabling and dedicated 240v power supply with technical earth to feed all audio systems;
- Lighting, AV & Audio systems shall be capable of interconnection via a central patch field in the main audio-visual and lighting Control Room. This cable system shall include extensions into all function and meeting rooms, foyer areas and exhibition spaces, and include connections for radio and television outside broadcast points, plus monitoring from various points in the administration office area.

#### **12.05.07 Public Address and paging**

The PA system shall provide public address and paging functionality throughout the public areas of the conference facility. The PA system shall include:

- A main sound system covering all public conference (Plenary and Exhibition Halls) and entrance facility areas;
- This system must support public address functions, sound reinforcement for a small band and one or more vocalists, and playback of music and other programmes;
- This system should provide very good uniformity of direct sound pressure level and frequency response, with very good speech intelligibility, and with wide dynamic range;
- A radio transmission system for the hearing impaired should be provided;
- A distributed sound system which can selectively relay the main sound system, audio from a local TV/Radio station, and full range music playback to concession areas, concourses, meeting/function areas and other public areas;
- Integrate with EWIS such that the PA system is muted when the EWIS system activates.

#### **12.05.08 Public Internet, mobile and telephony access**

Provision shall be made for public kiosk facilities at entry points and major waiting areas.

The NZICC shall support a WLAN environment for visitor use through direct provision by the NZICC or as part of the wider Auckland City free Wi-Fi project.

Provision shall be made for Mobile phone internal amplification and distribution systems which shall be provided and maintained by the carriers as necessary.

Provision will be made for transient connections to be made a key areas including registration desks and entrance facilities incorporating wired and wireless support for systems such as internet access and EFTPOS facilities in these locations.

Provision will be made for internet kiosk facilities in key areas with support for facilities such as ATMs in high visibility and traffic areas,

#### **12.05.09 BMS/Smart-Building control systems**

The Building Management System will communicate via its own dedicated LAN network environment within the site-wide Structured Cabling System infrastructure. The site-wide cabling infrastructure will provide dual high speed (1GB/s) fibre communications links between the main communications room(s) and the individual floor communications rooms. All building management controllers will be installed in mechanical plant rooms and patched into local floor communications rooms via Ethernet links (100MB/s). Managed Ethernet switches with uninterruptible power supplies will be installed in each communications room, acting to not only manage the redundant communications paths, but optimise network performance and security:

- Uninterruptible power supplies provided to system hardware so that systems remain functional during a power failure;
- Redundant backbone communications links so that systems remain functional if any one communication path is disrupted or damaged;
- High speed fibre backbone and Ethernet links between key BMS out stations to optimise system performance and response; and
- Managed Ethernet Switches optimise network performance and security.

#### **12.05.10 MATV and IP-video distribution**

The use of Audio-Visual and presentation materials in conference facilities is a fast growing and rapidly changing environment. Traditionally systems have been largely proprietary or analogue based systems. More recently the use of digital systems and products to support the Audio-Visual systems have become commonplace. The system will be designed such that both analogue and digital (including provision of IP) systems are supported.

- Provided in key public areas facilitating public displays of information including scheduling and news content.
- Provide an integrated analogue and digital TV cable distribution system with capacity for extension to areas on each floor or room.
- System to include riser cabling, including splitters and amplifiers suitable for transmission of free to air and digital TV, RF and IF signals.

- The cable distribution system will support Free air TV reception from roof top antenna (UHF), Satellite IF frequencies distribution and FM radio reception.

Video systems shall include the following:

- A distribution system to reticulate data and video to all convention areas, including, outside broadcast points, management and technical offices, foyer spaces and external areas. This to include sufficient data outlets and MATV outlets. The locations are to be determined and number of outlets subject to adequate coverage.
- In addition to the MATV the distribution system needs to provide Video, data (Cat 6A and video standards such as HDMI and 2K, 4K), and digital feeds.
- Video equipment shall include fixed and mobile video projectors and trolley mounted monitors, with video recording and replay equipment to suit all common tape formats and broadcast systems.
- Data projectors, video recording or replay equipment, vision mixers with audio follow, portable colour cameras and cabling and intelligent controller system interface to be hired on an as need basis (by others).
- There shall be a network of co-axial video cabling in addition to accompanying Cat.6A F/UTP cables from technical panels within Plenary and Exhibition Halls as for audio network, to a video patch field in the main audio-visual, sound and lighting Control Room. Patching shall include video splits from each of the colour security cameras, and video distribution amplifiers enabling fully flexible signal connections to or from all points.
- Display monitors shall be wall mounted in key public areas in technical areas and senior management offices.

### **12.05.11 Digital signage**

The digital wayfinding and public information system comprises of four main systems that work to reinforce the fixed centre signage to simplify the visitor experience:

- Wayfinding with multilingual support and touch screen event selection;
- Public information kiosks with multilingual support and touch screen information and event selection;
- Digital signage in foyers and entry points and at venue conference room doors;
- A feature large screen TV or display panel at the major entry points will be supported.

These systems shall be fully integrated to provide a seamless solution with dramatic and eye-catching content, and shall have the ability to instantly update content and deliver specific messages to the targeted audience.

#### Wayfinding

Utilising the wired converged data network, the wayfinding and digital signage display system comprises:

- Content management software to schedule and develop the dynamic content to be displayed. The content management server implements multiple user access to prevent unauthorised

content changes, provides a content authorisation workflow and provide up-to-the-minute schedules and keep track of what is happening in the digital signage network;

- Robust server for content hosting, located in the clinical data centre;
- An efficient use of network traffic is maintained, only updated/new content is sent reducing the network traffic requirements;
- TCP/IP Media players to load and play back the content;
- Selected panels including those located at all main public entry points to the building such as lift lobbies and main doors, public information kiosks and at the entrances to the Exhibition Halls and the Plenary will support touch screen selection of language and events.

Wayfinding displays are located at strategic locations throughout the facility, with displays sized for the intended location, use and target audience.

#### *Public information kiosks*

The information kiosks utilises aesthetic, ergonomic, robust touchscreen technology that will enable visitors to easily select the information that is most relevant to them. This will take the pressure off the information desk staff and allow information to be provided during opening hours. Key features include:

- Dynamic content that provide feedback, requests further information and provides input screen forms;
- Multi-lingual support;
- Simple searching features;
- Vandal resistance terminals depending on the area installed;
- Input devices;
- Internet access;
- Self-servicing maintenance cycles;
- Download user information to analyse how many visitors have viewed which pages over a particular time period and how long they spent there to allow further tailoring of content.

#### Digital signage

The digital signage will utilise the same display technology as the way-finding system and incorporates the display of:

- Facility information;
- IPTV;
- Information, warnings, events, “what’s on”;
- Public relations information;
- General information and alerts.

Locations include:

- Plenary;
- Exhibition Halls;
- Meeting rooms.

Information displays will comprise of appropriately sized commercial grade LCDs, for long image duty cycles and high brightness, when required, for ambient light environments:

- Expansion slots to allow for seamless integration of future third-party components;
- Display management controls lower energy consumption and running costs;
- Internal temperature sensors control self-protective circuits to minimize heat damage;
- Superior colour performance;
- High-definition display provides optimal resolution;
- Controls via digital control systems, IR, RS232 or LAN/WLAN as required.

#### **12.05.12 Hearing assistance**

Equitable access to reinforced audible announcements, particularly important to a conference facility, will be provided using Induction Loop technology.

Induction loop systems are reliable, simple to maintain and provide good signal quality. These systems will be provided to:

- Selected meeting and conference rooms;
- Spaces with localised public address systems installed; and
- Queuing systems may be provided with audio annunciation.
- Phased array systems will be provided if required in larger conference rooms and where rooms are adjacent to each other but used for different meeting or events.
- The induction system shall be zoned in the Plenary and Exhibition Halls to match the zoning created by partitioning with the moveable walls.

### **12.06 Security**

#### **12.06.01 Scope**

This section shall include

- Closed circuit TV systems;
- Intruder detection systems; and

- Access control systems.

The main security provisions are to be built into the layout design and construction of the building, and not rely on electronic devices which are to be considered as supplementary to the built-in provisions. Particular attention shall be paid to the general arrangement of the areas in order to provide a building with flexibility to secure certain front of house, as when appropriate.

A CPTED (Crime Prevention Through Environmental Design) review shall be undertaken to provide a facility that is safe to the public and occupants.

CPTED strategies rely on the ability to influence the behaviour of people within an area and to reduce the likelihood of offending through the environmental design. CPTED strategies enhance the perception that offending will be observed and reported and the risk of detection is substantially higher. The three most common CPTED strategies are based on:

- Natural surveillance – increases the threat of detection by increasing the perception of observation. Natural surveillance occurs by designing physical features and activities in such a way to maximise visibility and promote positive social use and interaction among legitimate users of the public and private spaces.
- Natural access control – limits the opportunity for crime and anti-social behaviour by providing clear distinction between public and private spaces, through selective placement of vehicle and pedestrian access, fencing, lighting and landscape to limit access and public flow, for example avoiding paths and lanes with a suitable slope for skate-board use.
- Natural territorial reinforcement – promotes social control and “ownership” through increased definition of the space and a perceived or real improved public territorial ownership. Owners have a vested interest in the property and are more likely to discourage anti-social behaviour through observation, if not intervention. This can also be achieved by assigning of space to specific vested interest groups, for example adjacent businesses such as cafés.

In addition, the security consultant shall undertake a risk assessment after consultation with relevant government authorities including NZ Police, NZ Internal affairs etc, noting that the building may be used for events requiring high security (e.g. CHOGM).

#### **12.06.02 Closed Circuit Television Systems**

Closed circuit television surveillance shall be provided to the main entry foyers, after-hours access doors, car park entries, goods entries and loading bays and at strategic areas within the NZICC and around the external perimeter, as appropriate.

Cameras should be colour solid state, charge coupled device (CCD) type or equivalent. Cameras shall incorporate pan tilt and zoom mounts where appropriate.

CCTV monitors shall be located in the Security Control Room with the option to monitor from SKYCITY main surveillance suite considered. The number will be determined by the number of CCTV cameras, however provide a minimum of one (1) spot monitor and one (1) sequence monitor for up to four (4) cameras. Monitors shall be positioned so that they cannot be viewed by the public. Recording capability is to be incorporated into the system.

Cameras for general interior viewing of major areas shall be colour CCD units, cabled to the monochrome security system and to the main control room video patch and splitter panels.

The CCTV system will include provision for bi-directional integration with adjacent monitoring systems including systems that may be provided by the Auckland Council and NZ Police systems in the adjacent area. Option to be considered in the Detailed Design phase following consultation with Auckland Council and New Zealand Police to ensure consideration is given to their detailed requirements.

### **12.06.03 Intruder Detection and Alarm Systems**

Provide an intruder alarm system comprising infra-red motion detectors in key areas within the complex. The system shall comply with the requirements of AS2201 Parts 1 and 3. The zoning of the system shall be such that it can be reconfigured to suit the various combinations of exhibition areas and can be separated into front and back of house areas.

The various detectors shall be connected to the control panel such that alarms will initiate a local audible and visual alarm at the security console and activate a video recorder. All external access doors and internal doors with electronic locking shall be monitored by detectors to give an indication of door status. This indication may be via coloured LEDs.

### **12.06.04 Access Control Systems**

Provide an electronic key card control system to provide access to the building and car park area. Exit from the car park shall be via an in ground induction loop to close the gate after vehicle entry and to operate the gate on building departure.

The Main Plenary, Exhibition Halls and Meeting and Function Rooms shall have access control to allow these spaces to be secured and access/egress monitored out of hours.

The system will be a distributed type with sufficient spare capacity to allow 50% additional key card readers and monitor points.

Access Control Systems will allow a building lock-down to occur at times when the facility is closed or during emergency situations.

## **12.07 Fire Services**

### **12.07.01 Scope**

Fire services for the NZICC will incorporate the following systems:

- Automatic wet pipe sprinkler system;
- Automatic fire alarm system with smoke detectors, manual call points and sounders;
- Emergency warning and evacuation systems;
- Smoke control and smoke exhaust;
- Fire hydrant system;
- Fire hose reels and/or extinguishers;

- Central control room containing Fire, BMS and security systems.

#### **12.07.02 Design Considerations**

The Fire Services design shall include Fire Engineering provisions in accordance with the NZBC and to the satisfaction of the NZ Fire Service, which may exceed the standards specified herein.

The system shall be designed with the following key criteria:

- Life safety protection, in the event of fire causing evacuation at NZICC;
- Minimisation of nuisance alarms to prevent unwanted evacuation from the building;
- Staged evacuation whereby not all of the NZICC may have to evacuate in event of a fire;
- Ability to isolate smoke detection systems to cater for some special effects (e.g. smoke machines).

#### **12.07.03 Codes and Standards**

Fire services shall be designed and installed in compliance with the following standards and regulations:

- New Zealand Building Code;
- Fire Safety and Evacuation of Building Regulations;
- All relevant New Zealand Standards;
- All other regulations of authorities having jurisdiction over the works.

#### **12.07.04 Sprinkler System**

The NZICC will incorporate a complete automatic wet pipe sprinkler system designed and installed in accordance with NZS 4541: To facilitate anticipated staged evacuation, the sprinkler system shall fully comply with NZS 4541 and not be modified by Appendix D of compliance documents C/AS1.

This is expected to have the following implications:

- Dual water supply with one supply from an on-site storage tank of approximately 90,000 L;
- Fire hose reels and /or extinguishers);
- Possibility of some external sprinklers if non-sprinkler protected buildings are closer than 10 metres.

#### **12.07.05 Automatic Fire Alarm System**

Automatic fire alarm system will be provided in accordance with NZS4541. It is envisaged that beam smoke detectors or aspirating detectors or similar will be appropriate at a high level in the Plenary Hall and Exhibition Halls.

The smoke detection system shall be suitable for use with a range of special effects such as dry ice smoke generators.

Fire alarm system integration with the building management system and the mechanical services system will be provided in conjunction with the smoke control provisions of the mechanical services systems.

#### **12.07.06 Emergency Warning & Evacuation System**

A complete emergency warning and evacuation system will be provided in accordance with AS/NZS 2220 using the main public address system for warning signal transmission.

#### **12.07.07 Hydrants, Hose Reels and Portable Extinguishers**

Hydrants, hose reels and portable extinguishers shall be provided in positions as required by the Sprinkler Standard and related Standards.

#### **12.07.08 Fire Detection and Alarm Systems**

An automatic fire detection and alarm system shall be provided and shall incorporate the following principal elements:

- Fire Indicator Panel and fire alarm system to be fully addressable.
- Provision of analogue addressable smoke detectors operating on double knock. A single smoke detector would not operate the fire alarm or call the fire service but would alert security to investigate. Two smoke detectors would activate the building alarm and call the fire service.
- Provision of manual call points and sounders in accordance with NZS 4512. Activation of manual callpoints shall activate the fire alarm and call the fire service. Anti-tamper covers to be provided to manual callpoints to prevent malicious activation. Alternatively or in conjunction with the anti-tamper covers, a delay time may be introduced between manual callpoints activation and fire alarm activation whereby security has an opportunity to investigate the alarm and cancel if malicious.
- Activation of sprinklers shall activate the fire alarm and call the fire service.
- An emergency warning and intercommunications system complying fully with the requirements of AS2220.

### **12.08 Vertical Transportation Systems**

#### **12.08.01 Design Criteria**

The key design criteria in the design and selection of the vertical transportation system is to allow for expected pedestrian flows under all operating scenarios are well catered for.

Pedestrian modelling shall be carried out in conjunction with the lift and escalator traffic analysis to show that the vertical transportation system can cater for the expected peak demands during delegate arrival, delegate departure and during intermission where counter flow conditions may occur, especially with multiple events occurring on the same day. The vertical transportation system shall be designed to achieve an appropriate level of service for international convention centres.

### **12.08.02 Scope**

The building is to incorporate lifts, escalators, truck access/hoist if required, supplemented by public access staircases to address the vertical transportation requirements of both back of house and public movements. The design shall incorporate back of house goods passenger lifts to service the Plenary and Exhibition Halls.

### **12.08.03 Codes and Standards**

The vertical transportation shall be designed in accordance with international Design Standards including:

- NZS 4332: Non Domestic Passenger & Goods Lifts;
- EN81: Part One: Safety Rules for the Construction & Installation of Lifts;
- NZS 4121: Design for Access & Mobility – Buildings & Associated Facilities;
- NZ/AS 3000: Electrical Wiring Regulations;
- EN115: Safety Rules for the Construction & Installation of Travelators & Passenger Conveyors.

### **12.08.04 Lifts**

The goods lifts shall service all levels of the building required for a good level of service with a minimum one lift serving the roof plant area. They shall be located to provide good access to the loading bay area and have a minimum lifting capacity of 2700kg. Doors shall have a minimum clear door opening width of 2m and the door openings need to be configured to open in the correct direction as it changes level.

Minimum lifting capacities of the individual passenger lifts shall be 1,600kg with a clear door opening width of 1.1m. Floor access locking systems to be included integrated with the security system.

Departure intervals for passenger lift service at ground floor level shall target less than twenty-five (25) seconds.

### **12.08.05 Escalators**

Where escalators are to be provided they will have a maximum speed of 0.5 metres per second with a min. 1000 mm wide step.

#### **12.08.06 Truck Hoist (if required)**

Truck access shall be provided between the loading dock level to the exhibition floor to enable the display of large vehicles and equipment. The hoist/access shall be capable of handling vehicles or equipment up to 12m long by 6m wide.

### **12.09 Hydraulic Services**

#### **12.09.01 Design Criteria**

The key design criteria for the hydraulics include:

- The ability for the plumbing and sanitary system to cater for peak demands as can be expected during intermissions.
- The provision of a high quality service befitting an International Conference Centre.
- Energy and water efficient in operation.

#### **12.09.02 Scope**

Hydraulic services for the NZICC will incorporate the following systems:

- Sanitary sewer pumping and drainage;
- Treatment of trade waste in accordance with local authority requirement
- Hot water generation;
- Domestic cold and hot water supply and reticulation;
- Storm water drainage;
- Sanitary plumbing system;
- Rain water harvesting system – option to be considered;
- Landscape watering;
- Car park drainage;

#### **12.09.03 Codes and Standards**

Hydraulic services shall be designed and installed in compliance with the following standards and regulations.

- New Zealand Building Code;
- All relevant New Zealand Standards;
- All other regulations of authorities having jurisdiction over the works.

#### **12.09.04 Building Sewer Drainage**

A complete system of sanitary sewer plumbing and drainage will be provided to service the building. Trade waste systems will be provided to serve food preparation areas.

Sewer drainage shall include overflow relief gullies to prevent surcharge of sewerage into the buildings. Lift overrun sump drainage shall also be provided. The drainage system shall include oil and grease interrupters, silt arresters, manhole and inspection chambers as applicable to the sewer drainage system.

#### **12.09.05 Building Stormwater Services**

Stormwater drainage shall include downpipes for roof drainage, connection to the Local Authority stormwater drainage system. The systems shall be designed upon the basis of 100 year return rainfall. Any stormwater pipe work reticulated within the building shall be adequately treated with sound insulation in accordance with acoustic requirements.

#### **12.09.06 Domestic Cold Water**

The Domestic Cold Water system shall include connections to the town supply, including metering and backflow prevention. Reticulation to all points of usage including connection of fittings, fixtures and faucets shall be included.

#### **12.09.07 Domestic Hot Water**

The Domestic Hot Water System shall include reticulation from the point of generation to fittings, fixtures and faucets. Separate reticulation for high temperature kitchen hot water shall be considered from the point of generation in mechanical plant rooms. Hot and cold water to be provided to all basins in toilets

#### **12.09.08 Sanitary Plumbing Fixtures and Fittings**

Provide all requirements for the provision of commercial grade sanitary plumbing fixtures, including water closet pans, basins, showers, cleaner's sinks, urinals including plug in facilities for drainage and water services to two points in the Plenary Hall and within Exhibition Halls.

Connections to kitchen equipment including dishwashers, sinks, glass washers, waste disposal units, self cleaning hoods and similar equipment shall be included.

All fixtures and fittings shall be of good commercial quality vitreous china, except in kitchens and related areas where fixtures shall be stainless steel.

#### **12.09.09 Landscape Watering**

A system of landscape watering shall be provided, including automation controls and moisture detection. General purpose bibs and hose cocks for supplementary watering and cleaning shall also be provided.

## **12.10 Exhibition Services**

The final arrangement of service pits and ceiling outlets shall be tested against the operational overlays to demonstrate that adequate coverage has been provided.

Floor service pits with 2 x 10 amp single phase power outlets and 2 x RJ 45 outlets shall be provided at 9m x 9m centres in the Exhibition Halls and Plenary. It is estimated that approximately 50% of service pits will also be provided with 1x32A 3 phase power and 25% of service pits in each room shall be provided with water and drainage.

Service covers and floor fittings must withstand high point loads (minimum of 20kpa), from large and heavy articulated vehicles. Pit covers shall be provided with access slots or holes for cable access while cover is in place. Covers shall be flush with the surrounding floor and be inconspicuous under carpet (where carpet provided).

4 X 32 amp 3 phase outlets shall be provided in the ceiling space of each of the Plenary and Exhibition Halls.

## **12.11 Building Acoustics**

### **12.11.01 General**

Provide certification and confirmation from the Acoustic Consultant that the following standards can be achieved and that the building is fit for the stated functional objectives.

### **12.11.02 Standards**

The following standards are referred to in this section.

- AS/NZS 2107-2000, Acoustics - Recommended Design Sound Level and Reverberation Times for Building Interiors
- ISO 10137:2007 Serviceability of buildings and walkways against vibrations
- AS/NZS ISO 717.1:2004, Acoustics – Rating of Sound Insulation of Building Elements. Airborne Sound Insulation
- AS/NZS 2460:2002 Acoustics – Measurement of Reverberation time of rooms
- AS/NZS ISO 140.4: 2006, Acoustics – Measurement of sound insulation in buildings and of building elements – Field measurements or airborne sound insulation a between rooms
- AS/NZS ISO 140.7:2006 Acoustics - Measurement of sound insulation in buildings and of building elements - Field measurements of impact sound insulation of floors

### **12.11.03 Ambient Noise Criteria**

Ambient noise criteria throughout the facility shall be in general accordance with the Satisfactory recommendations of AS/NZS 2107-2000. Noise sources that must be considered include, but are not

limited to; HVAC, plumbing, lifts, traffic noise, aircraft noise and helicopter noise etc. The maximum ambient noise criteria LAeq for the following spaces shall be:

- Plenary Hall 30 – 35 dBA
- Exhibition Hall 35 – 40 dBA
- Function Rooms 35 – 40 dBA
- Meeting Rooms 35 – 40 dBA
- Public space /Cafe / Common areas 45-50 dBA
- Kitchen 45 – 55 dBA
- General office / Admin 40-45 dBA
- Private offices 35-40 dBA

The statistical L10 noise level generated from impulsive or short term noise events should not exceed 5dBA above the recommended Maximum LAeq noise levels stipulated in AS/NZS2107–2000.

Internal noise levels throughout the development should be free from low frequency rumble, discernible tonality, modulation and impulsive characteristics.

#### **12.11.04 Vibration Criteria**

The recommendations of ISO 10137:2007 shall be satisfied.

The criteria apply to vibration from all sources both internal and external to the building.

#### **12.11.05 Rain Noise Criteria**

The following criteria shall apply to rain noise ingress:

- Plenary Hall, Exhibition Hall, Function Rooms 40 dBA
- Meeting Rooms 40 dBA

The criteria shall be satisfied at any location 1.5 metres above the floor. The sound level shall be statistical L10 level measured over a 5 minute period during rainfall having an intensity of 10 mm per hour.

#### **12.11.06 Internal Sound Attenuation**

##### Acoustic Separation of Spaces

A high degree of sound isolation shall be provided between spaces, consistent with an international standard convention centre facility. Noise transmission between adjacent spaces should generally be reduced to a marginally audible level. The following minimum acoustic separation requirements are required for the main critical areas:

- Plenary Hall Rw 60

- Exhibition Hall Rw 50
- Function Rooms Rw 50
- Meeting Rooms Rw 45
- Plant Rooms Rw 55\*
- Toilets Rw 50

\*Note the acoustic performance of the Plant Room envelope would be dependent on the adjacent spaces. The performance of the Plant Room walls, slabs etc must be sufficient to control noise break out to adjacent spaces.

#### Field Measurements

Field test measurements shall be undertaken generally in accordance with AS/NZS ISO 140.4:2006 “Acoustics - Measurement of sound insulation in buildings and of building elements - Field measurements of airborne sound insulation between rooms” and shall include all flanking paths. The field rating ( $D_{nT,w}$ ) shall be better than 5 decibels below the acoustic specification ( $R_w$ ) for the partition.  $D_{nT,w}$  is the preferred measurement value for the assessment of the field performance of partitions. It is the weighted level difference between rooms corrected for the “liveness” of the receiving room against a reference value of 0.5 seconds.

#### Operable Walls

Operable walls shall achieve the minimum acoustic separation requirements as measured by laboratory performance as follows:

- Plenary Hall  $D_{nT,w}$  55
- Exhibition Hall  $D_{nT,w}$  45
- Function Rooms  $D_{nT,w}$  45
- Meeting Rooms  $D_{nT,w}$  40

#### **12.11.07 Reverberation Time**

Reverberation time in the major spaces shall be controlled to within the recommendations of AS/NZS 2107:2000.

The reverberation time will be measured in all configurations of the finished spaces in accordance with the recommendation of AS/NZS 2460:2002. Room shall be provided with reverberation times appropriate for the volume and usage of the space determined in accordance with Figure A1 of AS/NZS2107:2000. Appropriate acoustic treatment shall be provided to demonstrate a suitable reverberation time is achieved across all frequencies. The following shall be used as indicative expected mid frequency reverberation times:

- Plenary Hall 0.8 – 1.0 seconds\*
- Exhibition Hall Minimised as far as practicable
- Function Rooms 0.6 – 0.8 seconds\*

- Meeting Rooms 0.4 – 0.6 seconds

\*Note reverberation times should be consistent with Figure A1 of AS/NZS2107:2000

#### **12.11.08 Acoustic defects**

The acoustic design of the various spaces within the development shall be such that there are no significant audible defects in defined operational mode including but not limited to; sound concentration, distinct echoes, flutter echoes, sound shadowing etc.

PRE CONCEPT DESIGN

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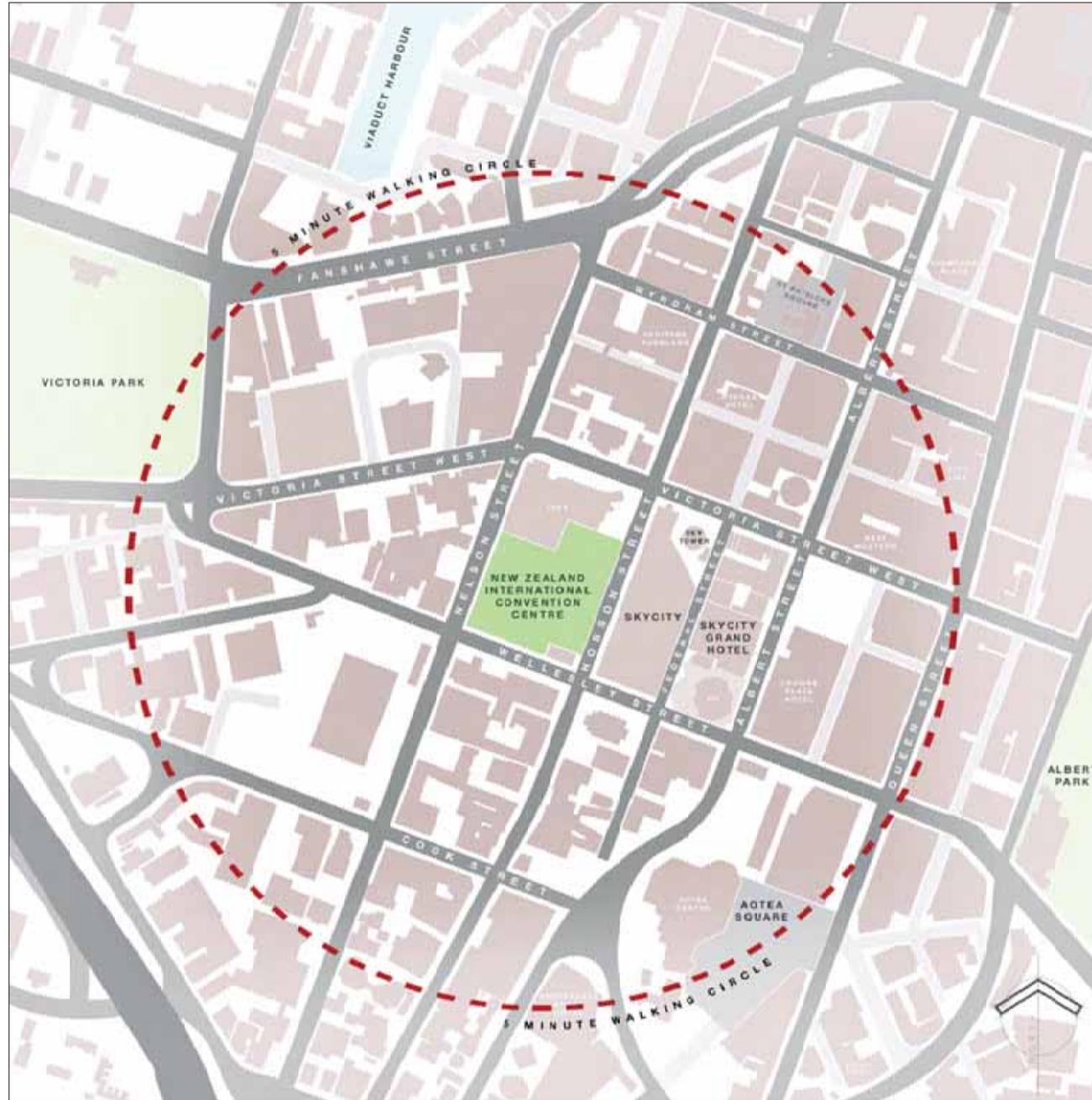
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JULY 2013

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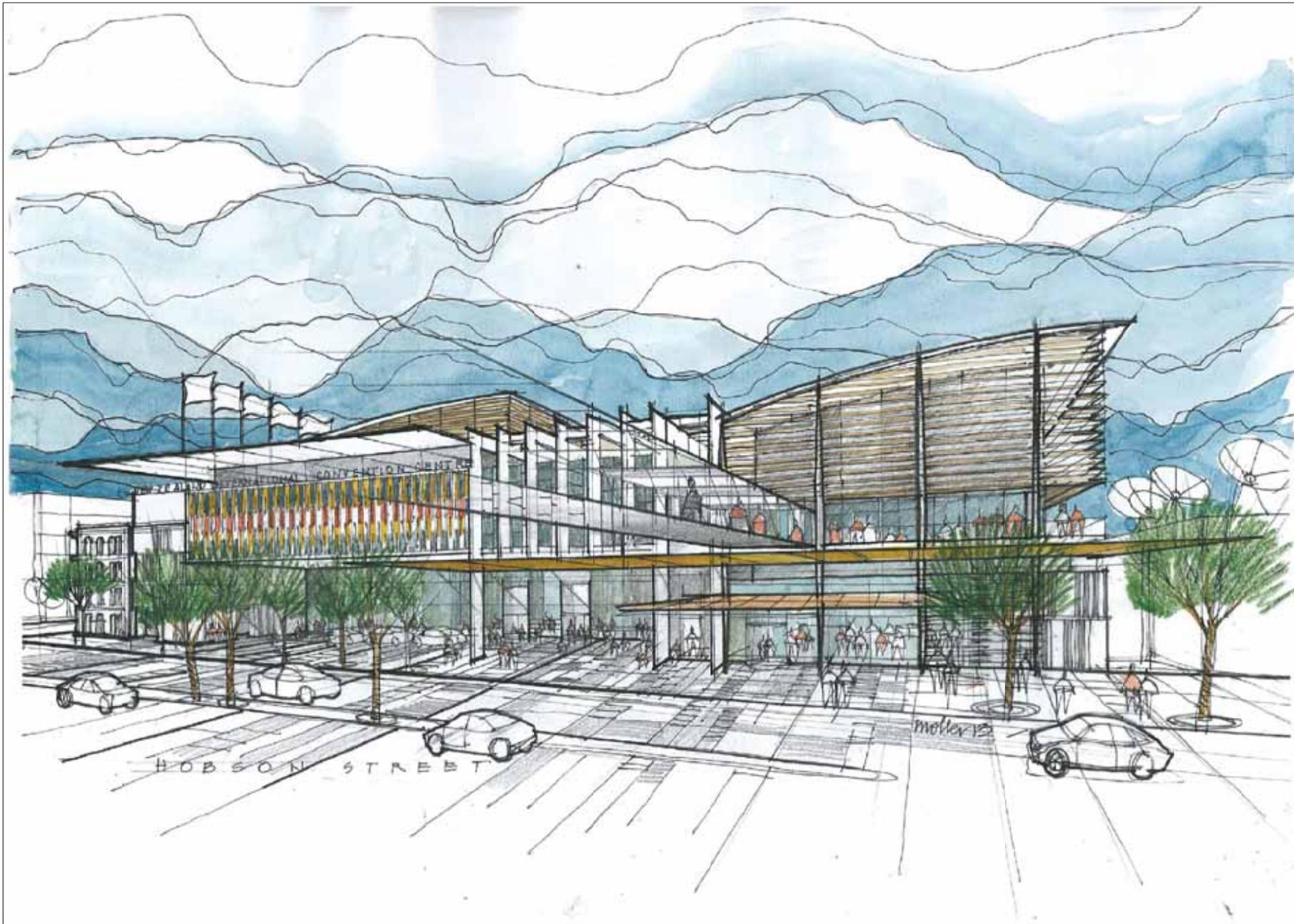


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LOCATION PLAN **01**

SCALE N.T.S.

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HOBSON ST **01**  
ARTIST CONCEPT

SCALE N.T.S.

SK-HS



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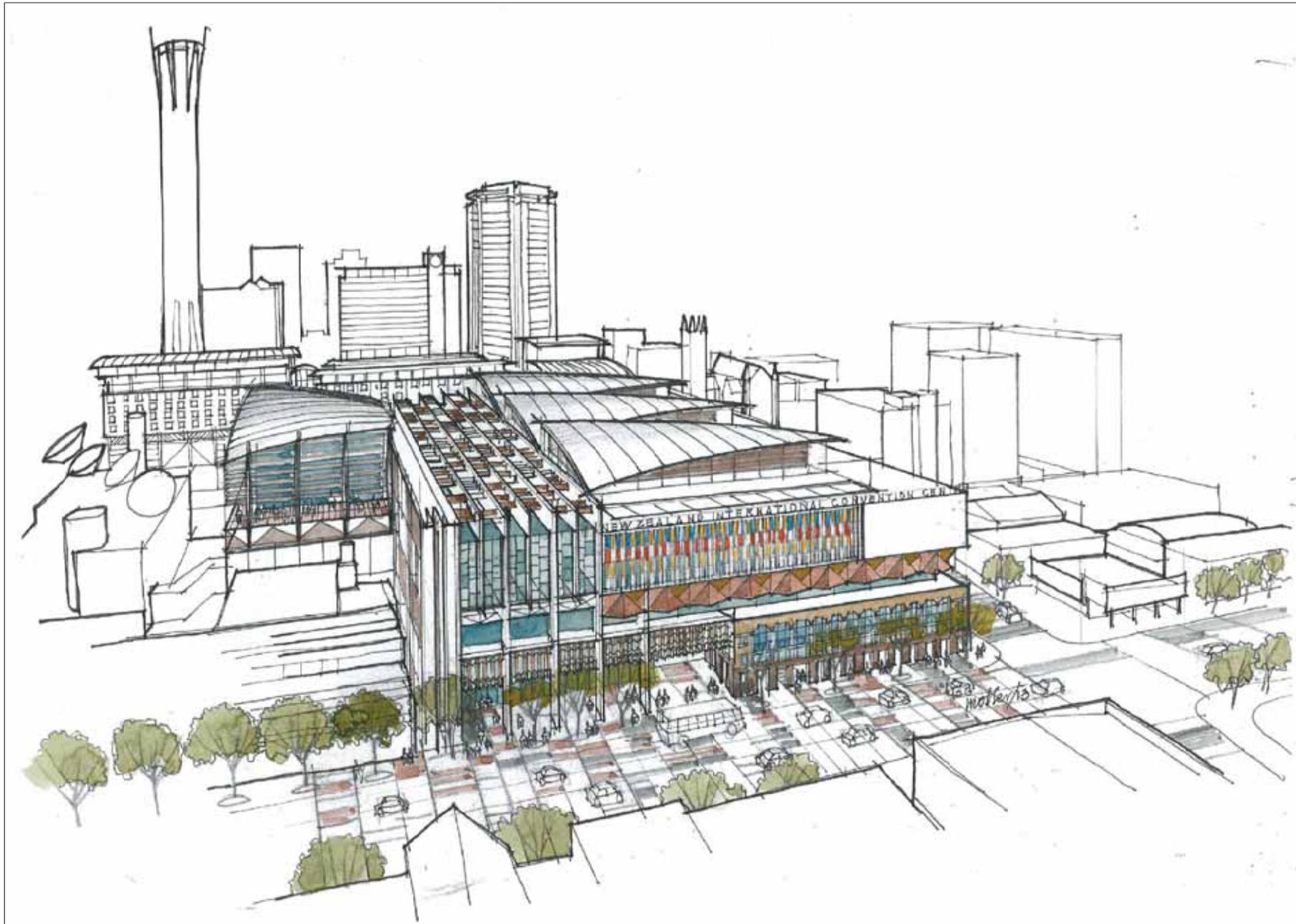
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NELSON ST **01**  
ARTIST CONCEPT

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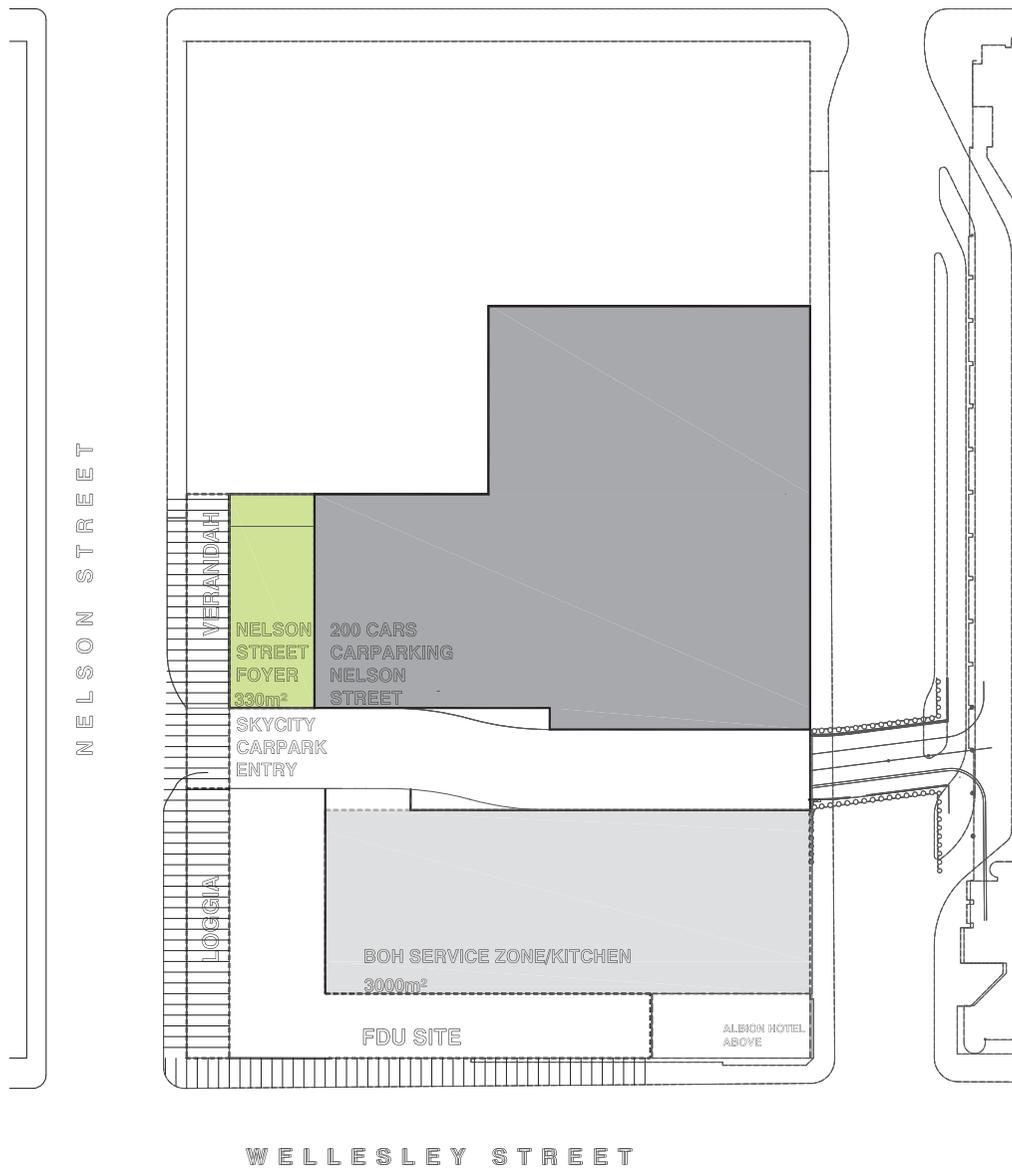
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ARTIST  
CONCEPT

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**LEGEND**

- EXHIBITION
- PLenary
- BANQUET
- MEETING ROOMS
- PRE FUNCTION FOYERS
- VERTICAL CIRCULATION
  
- KITCHEN
- TOILETS
- OFFICES
- BOH/SERVICE
- BASEMENT
- PLANT

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**LEVEL 1**

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**SK-01**



**LEGEND**

- EXHIBITION
- PLenary
- BANQUET
- MEETING ROOMS
- PRE FUNCTION FOYERS
- VERTICAL CIRCULATION
  
- KITCHEN
- TOILETS
- OFFICES
- BOH/SERVICE
- BASEMENT
- PLANT

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**SK-01A**



L E G E N D

- EXHIBITION
- PLENARY
- BANQUET
- MEETING ROOMS
- PRE FUNCTION FOYERS
- VERTICAL CIRCULATION
  
- KITCHEN
- TOILETS
- OFFICES
- BOH/SERVICE
- BASEMENT
- PLANT

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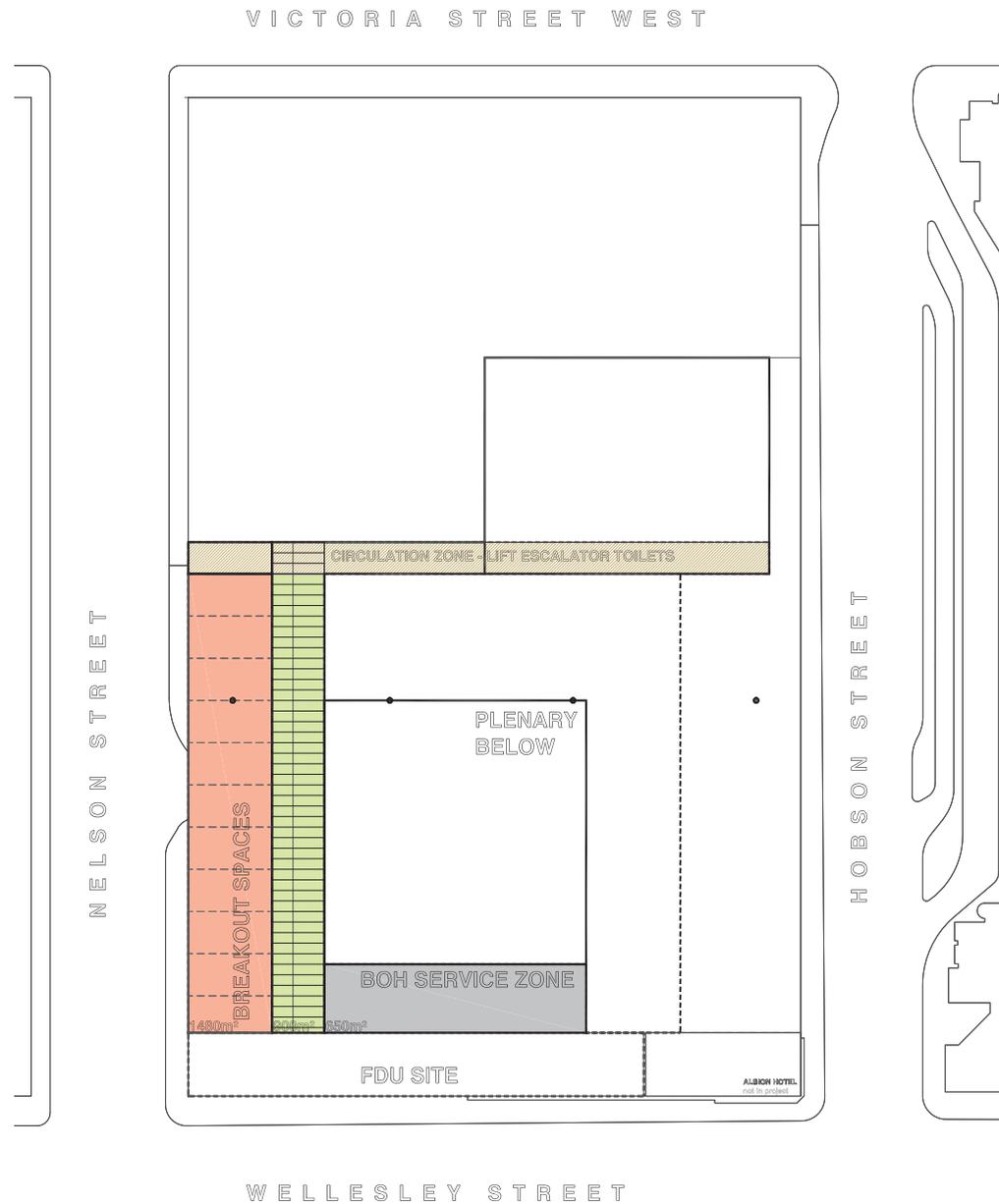
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LEVEL 2

SCALE 1:1000@A3



SK-02



**LEGEND**

- EXHIBITION
- PLENARY
- BANQUET
- MEETING ROOMS
- PRE FUNCTION FOYERS
- VERTICAL CIRCULATION
  
- KITCHEN
- TOILETS
- OFFICES
- BOH/SERVICE
- BASEMENT
- PLANT

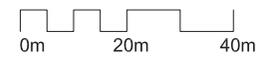
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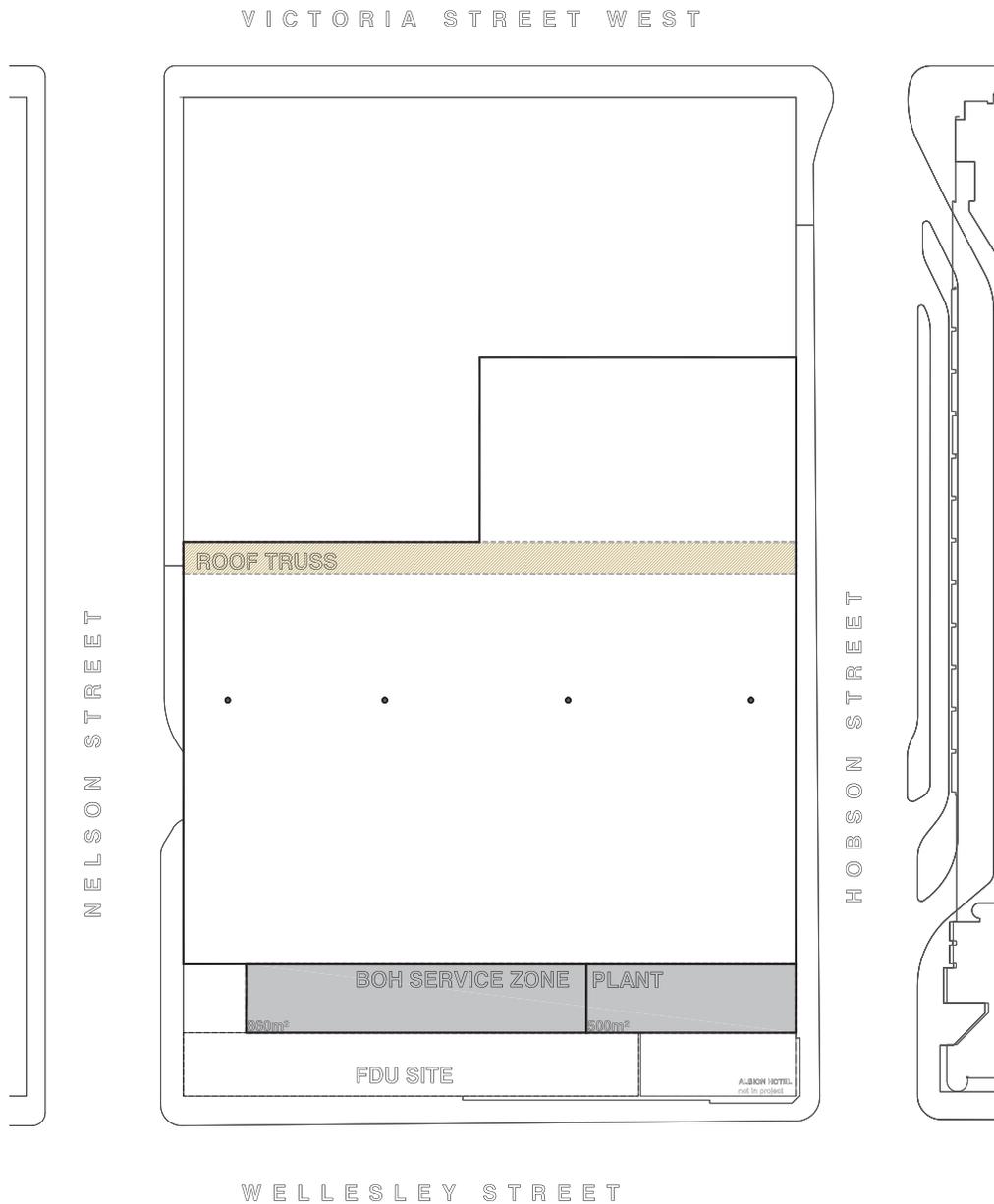
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LEVEL **2A**

SCALE 1:1000@A3



**SK-02A**



**LEGEND**

- EXHIBITION
- PLENARY
- BANQUET
- MEETING ROOMS
- PRE FUNCTION FOYERS
- VERTICAL CIRCULATION
  
- KITCHEN
- TOILETS
- OFFICES
- BOH/SERVICE
- BASEMENT
- PLANT

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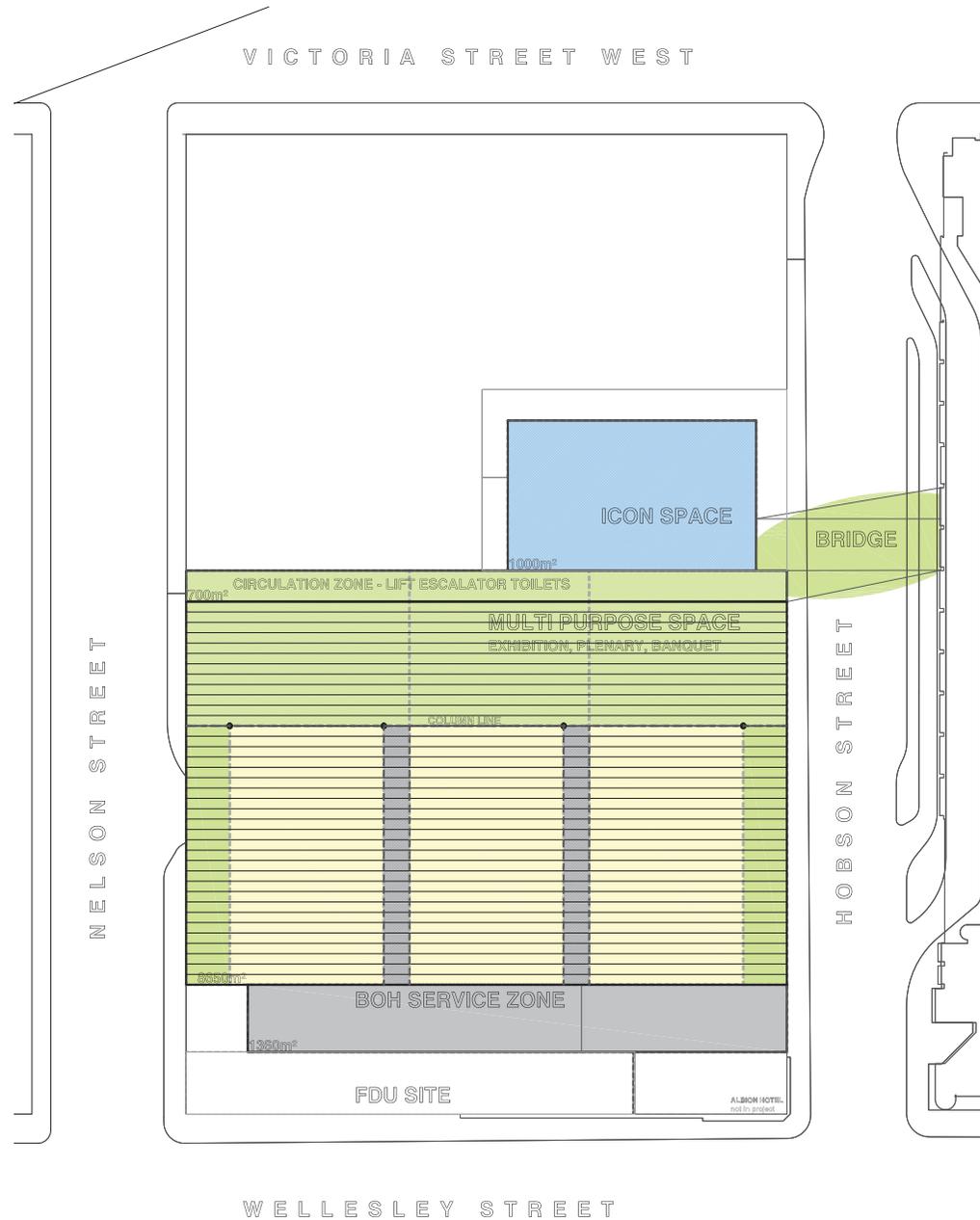
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**LEVEL 2B**

SCALE 1:1000@A3



**SK-02B**



**LEGEND**

- EXHIBITION
- PLENARY
- BANQUET
- MEETING ROOMS
- PRE FUNCTION FOYERS
- VERTICAL CIRCULATION
  
- KITCHEN
- TOILETS
- OFFICES
- BOH/SERVICE
- BASEMENT
- PLANT

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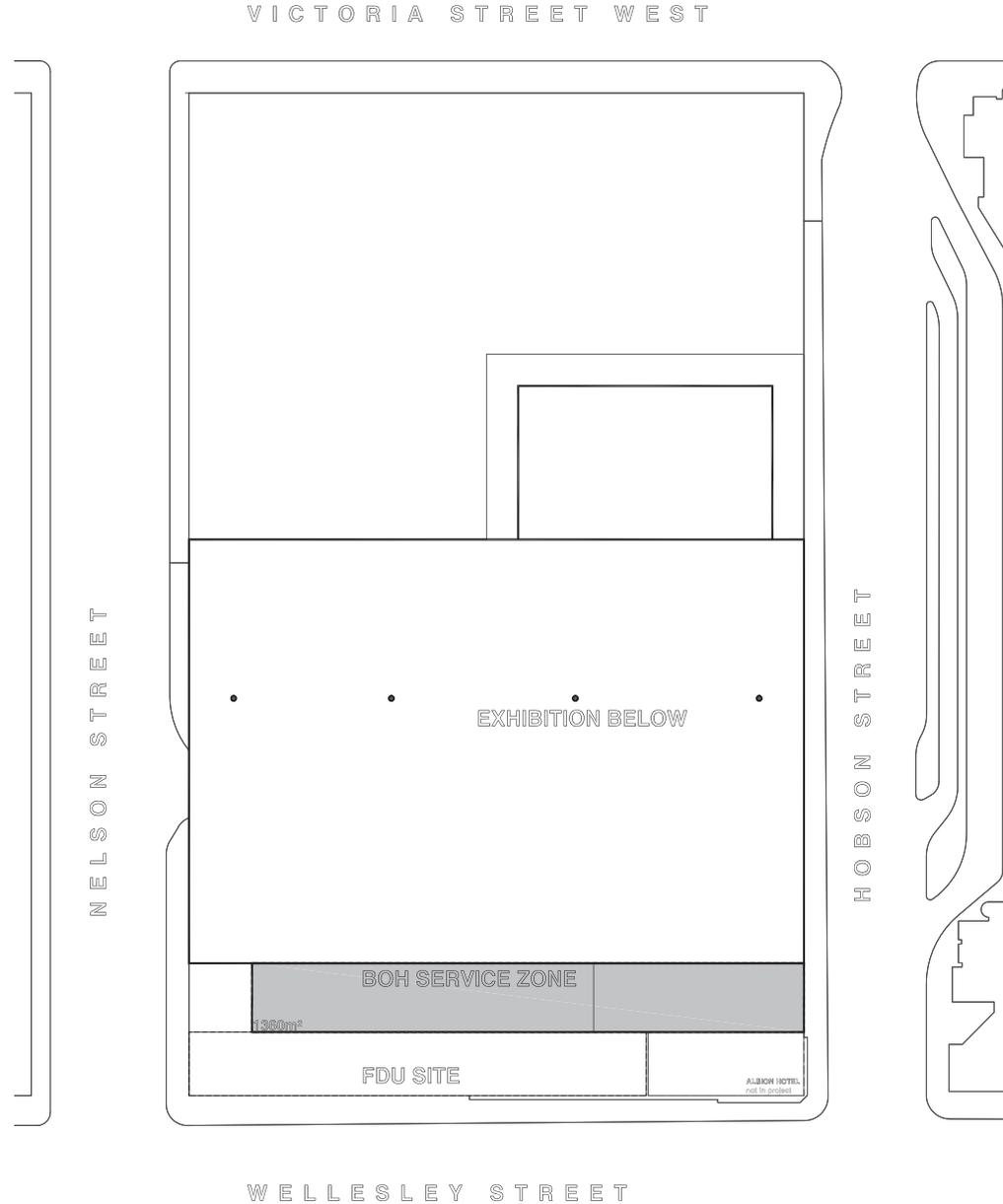
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**LEVEL 3**

SCALE 1:1000@A3



**SK-03**



**LEGEND**

- EXHIBITION
- PLENARY
- BANQUET
- MEETING ROOMS
- PRE FUNCTION FOYERS
- VERTICAL CIRCULATION
  
- KITCHEN
- TOILETS
- OFFICES
- BOH/SERVICE
- BASEMENT
- PLANT

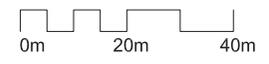
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**LEVEL 3A**

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**LEGEND**

- EXHIBITION
- PLENARY
- BANQUET
- MEETING ROOMS
- PRE FUNCTION FOYERS
- VERTICAL CIRCULATION
  
- KITCHEN
- TOILETS
- OFFICES
- BOH/SERVICE
- BASEMENT
- PLANT

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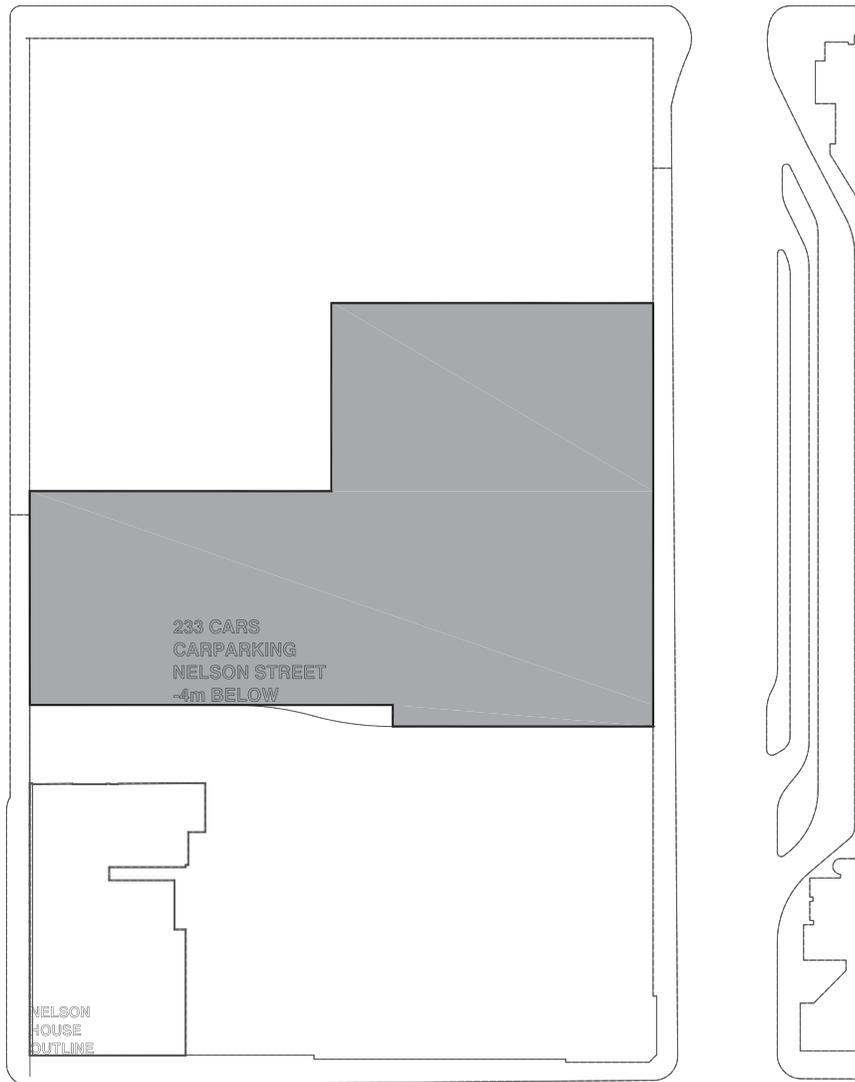
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**LEVEL 3B**

SCALE 1:1000@A3



**SK-03B**



L E G E N D

- EXHIBITION
- PLENARY
- BANQUET
- MEETING ROOMS
- PRE FUNCTION FOYERS
- VERTICAL CIRCULATION
  
- KITCHEN
- TOILETS
- OFFICES
- BOH/SERVICE
- BASEMENT
- PLANT

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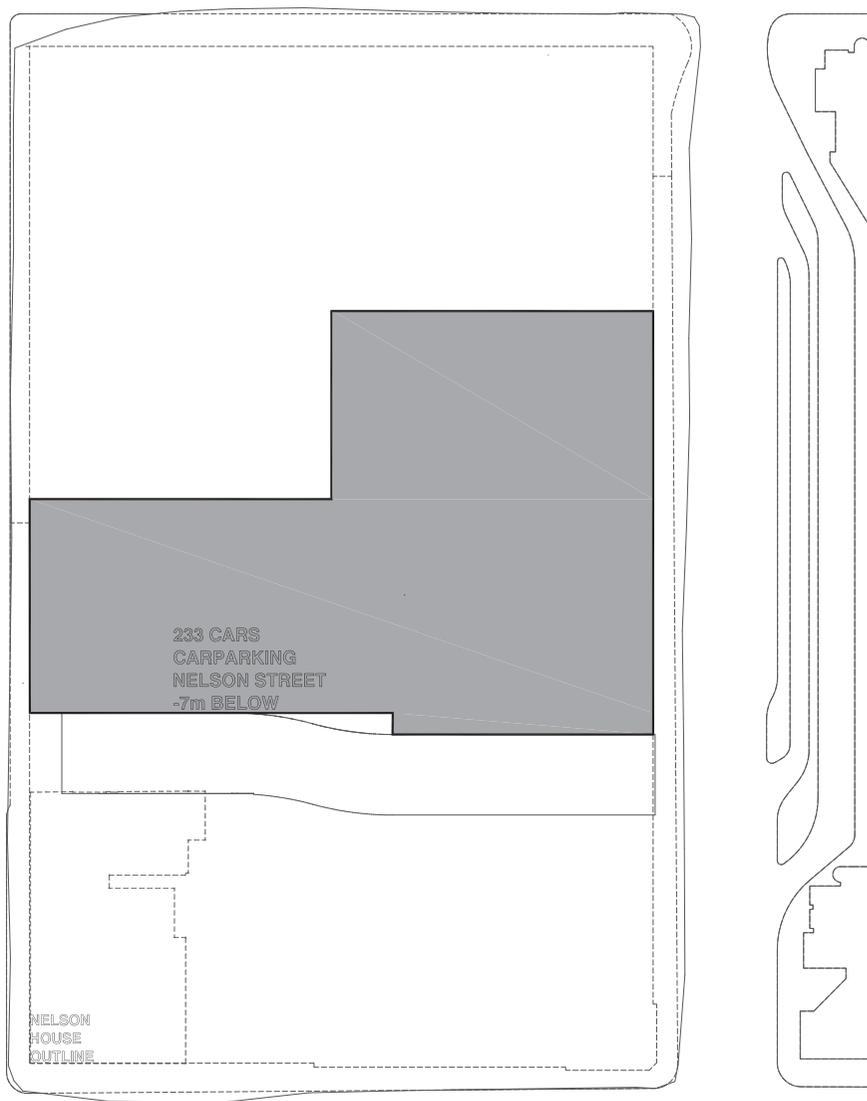
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LEVEL **B1**

SCALE 1:1000@A3



**SK-B1**



L E G E N D

- EXHIBITION
- PLENARY
- BANQUET
- MEETING ROOMS
- PRE FUNCTION FOYERS
- VERTICAL CIRCULATION
  
- KITCHEN
- TOILETS
- OFFICES
- BOH/SERVICE
- BASEMENT
- PLANT

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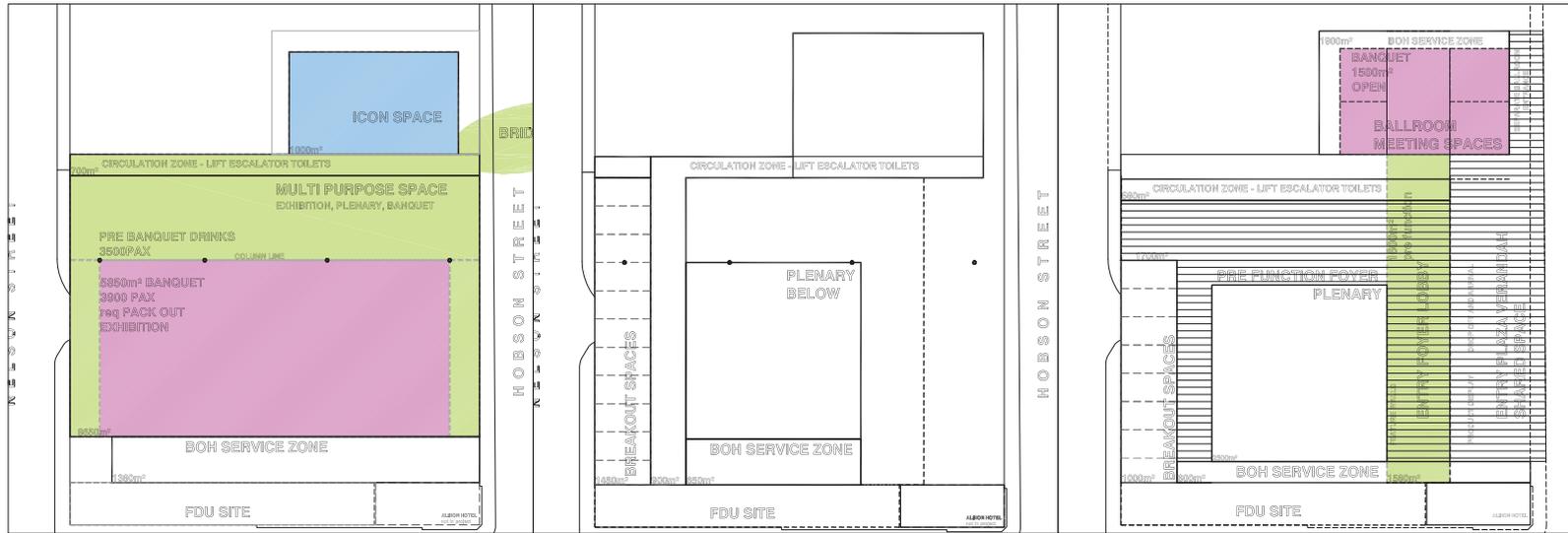
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LEVEL **B2**

SCALE 1:1000@A3



**SK-B2**



**LEGEND**

- EXHIBITION
- PLENARY
- BANQUET
- MEETING ROOMS
- PRE FUNCTION FOYERS
- VERTICAL CIRCULATION
- KITCHEN
- TOILETS
- OFFICES
- BOH/SERVICE
- BASEMENT
- PLANT

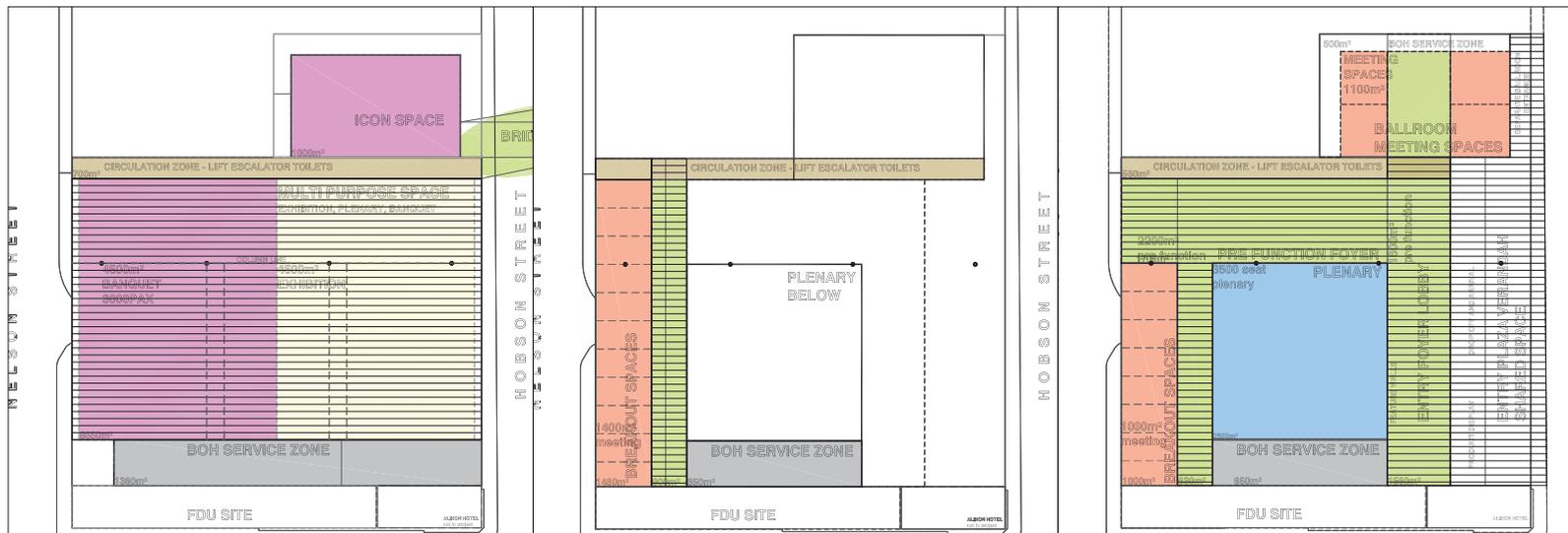
LEVEL 3

LEVEL 2A

LEVEL 2

**BANQUET 1 x 3500 PAX**

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LEVEL 3

LEVEL 2A

LEVEL 2

**PLENARY + MEETING + EXHIBITION + BANQUET 1 x 3500 PAX**

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**1x3500** PAX

SCALE 1:1500@A3

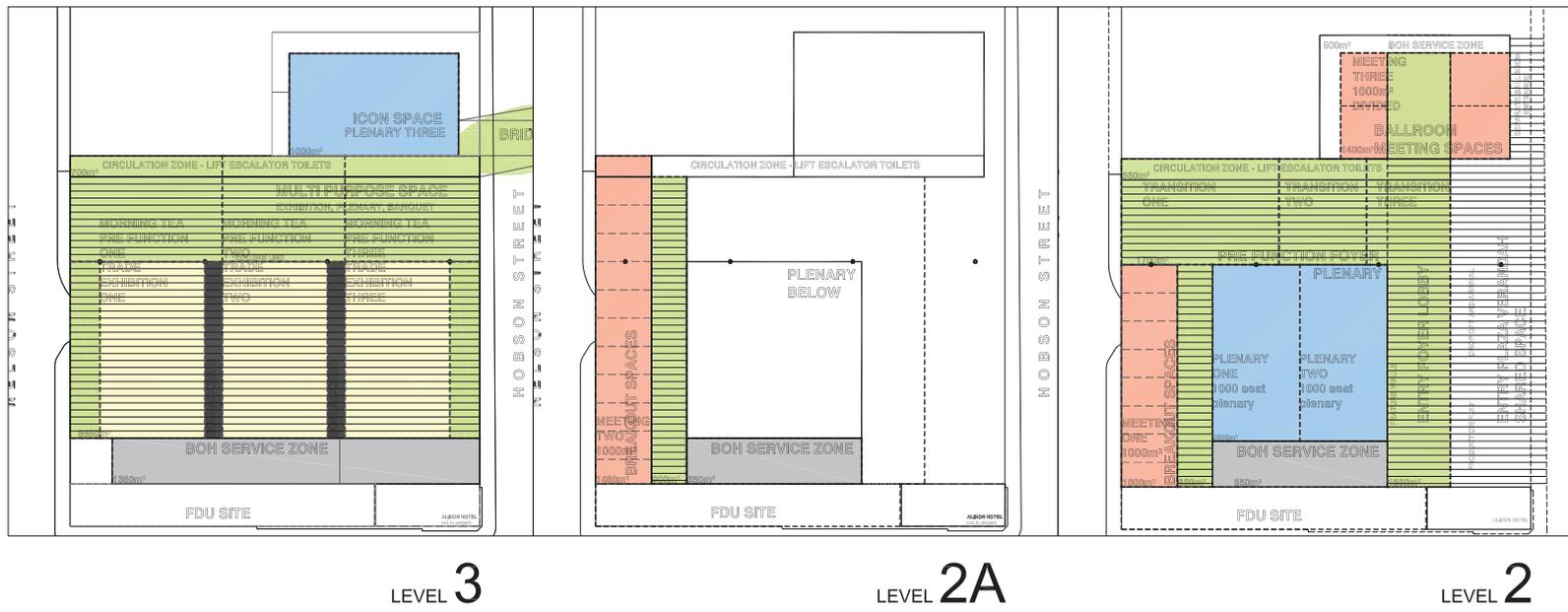
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**BANQUET + EXHIBITION 3 x 1000 PAX**

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**PLENARY + MEETING+ EXHIBITION 3 x 1000 PAX**

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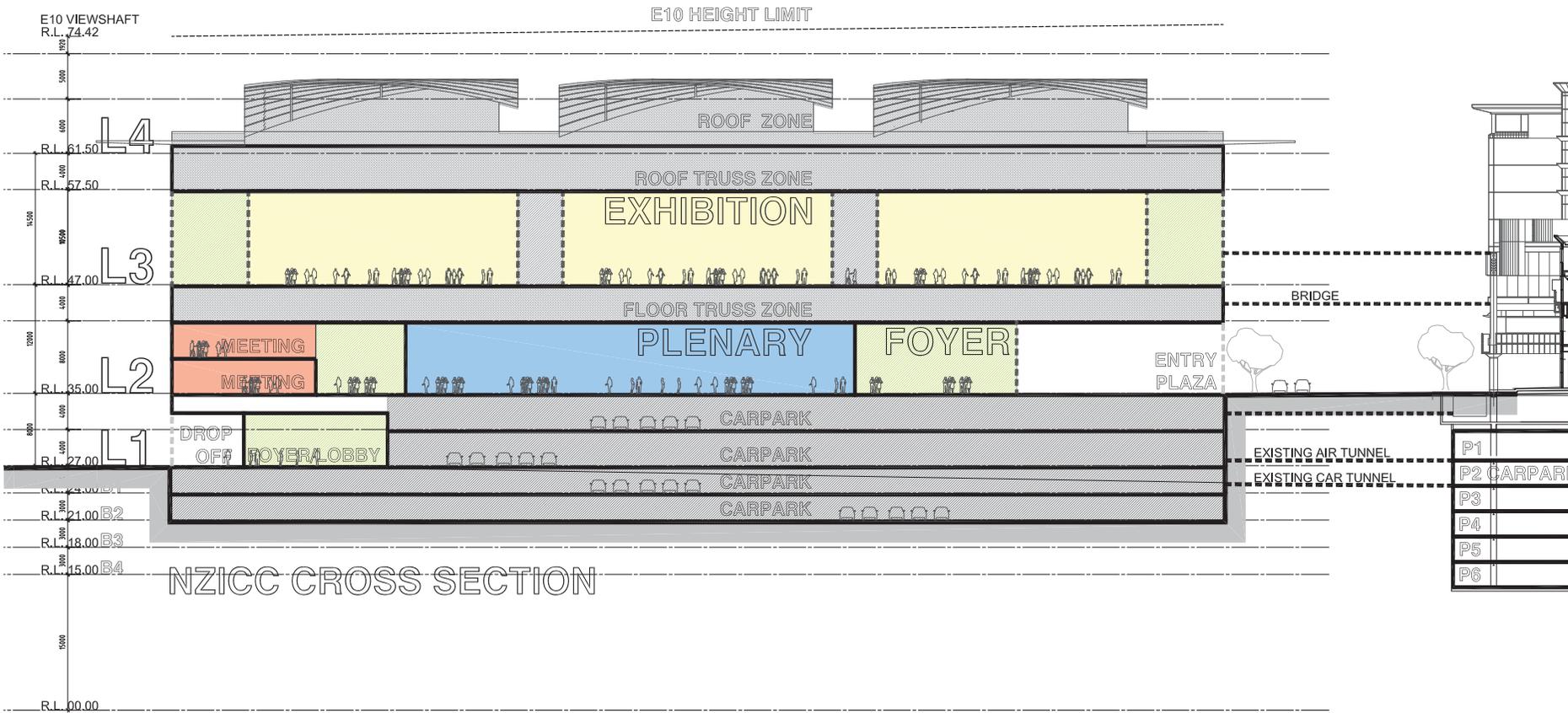
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SCALE 1:1500@A3

**SK-1000**

L E G E N D

- EXHIBITION
- PLENARY
- BANQUET
- MEETING ROOMS
- PRE FUNCTION FOYERS
- VERTICAL CIRCULATION
  
- KITCHEN
- TOILETS
- OFFICES
- BOH/SERVICE
- BASEMENT
- PLANT



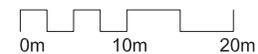
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SECTION **X**

SCALE 1:500@A3



**SK-OX A**

**NEW ZEALAND INTERNATIONAL CONVENTION CENTRE**

**29.04.2012**

**OPTION NINE**

	TOTAL AREA m <sup>2</sup>	FOH	BOH	
<b>LEVEL 1</b>				
NELSON STREET				
Entry Foyer	330			
Entry Plaza			840	
sub total L1	330	330	0	
<b>LEVEL 1A</b>				
Truck Dock/BOH/Kitchen			3,000	
sub total L1A	3,000	0	3,000	
<b>LEVEL 2</b>				
HOBSON STREET				
Plenary	2,500			
Pre Function Space EW	1,700			
Pre Function Space NS	630			
Circulation Zone	560			
Meeting Rooms	1,000			
Meeting Rooms Ballroom	1,400			
Entry Foyer NEW	1,560			
Entry Plaza			1,800	
BOH Service Zone South			650	
BOH Service Zone North			500	
sub total L2	10,500	9,350	1,150	
<b>LEVEL 2A</b>				
Meeting Rooms	1,480			
Pre Function	900			
Circulation	560			
BOH Service Zone South			650	
sub total L2A	3,590	2,940	650	
<b>LEVEL 2B</b>				
BOH Service Zone South			1,360	
sub total L2B	1,360	0	1,360	
<b>LEVEL 3</b>				
Exhibition Space 1	1,500			
	250			
Exhibition Space 2	1,500			
	250			
Exhibition Space 3	1,500			
Exhibition Space	3,650			
Circulation Zone	700			
New Zealand Icon Room	1,000			
BOH Service Zone South			1,360	
BOH Service Zone North			400	
sub total L3	12,110	10,350	1,760	
<b>LEVEL 3A</b>				
BOH Service Zone South			1,360	
sub total L3A	1,360	0	1,360	
<b>LEVEL 3B</b>				
BOH Service Zone South			1,360	
sub total L3B	1,360	0	1,360	
<b>SUB TOTAL GFA</b>	<b>33,610</b>	<b>22,970</b>	<b>10,640</b>	
<b>CARPARKING</b>			<b>CARS</b>	
LEVEL 1			6,000	200
LEVEL 1A			7,500	250
LEVEL B1			7,000	233
LEVEL B2			7,000	233
<b>SUB TOTAL GFA</b>	<b>27,500</b>	<b>0</b>	<b>27,500</b>	<b>917</b>
<b>TOTAL GROSS FLOOR AREA</b>	<b>61,110</b>			<b>TOTAL CARS APPROX ASSUMPTION</b>

PRE CONCEPT DESIGN

NEW ZEALAND INTERNATIONAL CONVENTION CENTRE

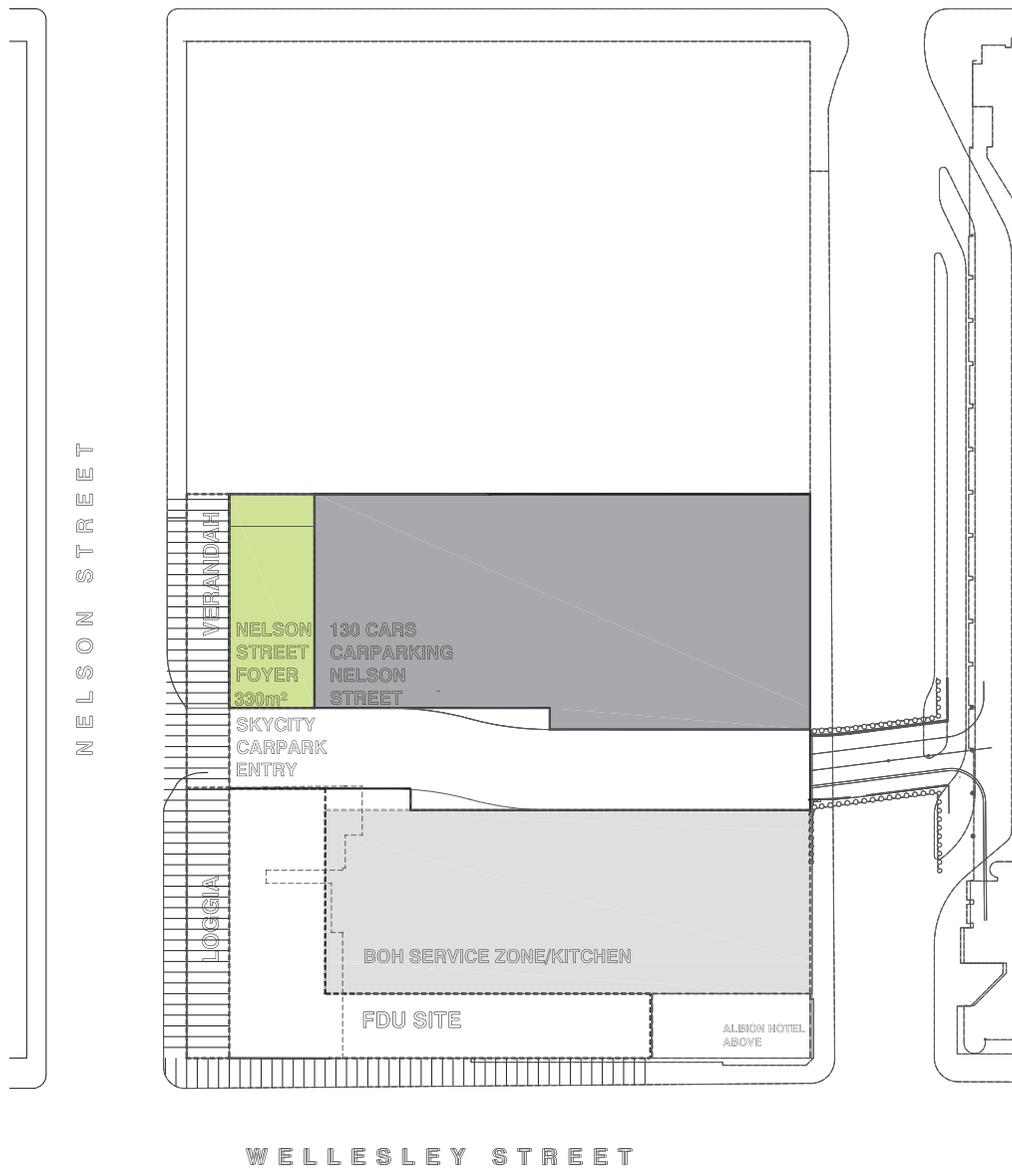
OPTION TEN

JULY 2013

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WOODS BAGOT

 Warren and Mahoney\*  
 Moller  
Architects  
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CONVENTION CENTRE



**LEGEND**

- EXHIBITION
- PLenary
- BANQUET
- MEETING ROOMS
- PRE FUNCTION FOYERS
- VERTICAL CIRCULATION
  
- KITCHEN
- TOILETS
- OFFICES
- BOH/SERVICE
- BASEMENT
- PLANT

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 CONVENTION CENTRE

**LEVEL 1**

SCALE 1:1000@A3



**SK-01**



L E G E N D

- EXHIBITION
- PLENARY
- BANQUET
- MEETING ROOMS
- PRE FUNCTION FOYERS
- VERTICAL CIRCULATION
- KITCHEN
- TOILETS
- OFFICES
- BOH/SERVICE
- BASEMENT
- PLANT

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MOLLER ARCHITECTS  
WOODS BAGOT



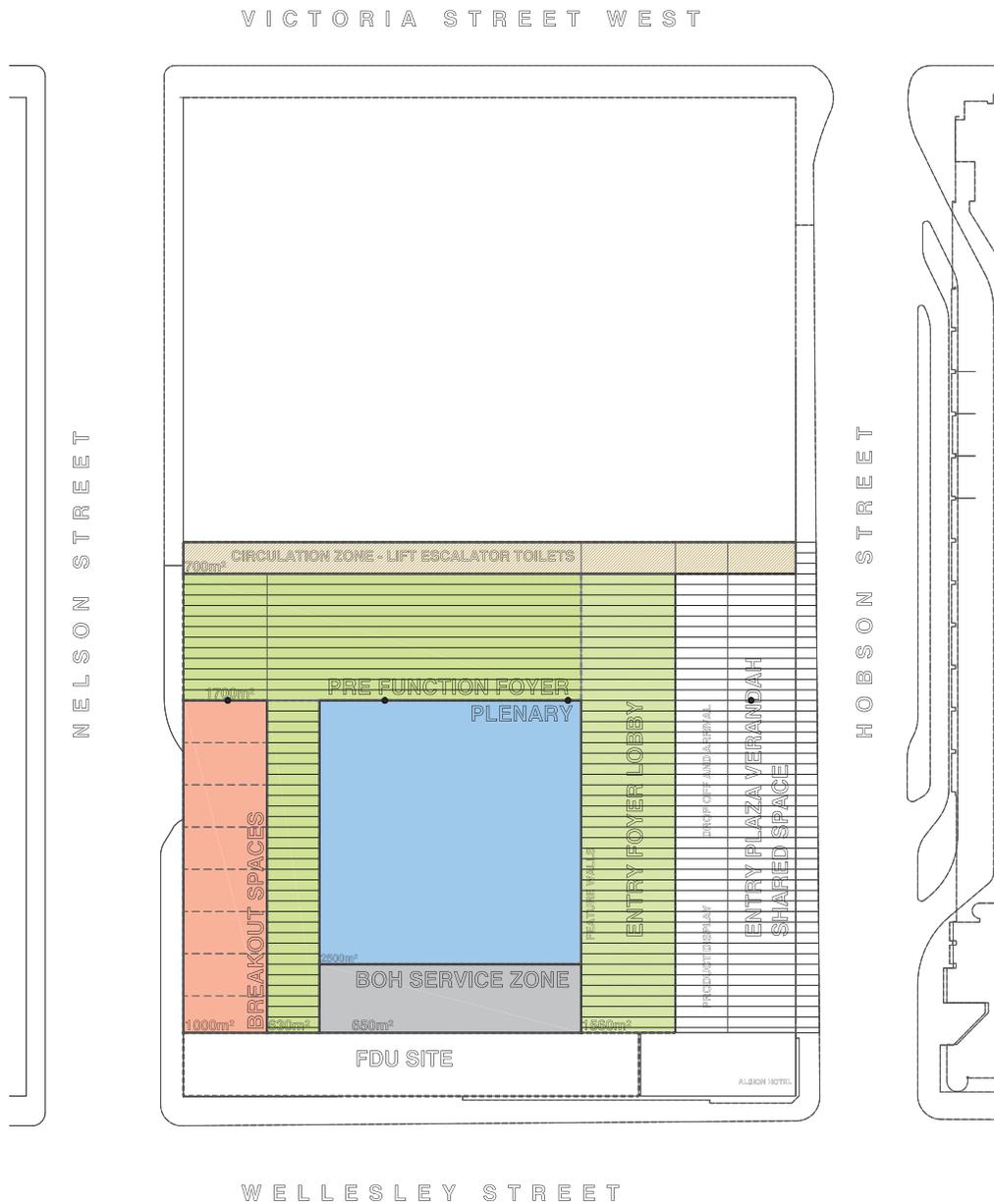
**NZICC**  
NEW ZEALAND INTERNATIONAL  
CONVENTION CENTRE

LEVEL **1A**

SCALE 1:1000@A3



**SK-01A**



LEGEND

- EXHIBITION
- PLENARY
- BANQUET
- MEETING ROOMS
- PRE FUNCTION FOYERS
- VERTICAL CIRCULATION
- KITCHEN
- TOILETS
- OFFICES
- BOH/SERVICE
- BASEMENT
- PLANT

WARREN & MAHONEY  
 in association with  
 MOLLER ARCHITECTS  
 WOODS BAGOT



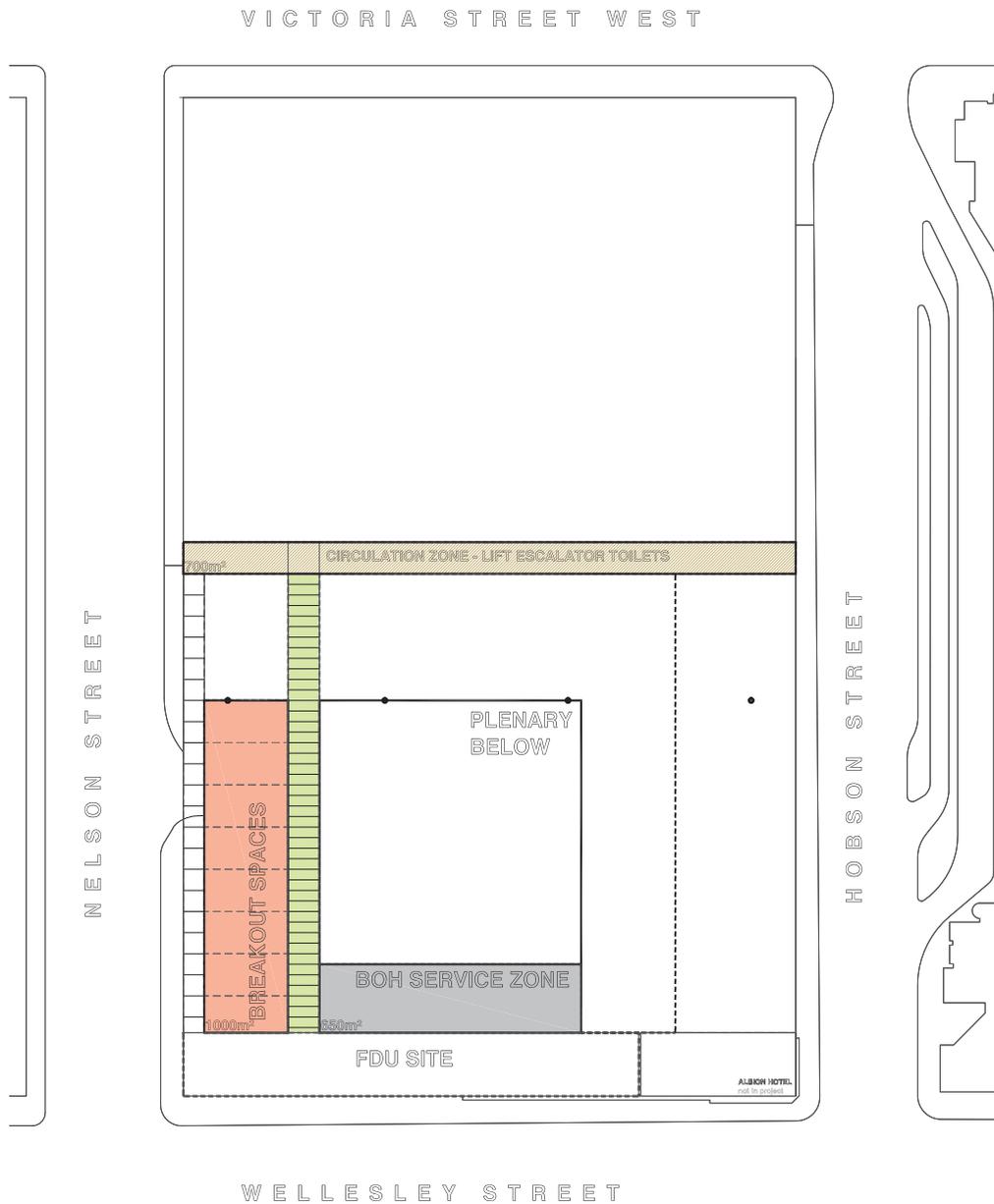
**NZICC**  
 NEW ZEALAND INTERNATIONAL  
 CONVENTION CENTRE

LEVEL 2

SCALE 1:1000@A3



SK-02



**LEGEND**

- EXHIBITION
- PLENARY
- BANQUET
- MEETING ROOMS
- PRE FUNCTION FOYERS
- VERTICAL CIRCULATION
- KITCHEN
- TOILETS
- OFFICES
- BOH/SERVICE
- BASEMENT
- PLANT

**WARREN & MAHONEY**  
 in association with  
**MOLLER ARCHITECTS**  
**WOODS BAGOT**



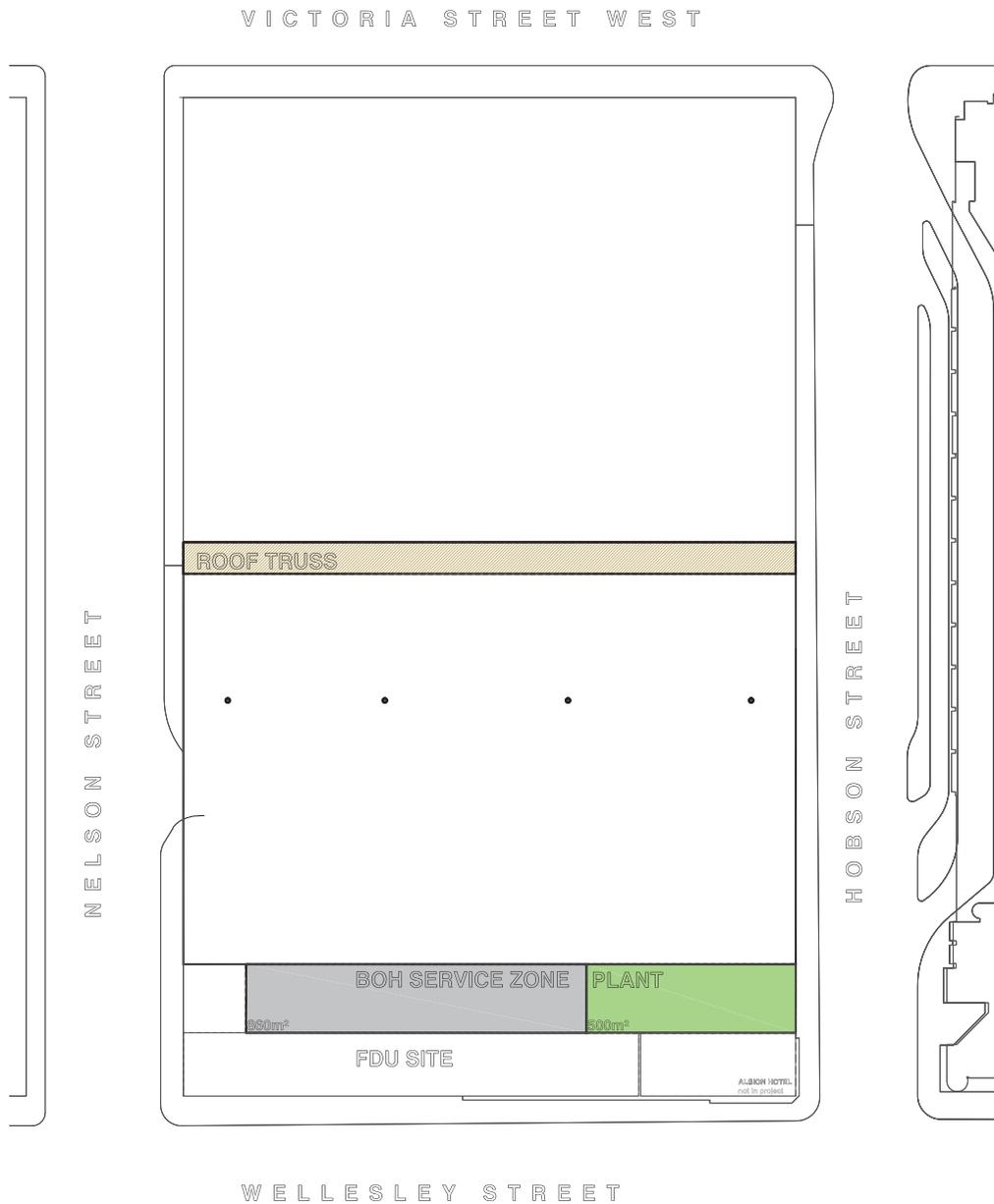
**NZICC**  
 NEW ZEALAND INTERNATIONAL  
 CONVENTION CENTRE

**LEVEL 2A**

SCALE 1:1000@A3



**SK-02A**



**LEGEND**

- EXHIBITION
- PLENARY
- BANQUET
- MEETING ROOMS
- PRE FUNCTION FOYERS
- VERTICAL CIRCULATION
  
- KITCHEN
- TOILETS
- OFFICES
- BOH/SERVICE
- BASEMENT
- PLANT

**WARREN & MAHONEY**  
 in association with  
**MOLLER ARCHITECTS**  
**WOODS BAGOT**



**NZICC**  
 NEW ZEALAND INTERNATIONAL  
 CONVENTION CENTRE

**LEVEL 2B**

SCALE 1:1000@A3



**SK-02B**



**LEGEND**

- EXHIBITION
- PLENARY
- BANQUET
- MEETING ROOMS
- PRE FUNCTION FOYERS
- VERTICAL CIRCULATION
  
- KITCHEN
- TOILETS
- OFFICES
- BOH/SERVICE
- BASEMENT
- PLANT

**WARREN & MAHONEY**  
 in association with  
**MOLLER ARCHITECTS**  
**WOODS BAGOT**



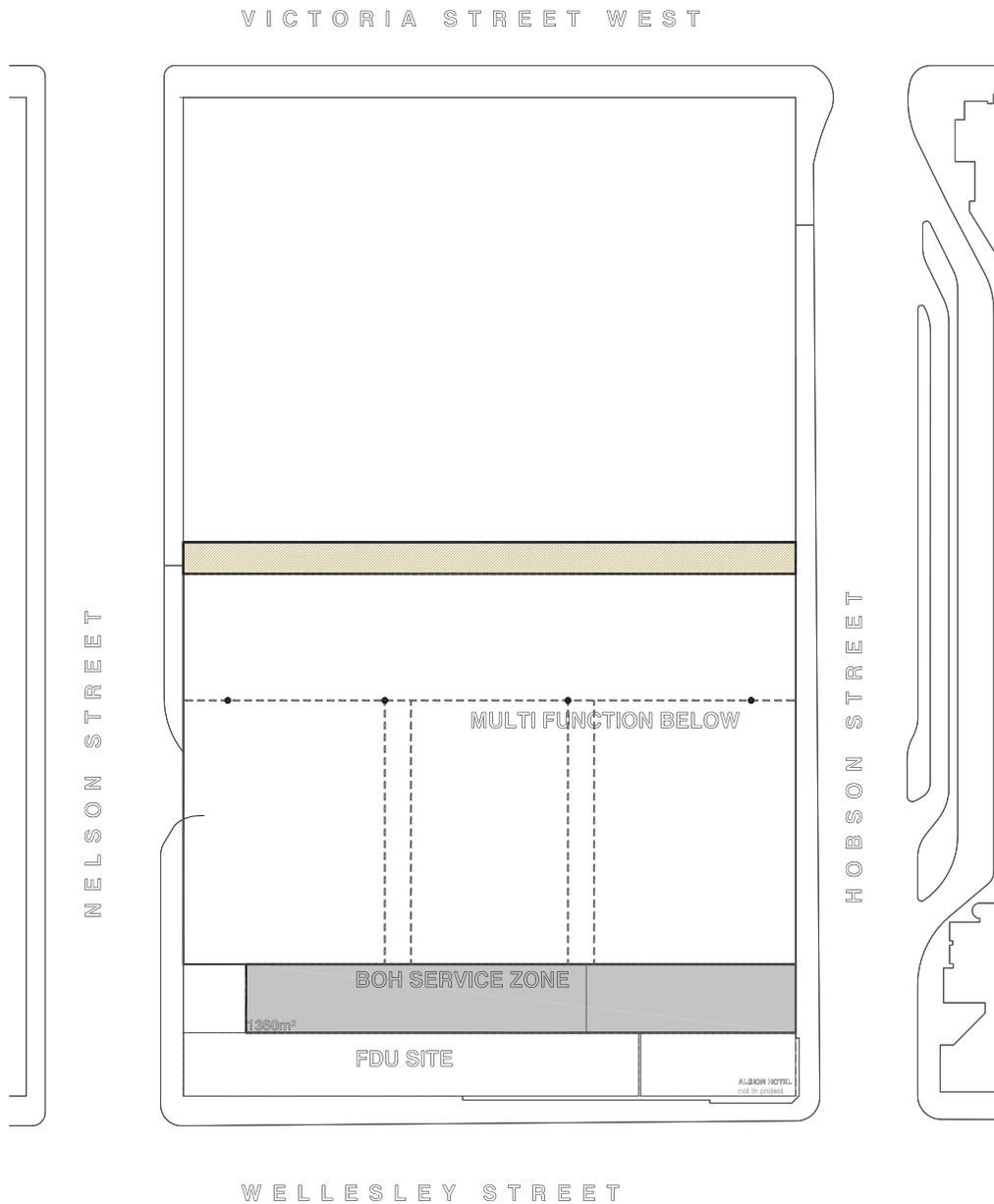
**NZICC**  
 NEW ZEALAND INTERNATIONAL  
 CONVENTION CENTRE

**LEVEL 3**

SCALE 1:1000@A3



**SK-03**



**LEGEND**

- EXHIBITION
- PLENARY
- BANQUET
- MEETING ROOMS
- PRE FUNCTION FOYERS
- VERTICAL CIRCULATION
  
- KITCHEN
- TOILETS
- OFFICES
- BOH/SERVICE
- BASEMENT
- PLANT

**WARREN & MAHONEY**  
 in association with  
**MOLLER ARCHITECTS**  
**WOODS BAGOT**



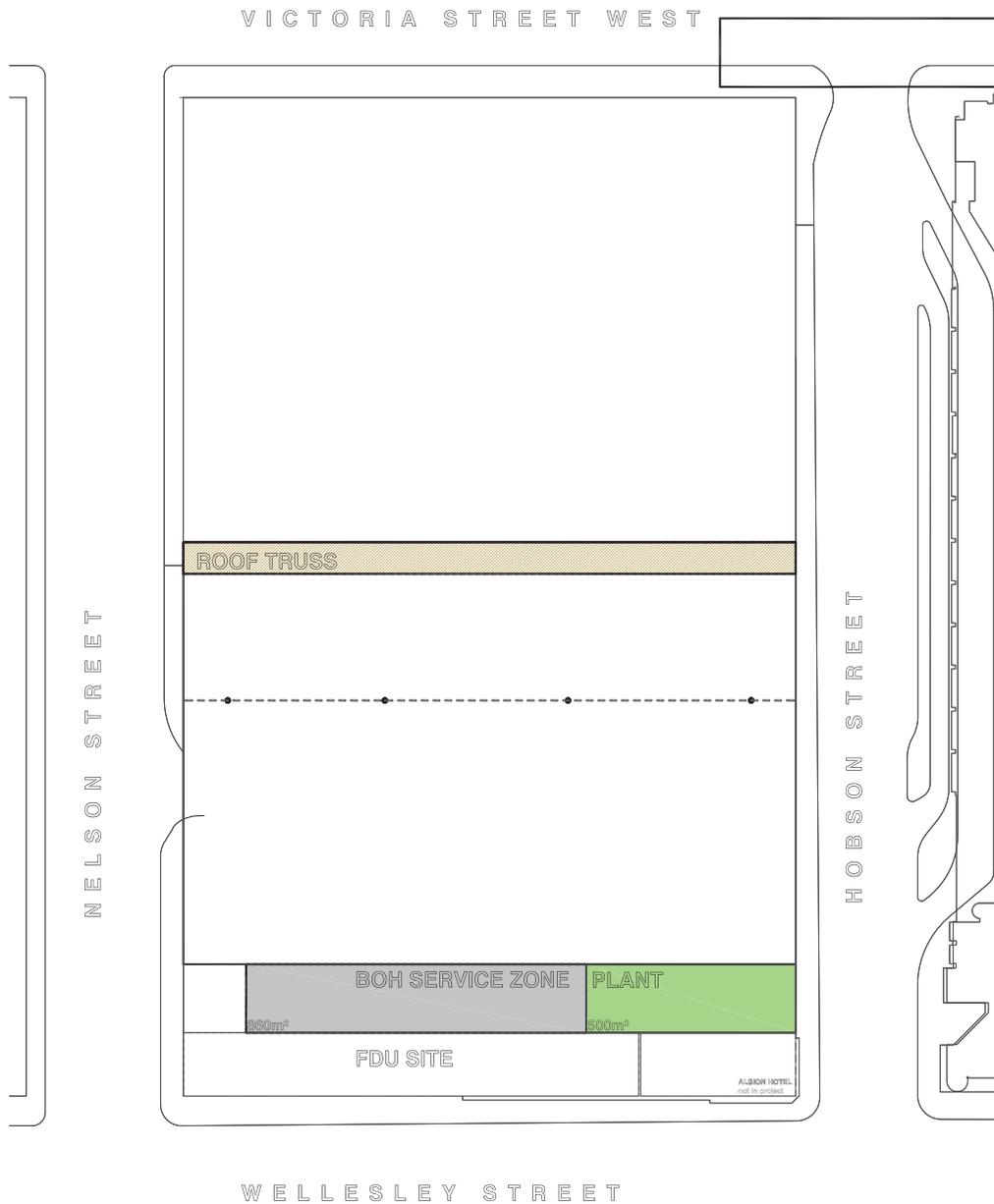
**NZICC**  
 NEW ZEALAND INTERNATIONAL  
 CONVENTION CENTRE

**LEVEL 3A**

SCALE 1:1000@A3



**SK-03A**



**LEGEND**

- EXHIBITION
- PLENARY
- BANQUET
- MEETING ROOMS
- PRE FUNCTION FOYERS
- VERTICAL CIRCULATION
  
- KITCHEN
- TOILETS
- OFFICES
- BOH/SERVICE
- BASEMENT
- PLANT

**WARREN & MAHONEY**  
 in association with  
**MOLLER ARCHITECTS**  
**WOODS BAGOT**



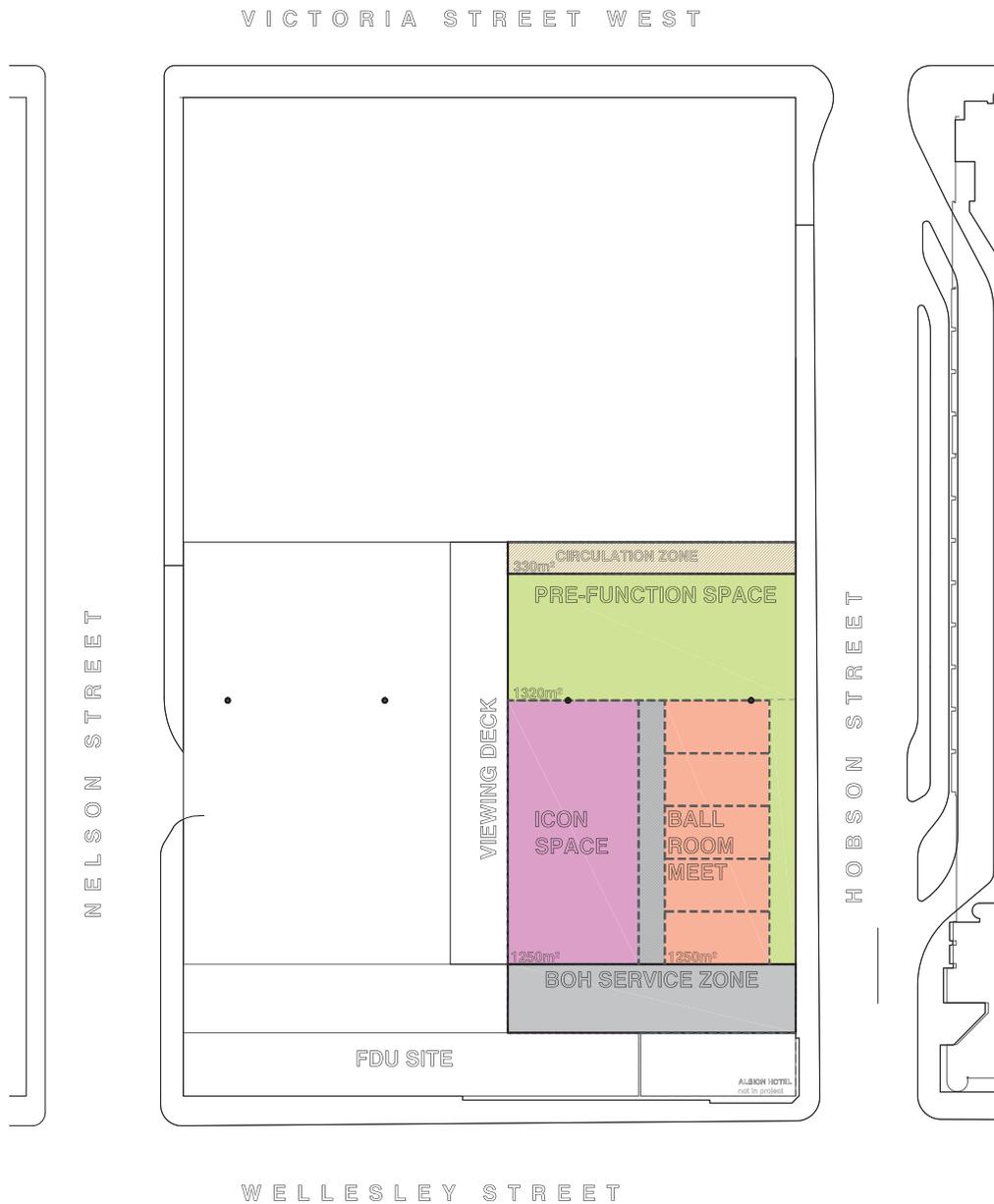
**NZICC**  
 NEW ZEALAND INTERNATIONAL  
 CONVENTION CENTRE

**LEVEL 3B**

SCALE 1:1000@A3



**SK-03B**



**LEGEND**

- EXHIBITION
- PLENARY
- BANQUET
- MEETING ROOMS
- PRE FUNCTION FOYERS
- VERTICAL CIRCULATION
  
- KITCHEN
- TOILETS
- OFFICES
- BOH/SERVICE
- BASEMENT
- PLANT

**WARREN & MAHONEY**  
 in association with  
**MOLLER ARCHITECTS**  
**WOODS BAGOT**



**NZICC**  
 NEW ZEALAND INTERNATIONAL  
 CONVENTION CENTRE

**LEVEL 4**  
 LAYOUT 1

SCALE 1:1000@A3



**SK-04**



L E G E N D

- EXHIBITION
- PLENARY
- BANQUET
- MEETING ROOMS
- PRE FUNCTION FOYERS
- VERTICAL CIRCULATION
  
- KITCHEN
- TOILETS
- OFFICES
- BOH/SERVICE
- BASEMENT
- PLANT

WARREN & MAHONEY  
 in association with  
 MOLLER ARCHITECTS  
 WOODS BAGOT



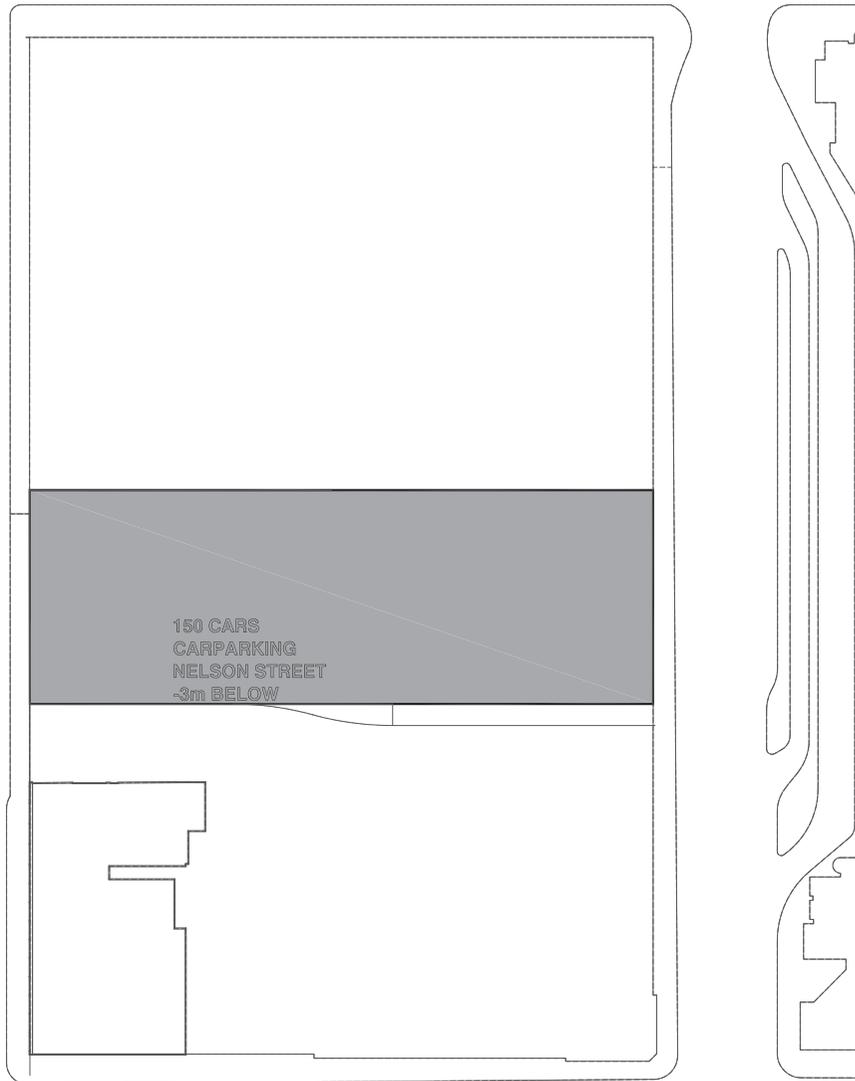
**NZICC**  
 NEW ZEALAND INTERNATIONAL  
 CONVENTION CENTRE

LEVEL **4A**

SCALE 1:1000@A3



**SK-04A**



**LEGEND**

- EXHIBITION
- PLENARY
- BANQUET
- MEETING ROOMS
- PRE FUNCTION FOYERS
- VERTICAL CIRCULATION
  
- KITCHEN
- TOILETS
- OFFICES
- BOH/SERVICE
- BASEMENT
- PLANT

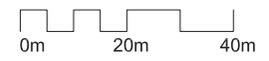
**WARREN & MAHONEY**  
in association with  
**MOLLER ARCHITECTS**  
**WOODS BAGOT**



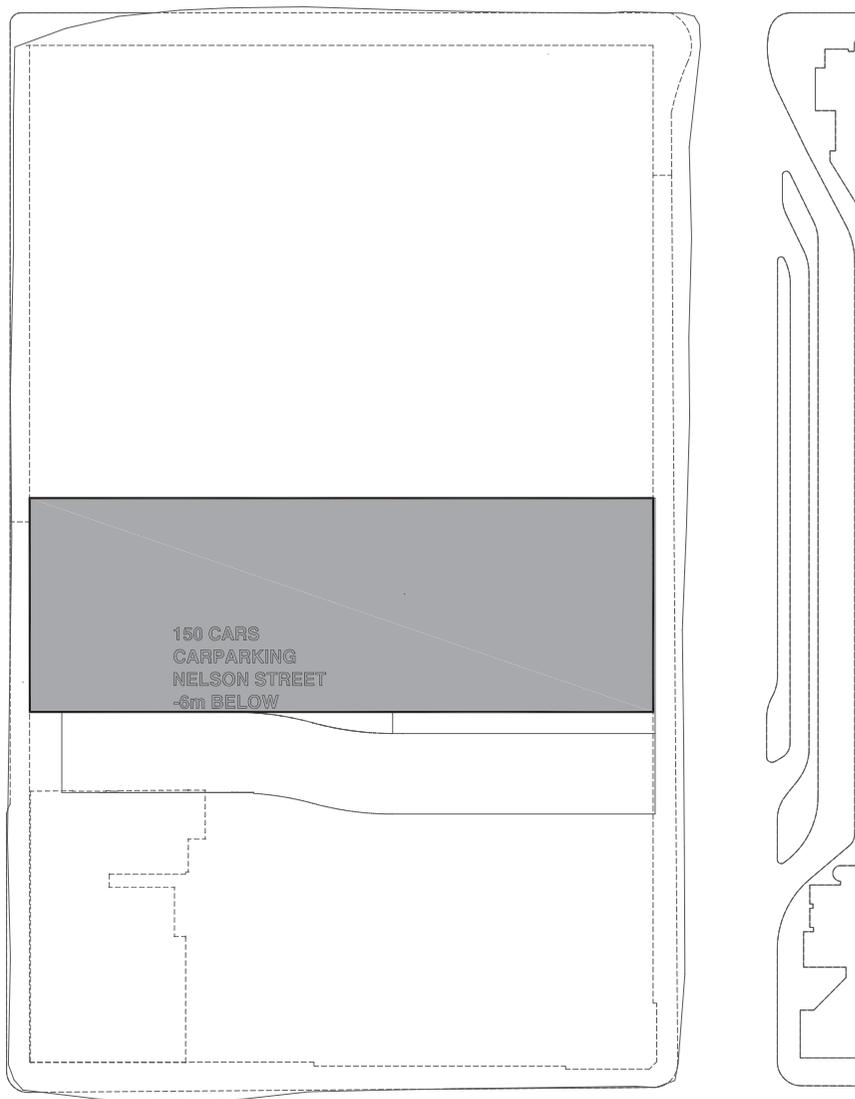
**NZICC**  
NEW ZEALAND INTERNATIONAL  
CONVENTION CENTRE

**LEVEL B1**

SCALE 1:1000@A3



**SK-B1**



LEGEND

- EXHIBITION
- PLENARY
- BANQUET
- MEETING ROOMS
- PRE FUNCTION FOYERS
- VERTICAL CIRCULATION
- KITCHEN
- TOILETS
- OFFICES
- BOH/SERVICE
- BASEMENT
- PLANT

WARREN & MAHONEY  
in association with  
MOLLER ARCHITECTS  
WOODS BAGOT



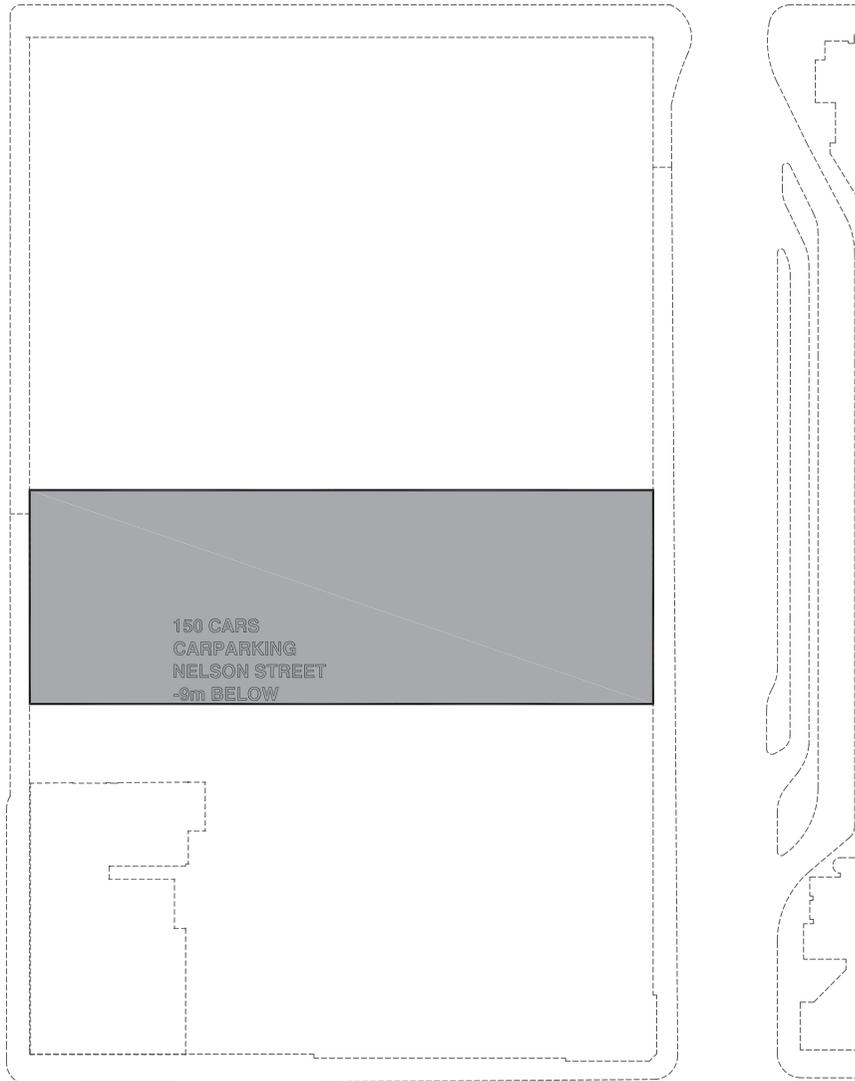
**NZICC**  
NEW ZEALAND INTERNATIONAL  
CONVENTION CENTRE

LEVEL **B2**

SCALE 1:1000@A3



**SK-B2**



**LEGEND**

- EXHIBITION
- PLENARY
- BANQUET
- MEETING ROOMS
- PRE FUNCTION FOYERS
- VERTICAL CIRCULATION
  
- KITCHEN
- TOILETS
- OFFICES
- BOH/SERVICE
- BASEMENT
- PLANT

**WARREN & MAHONEY**  
in association with  
**MOLLER ARCHITECTS**  
**WOODS BAGOT**



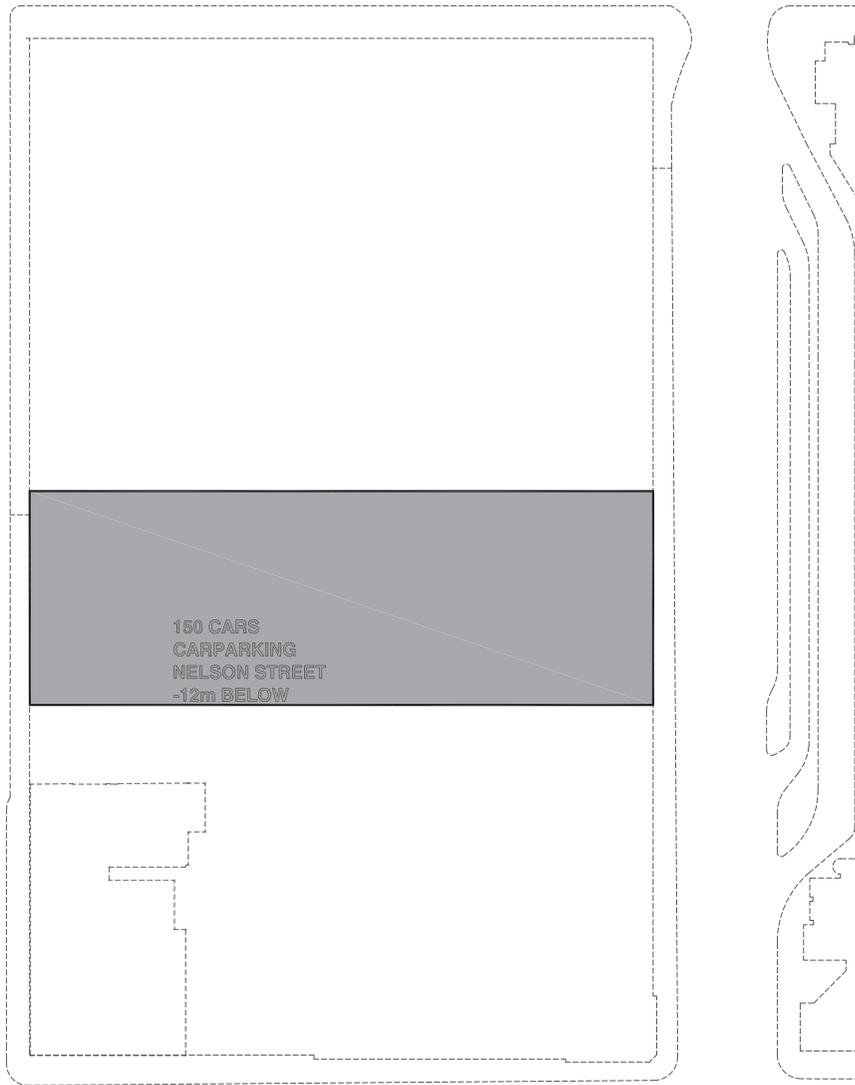
**NZICC**  
NEW ZEALAND INTERNATIONAL  
CONVENTION CENTRE

**LEVEL B3**

SCALE 1:1000@A3



**SK-B3**



**LEGEND**

- EXHIBITION
- PLENARY
- BANQUET
- MEETING ROOMS
- PRE FUNCTION FOYERS
- VERTICAL CIRCULATION
  
- KITCHEN
- TOILETS
- OFFICES
- BOH/SERVICE
- BASEMENT
- PLANT

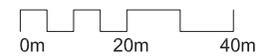
**WARREN & MAHONEY**  
 in association with  
**MOLLER ARCHITECTS**  
**WOODS BAGOT**



**NZICC**  
 NEW ZEALAND INTERNATIONAL  
 CONVENTION CENTRE

**LEVEL B4**

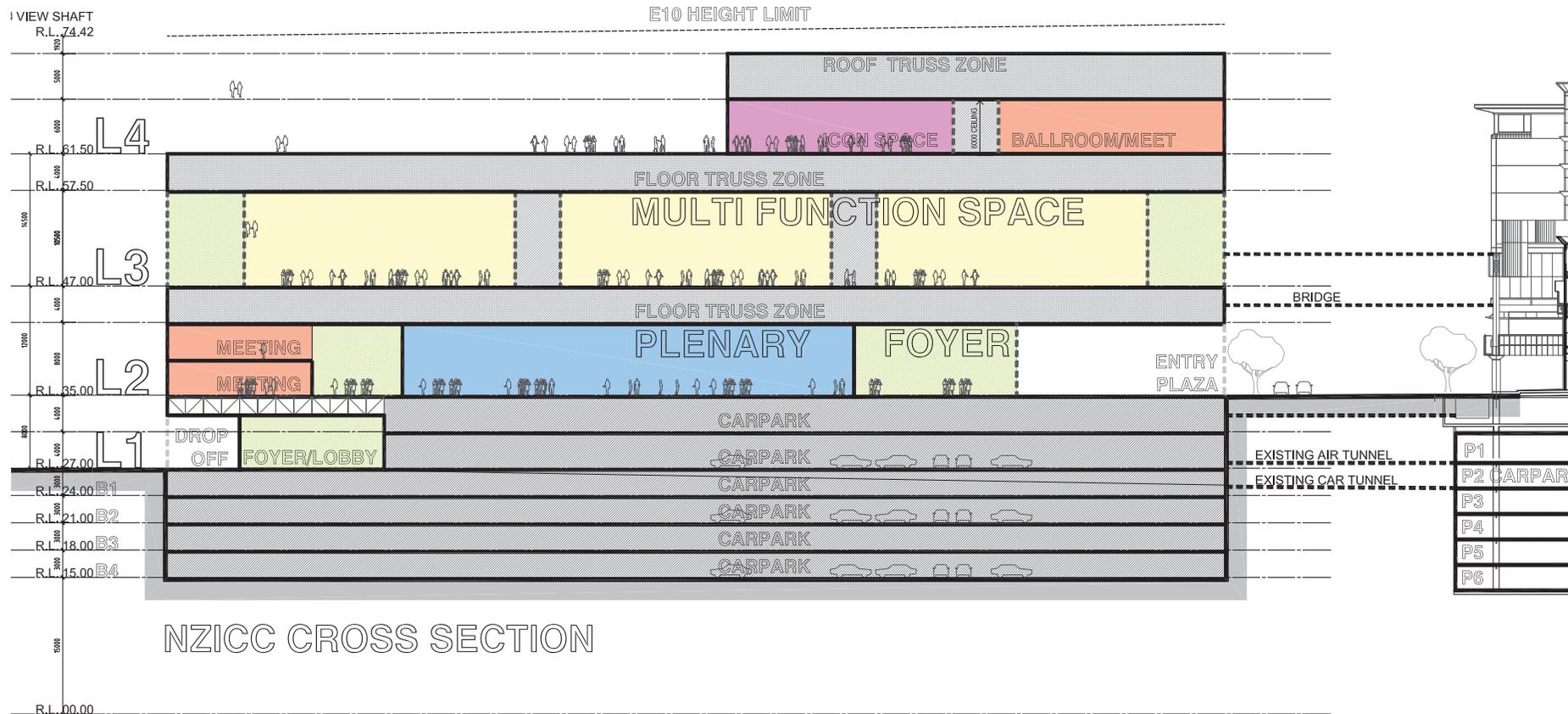
SCALE 1:1000@A3



**SK-B4**

L E G E N D

- EXHIBITION
- PLENARY
- BANQUET
- MEETING ROOMS
- PRE FUNCTION FOYERS
- VERTICAL CIRCULATION
  
- KITCHEN
- TOILETS
- OFFICES
- BOH/SERVICE
- BASEMENT
- PLANT



NZICC CROSS SECTION

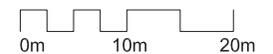
WARREN & MAHONEY  
in association with  
MOLLER ARCHITECTS  
WOODS BAGOT

**Warren and Mahoney\***  
**Moller Architects\***  
**WOODS BAGOT.**

**NZICC**  
NEW ZEALAND INTERNATIONAL  
CONVENTION CENTRE

SECTION X

SCALE 1:500@A3



SK-0X A

**NEW ZEALAND INTERNATIONAL CONVENTION CENTRE**

04.06.2013				
OPTION	TEN	TOTAL AREA m <sup>2</sup>	FOH	BOH
LEVEL 1	NELSON STREET			
	Entry Foyer	330		
	Entry Plaza			840
sub total L1		330	330	0
LEVEL 1A	Truck Dock/BOH/Kitchen			3,000
sub total L1A		3,000	0	3,000
LEVEL 2	HOBSON STREET			
	Plenary	2,500		
	Pre Function Space EW	1,700		
	Pre Function Space NS	630		
	Circulation Zone	700		
	Meeting Rooms	1,000		
	Entry Foyer	1,560		
	Entry Plaza			1,800
	BOH Service Zone South			650
sub total L2		8,740	8,090	650
LEVEL 2A	Meeting Rooms	1,000		
	Pre Function	520		
	Circulation Zone	700		
	BOH Service Zone South			650
sub total L2A		2,870	2,220	650
LEVEL 2B	BOH Service Zone South			1,360
sub total L2B		1,360	0	1,360
LEVEL 3	Exhibition Space 1	1,500		
	Exhibition Space 2	250		
	Exhibition Space 3	1,500		
	Exhibition Space	250		
	Exhibition Space	1,500		
	Exhibition Space	3,650		
	Circulation Zone	700		
	BOH Service Zone South			1,360
sub total L3		10,710	9,350	1,360
LEVEL 3A	BOH Service Zone South			1,360
sub total L3A		1,360	0	1,360
LEVEL 3B	BOH Service Zone South			1,360
sub total L3B		1,360	0	1,360
LEVEL 4	New Zealand Icon Room	1,250		
	Ballroom Meeting Rooms	1,250		
	Pre Function	1,320		
	Circulation Zone	250		
	Circulation Zone	330		
	BOH Service Zone South			700
sub total L4		5,100	4,400	700
LEVEL 4A	BOH Service Zone South			700
sub total L4A		700	0	700
SUB TOTAL GFA		35,530	24,390	11,140
CARPARKING			CARS	
LEVEL 1			3,900	130
LEVEL 1A			5,700	190
LEVEL B1			4,500	150
LEVEL B2			4,500	150
LEVEL B3			4,500	150
LEVEL B4			4,500	150
SUB TOTAL GFA		27,600	0	27,600
TOTAL GROSS FLOOR AREA		63,130		
TOTAL CARS APPROX ASSUMPTION				

## Schedule 4 Logos and Trade Mark Applications

- The Logos:



- The Trade Mark Applications:

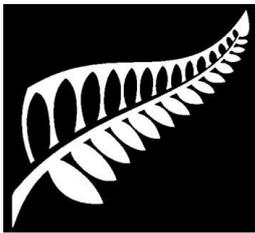
New Zealand trade mark application nos. 843428, 978548 and 978801.

## Schedule 5 Fern Device Mark

▪



▪



## Schedule 6 Increase in Area of Casino Venue

The area defined as constituting the casino premises in the casino venue licence for the Auckland Casino shall include, in addition to the land and buildings already specified (being certificates of title NA58A/312, NA60C/167 and (now) NA98B/746), the additional areas specified below:

All of the land and buildings situated at 86 Federal Street, 65-71 Federal Street and 109-125 Albert Street, Auckland, being the parcels of land comprising:

- (i) All that parcel of land containing 564 square metres more or less being Lot 2 Deposited Plan 52242 (Certificate of Title NA2C/900 North Auckland Registry);
- (ii) All that parcel of land containing 278 square metres more or less being Part Allotment 7, Section 22 City of Auckland (Certificate of Title NA2D/834 North Auckland Registry);
- (iii) All that parcel of land containing 278 square metres more or less being Lot 1 of the subdivision of Allotment 6, Section 22 City of Auckland (Certificate of Title NA84/278 North Auckland Registry);
- (iv) All that parcel of land containing 567 square metres more or less being Part Allotment 6-7, Section 22 City of Auckland (Certificate of Title NA147/129 North Auckland Registry);
- (v) All that parcel of land containing 845 square metres more or less being Part Allotments 6 and 7, Section 22 Town of Auckland (Certificate of Title NA599/2 North Auckland Registry);
- (vi) All that parcel of land containing 281 square metres more or less being Part Allotment 6, Section 22 Town of Auckland (Certificate of Title NA599/3 North Auckland Registry);
- (vii) All that parcel of land containing 278 square metres more or less being Part Allotment 8, Section 22 Town of Auckland (Certificate of Title NA599/4 North Auckland Registry);
- (viii) All that parcel of land containing 329 square metres more or less being Lot 2 Deposited Plan 28234 (Certificate of Title NA818/165 North Auckland Registry);
- (ix) All that parcel of land containing 316 square metres more or less being Lot 1 Deposited Plan 28234 and Part Allotment 5, Section 22 City of Auckland (Certificate of Title NA819/183 North Auckland Registry); and
- (x) All that parcel of land containing 706 square metres more or less being Lot 1 Deposited Plan 46555 (Certificate of Title NA1654/99 North Auckland Registry).

In addition, that part of the land and buildings already specified in the Venue Licence that is described as the "bus terminal", which is no longer to be excluded.

## Schedule 7 Value of SKYCITY costs and Regulatory Concessions

NPV Summary (\$ millions)	Agreed present values	Relevant Discount Rate %
NZICC – capital costs	(307)	5
NZICC – ground lease	(35)	10
NZICC – operations and on-spend	13	17
Subtotal – NZICC	(329)	
Additional STGM's	105	10
Additional ATG's	93	10
Additional Tables	87	10
TITO uplift	86	10
Subtotal – Regulatory concessions	370	
Casino capital costs	(64)	10
Value attributed to licence extension	90	10
<b>SKYCITY estimated risk premium</b>	<b>67</b>	

*Explanatory Note: The items listed above correspond to those items evaluated in the KordaMentha Report and the acronyms used above mean:*

- *STGM's = Single Terminal Gaming Machines*
- *ATG's = Automated Table Games Terminals*
- *Tables = the Table Games Concessions in clauses 7.2 and 7.3*
- *TITO = TITO Technology*

*The SKYCITY estimated risk premium reflects the parties' assessment of an appropriate value which recognises the economic risks assumed by SKYCITY once the Building Works Contract is signed and which should be taken into account in calculating the value exchange between the parties*

## **Schedule 8    Agreement following exercise of Option**

# AGREEMENT FOR SALE AND PURCHASE OF REAL ESTATE

This form is approved by the Real Estate Institute of New Zealand Incorporated and by Auckland District Law Society Incorporated.

DATE:

VENDOR: SKYCITY ENTERTAINMENT GROUP LIMITED

PURCHASER: HER MAJESTY THE QUEEN in Right of New Zealand acting by and through the MINISTER FOR ECONOMIC DEVELOPMENT **and/or nominee**

**PROPERTY**  
 Address: [to be completed]

Estate:      [FEE SIMPLE]      [LEASEHOLD]      ~~STRATUM IN FREEHOLD~~      ~~STRATUM IN LEASEHOLD~~  
                  ~~GROSSLEASE (FEE SIMPLE)~~      ~~GROSSLEASE (LEASEHOLD)~~      ~~-(if none is deleted fee simple)~~

Legal Description:  
 Area (more or less):      Lot/Flat/Unit:      DP:      Unique Identifier or CT:

[to be completed to match definition of 'Land']

**PAYMENT OF PURCHASE PRICE**  
 Purchase price: \$  
 The Option Consideration (as defined in the NZICC Agreement)

Plus GST (if any) OR Inclusive of GST (if any).  
 If neither is deleted the purchase price includes GST (if any).

GST date (refer clause 13.0):

Deposit (clause 2.0): \$

Balance of purchase price to be paid or satisfied as follows: / [the date which is  
 (1) By payment in cleared funds on the settlement date which is 60 Business Days after delivery of the valuation report pursuant to clause 21.9 of the NZICC Agreement]  
 OR  
 (2) In the manner described in the Further Terms of Sale.

Interest rate for late settlement: % p.a.  
 [same rate to be inserted in principal agreement]

~~CONDITIONS (clause 9.0)~~

<del>Finance condition</del>	<del>LIM required:</del>	<del>Yes/No</del>
<del>Lender:</del>	<del>Building report required:</del>	<del>Yes/No</del>
<del>Amount required:</del>	<del>OIA Consent required:</del>	<del>Yes/No</del>
<del>Finance date:</del>	<del>Land Act/OIA date:</del>	

**TENANCIES (if any)**  
 Name of tenant: Nil, property acquired with vacant possession.

<del>Bond:</del>	<del>Rent:</del>	<del>Term:</del>	<del>Right of renewal:</del>
------------------	------------------	------------------	------------------------------

SALE BY: N/A

Licensed Real Estate Agent

It is agreed that the vendor sells and the purchaser purchases the property, and the chattels listed in Schedule 1, on the terms set out above and in the General Terms of Sale and any Further Terms of Sale.

## GENERAL TERMS OF SALE

### 1.0 Definitions, time for performance, notices and interpretation

#### 1.1 Definitions

- (1) Unless the context requires a different interpretation, words and phrases not otherwise defined have the same meanings ascribed to those words and phrases in the Goods and Services Tax Act 1985, the Property Law Act 2007, the Resource Management Act 1991 or the Unit Titles Act 2010.
- (2) "Agreement" means this document including the front page, these General Terms of Sale, any Further Terms of Sale and any schedules and attachments.
- (3) "Building Act" means the Building Act 1991 and/or the Building Act 2004.
- (4) "Building warrant of fitness" means a building warrant of fitness supplied to a territorial authority under the Building Act.
- (5) "Cleared funds" means:
  - (a) An electronic transfer of funds that has been made strictly in accordance with the requirements set out in the PLS Guidelines; or
  - (b) A bank cheque, but only in the circumstances permitted by the PLS Guidelines and only if it has been paid strictly in accordance with the requirements set out in the PLS Guidelines.
- (6) "Default GST" means any additional GST, penalty (civil or otherwise), interest, or other sum imposed on the vendor (or where the vendor is or was a member of a GST group its representative member) under the GST Act or the Tax Administration Act 1994 by reason of non-payment of any GST payable in respect of the supply made under this agreement but does not include any such sum levied against the vendor (or where the vendor is or was a member of a GST group its representative member) by reason of a default or delay by the vendor after payment of the GST to the vendor by the purchaser.
- (7) "Electronic instrument" has the same meaning as ascribed to that term in the Land Transfer (Computer Registers and Electronic Lodgement) Amendment Act 2002.
- (8) "GST" means Goods and Services Tax arising pursuant to the Goods and Services Tax Act 1985 and "GST Act" means the Goods and Services Tax Act 1985.
- (9) "Landonline Workspace" means an electronic workspace facility approved by the Registrar-General of Land pursuant to the provisions of the Land Transfer (Computer Registers and Electronic Lodgement) Amendment Act 2002.
- (10) "LIM" means a land information memorandum issued pursuant to the Local Government Official Information and Meetings Act 1987.
- (11) "LINZ" means Land Information New Zealand.
- (12) "Local authority" means a territorial authority or a regional council.
- (13) "OIA Consent" means consent to purchase the property under the Overseas Investment Act 2005.
- (14) "PLS Guidelines" means the most recent edition, as at the date of this agreement, of the Property Transactions and E-Dealing Practice Guidelines prepared by the Property Law Section of the New Zealand Law Society.
- (15) "Property" means the property described in this agreement.
- (16) "Purchase price" means the total purchase price stated in this agreement which the purchaser has agreed to pay the vendor for the property and the chattels included in the sale.
- (17) "Regional council" means a regional council within the meaning of the Local Government Act 2002.
- (18) "Remote settlement" means settlement of the sale and purchase of the property by way of the purchaser's lawyer paying the moneys due and payable on the settlement date directly into the trust account of the vendor's lawyer, in consideration of the vendor agreeing to meet the vendor's obligations under subclause 3.8(2), pursuant to the protocol for remote settlement recommended in the PLS Guidelines.
- (19) "Secure web document exchange" means an electronic messaging service enabling messages and electronic documents to be posted by one party to a secure website to be viewed by the other party immediately after posting.
- (20) "Settlement date" means the date specified as such in this agreement.
- (21) "Settlement statement" means a statement showing the purchase price, plus any GST payable by the purchaser in addition to the purchase price, less any deposit or other payments or allowances to be credited to the purchaser, together with apportionments of all incomings and outgoings apportioned at the settlement date.
- (22) "Territorial authority" means a territorial authority within the meaning of the Local Government Act 2002.
- (23) "Unit title" means a unit title under the Unit Titles Act 2010.
- (24) The terms "principal unit", "accessory unit", "unit plan" and "unit" have the meanings ascribed to those terms in the Unit Titles Act 2010.
- (25) The term "rules" includes both body corporate rules under the Unit Titles Act 1972 and body corporate operational rules under the Unit Titles Act 2010.
- (26) The terms "building", "building consent", "code compliance certificate", "compliance schedule", "household unit" and "residential property developer" have the meanings ascribed to those terms in the Building Act.
- (27) The term "title" includes where appropriate a computer register within the meaning of the Land Transfer (Computer Registers and Electronic Lodgement) Amendment Act 2002.
- (28) The terms "going concern", "goods", "principal place of residence", "recipient", "registered person", "registration number", "supply" and "taxable activity" have the meanings ascribed to those terms in the GST Act.
- (29) "Working day" means any day of the week other than:
  - (a) Saturday, Sunday, Waitangi Day, Good Friday, Easter Monday, Anzac Day, the Sovereign's Birthday, and Labour Day, and
  - (b) a day in the period commencing on the 24th day of December in any year and ending on the 5th day of January in the following year, both days inclusive; and
  - (c) the day observed as the anniversary of any province in which the property is situated.  
A working day shall be deemed to commence at 9.00 am and to terminate at 5.00 pm.
- (30) Unless a contrary intention appears on the front page or elsewhere in this agreement:
  - (a) the interest rate for late settlement is equivalent to the interest rate charged by the Inland Revenue Department on unpaid tax under the Tax Administration Act 1994 during the period for which the interest rate for late settlement is payable, plus 5 per cent per annum;
  - (b) a party is in default if it did not do what it has contracted to do to enable settlement to occur, regardless of the cause of such failure.

(31) - see above

#### 1.2 Time for Performance

- (1) Where the day nominated for settlement or the fulfilment of a condition is not a working day then the settlement date or the date for fulfilment of the condition shall be the last working day before the day so nominated.
- (2) Any act done pursuant to this agreement by a party, including service of notices, after 5.00pm on a working day, or on a day that is not a working day, shall be deemed to have been done at 9.00am on the next succeeding working day.
- (3) Where two or more acts done pursuant to this agreement, including service of notices, are deemed to have been done at the same time, they shall take effect in the order in which they would have taken effect but for subclause 1.2(2).

#### 1.3 Notices

The following apply to all notices between the parties relevant to this agreement, whether authorised by this agreement or by the general law:

- (1) All notices must be served in writing.
- (2) Any notice under section 28 of the Property Law Act 2007, where the purchaser is in possession of the property, must be served in accordance with section 353 of that Act.
- (3) All other notices, unless otherwise required by the Property Law Act 2007, must be served by one of the following means:
  - (a) on the party as authorised by sections 354 to 361 of the Property Law Act 2007, or
  - (b) on the party or on the party's lawyer:
    - (i) by personal delivery; or
    - (ii) by posting by ordinary mail; or
    - (iii) by facsimile, or by email; or
    - (iv) in the case of the party's lawyer only, by sending by document exchange or, if both parties' lawyers have agreed to subscribe to the same secure web document exchange for this agreement, by secure web document exchange.
- (4) In respect of the means of service specified in subclause 1.3(3)(b), a notice is deemed to have been served:
  - (a) in the case of personal delivery, when received by the party or at the lawyer's office;
  - (b) in the case of posting by ordinary mail, on the second working day following the date of posting to the address for service notified in writing by the party or to the postal address of the lawyer's office;
  - (c) in the case of facsimile transmission, when sent to the facsimile number notified in writing by the party or to the facsimile number of the lawyer's office;
  - (d) in the case of email, when acknowledged by the party or by the lawyer orally or by return email or otherwise in writing, except that return emails generated automatically shall not constitute an acknowledgement;
  - (e) in the case of sending by document exchange, on the second working day following the date of sending to the document exchange number of the lawyer's office;

(f) In the case of sending by secure web document exchange, at the time when in the ordinary course of operation of that secure web document exchange, a notice posted by one party is accessible for viewing or downloading by the other party.

- (5) Any period of notice required to be given under this agreement shall be computed by excluding the day of service.
- (6) In accordance with section 20(1) of the Electronic Transactions Act 2002, the parties agree that any notice or document that must be given in writing by one party to the other may be given in electronic form and by means of an electronic communication, subject to the rules regarding service set out above.

#### 1.4 Interpretation

- (1) If there is more than one vendor or purchaser, the liability of the vendors or of the purchasers, as the case may be, is joint and several.
- (2) Where the purchaser executes this agreement with provision for a nominee, or as agent for an undisclosed or disclosed but unidentified principal, or on behalf of a company to be formed, the purchaser shall at all times remain liable for all obligations on the part of the purchaser.
- (3) If any inserted term (including any Further Terms of Sale) conflicts with the General Terms of Sale the inserted term shall prevail.
- (4) Headings are for information only and do not form part of this agreement.
- (5) References to statutory provisions shall be construed as references to those provisions as they may be amended or re-enacted or as their application is modified by other provisions from time to time.

## 2.0 Deposit

- ~~2.1 The purchaser shall pay the deposit to the vendor or the vendor's agent immediately upon execution of this agreement by both parties and/or at such other time as is specified in this agreement.~~
- ~~2.2 If the deposit is not paid on the due date for payment, the vendor may at any time thereafter serve on the purchaser notice requiring payment. If the purchaser fails to pay the deposit on or before the third working day after service of the notice, time being of the essence, the vendor may cancel this agreement by serving notice of cancellation on the purchaser. No notice of cancellation shall be effective if the deposit has been paid before the notice of cancellation is served.~~
- ~~2.3 The deposit shall be in part payment of the purchase price.~~
- ~~2.4 The person to whom the deposit is paid shall hold it as a stakeholder until:~~
- ~~(1) the requisition procedure under clause 5.0 is completed without either party cancelling this agreement; and~~
- ~~(2) where this agreement is entered into subject to any condition(s) expressed in this agreement, each such condition has been fulfilled or waived; and~~
- ~~(3) where the property is a unit title:~~
- ~~(a) a pre-settlement disclosure statement, certified correct by the body corporate, under section 147 of the Unit Titles Act 2010; and~~
- ~~(b) an additional disclosure statement under section 148 of the Unit Titles Act 2010 (if requested by the purchaser within the time prescribed in section 148(2))~~
- ~~have been provided to the purchaser by the vendor within the times prescribed in those sections or otherwise the purchaser has given notice under section 149(2) of the Unit Titles Act 2010 to postpone the settlement date until after the disclosure statements have been provided; or~~
- ~~(4) this agreement is cancelled pursuant to subclause 5.2(3)(c) or avoided pursuant to subclause 9.8(5) or, where the property is a unit title and the purchaser having the right to cancel this agreement pursuant to section 151(2) of the Unit Titles Act 2010 has cancelled this agreement pursuant to that section, or has waived the right to cancel by giving notice to the vendor or by completing settlement of the purchase.~~

## 3.0 Possession and Settlement

### Possession

- 3.1 Unless particulars of a tenancy are included in this agreement the property is sold with vacant possession and the vendor shall so yield the property on the settlement date.
- 3.2 If the property is sold with vacant possession, then subject to the rights of any tenants of the property, the vendor shall permit the purchaser or any person authorised by the purchaser in writing, upon reasonable notice:
- (1) to enter the property on one occasion prior to the settlement date for the purposes of examining the property, chattels and fixtures which are included in the sale; and
- (2) to re-enter the property on or before the settlement date to confirm compliance by the vendor with any agreement made by the vendor to carry out any work on the property and the chattels and fixtures.
- 3.3 Possession shall be given and taken on the settlement date. Outgoings and incomings in respect of the settlement date are the responsibility of and belong to the vendor.
- 3.4 On the settlement date the vendor shall make available to the purchaser keys to all exterior doors, electronic door openers relating to the property and the keys and/or security codes to any alarms which may be situated on the property. The vendor does not have to make available keys, electronic door openers and security codes where the property is tenanted and these are held by the tenant.

### Settlement

- 3.5 The vendor shall prepare, at the vendor's own expense, a settlement statement. The vendor shall tender the settlement statement to the purchaser or the purchaser's lawyer a reasonable time prior to the settlement date.
- 3.6 The purchaser's lawyer shall:
- (1) within a reasonable time prior to the settlement date create a Landonline Workspace for the transaction, notify the vendor's lawyer of the dealing number allocated by LINZ and prepare in that workspace a transfer instrument in respect of the property; and
- (2) prior to settlement certify and sign the transfer instrument.
- 3.7 The vendor's lawyer shall:
- (1) within a reasonable time prior to the settlement date prepare in that workspace all other electronic instruments required to confer title on the purchaser in terms of the vendor's obligations under this agreement; and
- (2) prior to settlement have those instruments and the transfer instrument certified, signed and pre-validated.
- 3.8 On the settlement date:
- (1) The balance of the purchase price, interest and other moneys, if any, shall be paid by the purchaser in cleared funds or otherwise satisfied as provided in this agreement (credit being given for any amount payable by the vendor under subclause 3.12 or 3.13);
- (2) The vendor's lawyer shall immediately thereafter:
- (a) release or procure the release of the transfer instrument and the other instruments mentioned in subclause 3.7(1) so that the purchaser's lawyer can then submit them as soon as possible for registration;
- (b) pay to the purchaser's lawyer the LINZ registration fees on all of the instruments mentioned in subclause 3.7(1), unless these fees will be invoiced to the vendor's lawyer by LINZ directly; and
- (c) deliver to the purchaser's lawyer any other documents that the vendor must provide to the purchaser on settlement in terms of this agreement.
- 3.9 All obligations under subclause 3.8 are interdependent.
- 3.10 The parties shall complete settlement by way of remote settlement, provided that where payment by bank cheque is permitted under the PLS Guidelines, payment may be made by the personal delivery of a bank cheque to the vendor's lawyer's office, so long as it is accompanied by the undertaking from the purchaser's lawyer required by those Guidelines.

### Last Minute Settlement

- ~~9.11 If due to the delay of the purchaser, settlement takes place between 4.00 pm and 5.00 pm on the settlement date ("last minute settlement"), the purchaser shall pay the vendor:~~
- ~~(1) one day's interest at the interest rate for late settlement on the portion of the purchase price paid in the last minute settlement; and~~
- ~~(2) if the day following the last minute settlement is not a working day, an additional day's interest (calculated in the same manner) for each day until, but excluding, the next working day.~~

### Purchaser Default: Late Settlement

- 3.12 If any portion of the purchase price is not paid upon the due date for payment, then, provided that the vendor provides reasonable evidence of the vendor's ability to perform any obligation the vendor is obliged to perform on that date in consideration for such payment:
- (1) The purchaser shall pay to the vendor interest at the interest rate for late settlement on the portion of the purchase price so unpaid for the period from the due date for payment until payment ("the default period"); but nevertheless this stipulation is without prejudice to any of the vendor's rights or remedies including any right to claim for additional expenses and damages. For the purposes of this subclause, a payment made on a day other than a working day or after the termination of a working day shall be deemed to be made on the next following working day and interest shall be computed accordingly.
- (2) The vendor is not obliged to give the purchaser possession of the property or to pay the purchaser any amount for remaining in possession, unless this agreement relates to a tenanted property, in which case the vendor must elect either to:
- (a) account to the purchaser on settlement for incomings in respect of the property which are payable and received during the default period, in which event the purchaser shall be responsible for the outgoings relating to the property during the default period; or
- (b) retain such incomings in lieu of receiving interest from the purchaser pursuant to subclause 3.12(1).

## Vendor Default: Late Settlement or Failure to give Possession

## 3.13 (1) For the purposes of this subclause 3.13:

- (a) the default period means:
- (i) in subclause 3.13(2), the period from the settlement date until the date when the vendor is able and willing to provide vacant possession and the purchaser takes possession; and
  - (ii) in subclause 3.13(3), the period from the date the purchaser takes possession until the date when settlement occurs; and
  - (iii) in subclause 3.13(5), the period from the settlement date until the date when settlement occurs; and
- (b) the vendor shall be deemed to be unwilling to give possession if the vendor does not offer to give possession.
- (2) If this agreement provides for vacant possession but the vendor is unable or unwilling to give vacant possession on the settlement date, then, provided that the purchaser provides reasonable evidence of the purchaser's ability to perform the purchaser's obligations under this agreement:
- (a) the vendor shall pay the purchaser, at the purchaser's election, either:
- (i) compensation for any reasonable costs incurred for temporary accommodation for persons and storage of chattels during the default period; or
  - (ii) an amount equivalent to interest at the interest rate for late settlement on the entire purchase price during the default period; and
- (b) the purchaser shall pay the vendor an amount equivalent to the interest earned or which would be earned on overnight deposits lodged in the purchaser's lawyer's trust bank account on such portion of the purchase price (including any deposit) as is payable under this agreement on or by the settlement date but remains unpaid during the default period less:
- (i) any withholding tax; and
  - (ii) any bank or legal administration fees and commission charges; and
  - (iii) any interest payable by the purchaser to the purchaser's lender during the default period in respect of any mortgage or loan taken out by the purchaser in relation to the purchase of the property.
- (3) If this agreement provides for vacant possession and the vendor is able and willing to give vacant possession on the settlement date, then, provided the purchaser provides reasonable evidence of the purchaser's ability to perform the purchaser's obligations under this agreement, the purchaser may elect to take possession in which case the vendor shall not be liable to pay any interest or other moneys to the purchaser but the purchaser shall pay the vendor the same amount as that specified in subclause 3.13(2)(b) during the default period. A purchaser in possession under this subclause 3.13(3) is a licensee only.
- (4) Notwithstanding the provisions of subclause 3.13(3), the purchaser may elect not to take possession when the purchaser is entitled to take it. If the purchaser elects not to take possession, the provisions of subclause 3.13(2) shall apply as though the vendor were unable or unwilling to give vacant possession on the settlement date.
- (5) If this agreement provides for the property to be sold tenanted then, provided that the purchaser provides reasonable evidence of the purchaser's ability to perform the purchaser's obligations under this agreement, the vendor shall on settlement account to the purchaser for incomings which are payable and received in respect of the property during the default period less the outgoings paid by the vendor during that period. Apart from accounting for such incomings, the vendor shall not be liable to pay any other moneys to the purchaser but the purchaser shall pay the vendor the same amount as that specified in subclause 3.13(2)(b) during the default period.
- (6) The provisions of this subclause 3.13 shall be without prejudice to any of the purchaser's rights or remedies including any right to claim for any additional expenses and damages suffered by the purchaser.
- (7) Where the parties are unable to agree upon any amount payable under this subclause 3.13:
- (a) An interim amount shall on settlement be paid to a stakeholder by the party against whom it is claimed until the amount payable is determined.
  - (b) The interim amount shall be the lower of:
    - (i) the amount claimed; or
    - (ii) an amount equivalent to interest at the interest rate for late settlement for the relevant default period on such portion of the purchase price (including any deposit) as is payable under this agreement on or by the settlement date.
  - (c) Any interest earned on the interim amount net of any withholding tax and any bank or legal administration fees and commission charges shall follow the destination of the interim amount.
  - (d) The amount determined to be payable shall not be limited by the interim amount.
  - (e) If the parties cannot agree on a stakeholder the interim amount shall be paid to a stakeholder nominated on the application of either party by the president for the time being of the New Zealand Law Society.

## Deferment of Settlement and Possession

~~3.14 If –~~

- (1) this is an agreement for the sale by a residential property developer of a household unit; and
- (2) a code compliance certificate has not been issued by the settlement date in relation to the household unit –
- then, unless the parties agree otherwise (in which case the parties shall enter into a written agreement in the form prescribed by the Building (Forms) Regulations 2004) the settlement date shall be deferred to the fifth working day following the date upon which the vendor has given the purchaser notice that the code compliance certificate has been issued (which notice must be accompanied by a copy of the certificate).

3.15 In every case, if neither party is ready, willing and able to settle on the settlement date, the settlement date shall be deferred to the third working day following the date upon which one of the parties gives notice it has become ready, willing and able to settle.

## 3.16 If –

- (1) the property is a unit title;
  - (2) the settlement date is deferred pursuant to either subclause 3.14 or subclause 3.15; and
  - (3) the vendor considers on reasonable grounds that an extension of time is necessary or desirable in order for the vendor to comply with the warranty by the vendor in subclause 8.2(2) –
- then the vendor may extend the settlement date –
- (4) where there is a deferment of the settlement date pursuant to subclause 3.14, to the tenth working day following the date upon which the vendor gives the purchaser notice that the code compliance certificate has been issued, provided the vendor gives notice of the extension to the purchaser no later than the second working day after such notice; or
  - (5) where there is a deferment of the settlement date pursuant to subclause 3.15, to the tenth working day following the date upon which one of the parties gives notice that it has become ready, willing and able to settle, provided the vendor gives notice of the extension to the purchaser no later than the second working day after such notice.

## New Title Provision

## 3.17 (1) Where –

- (a) the transfer of the property is to be registered against a new title yet to be issued; and
- (b) a search copy, as defined in section 172A of the Land Transfer Act 1952, of that title is not obtainable by the tenth working day prior to the settlement date –

then, unless the purchaser elects that settlement shall still take place on the agreed settlement date, the settlement date shall be deferred to the tenth working day following the later of the date on which:

- (c) the vendor has given the purchaser notice that a search copy is obtainable; or
- (d) the requisitions procedure under clause 5.0 is complete.

(2) Subclause 3.17(1) shall not apply where it is necessary to register the transfer of the property to enable a plan to deposit and title to the property to issue.

## 4.0 Risk and insurance

4.1 The property and chattels shall remain at the risk of the vendor until possession is given and taken.

4.2 If, prior to the giving and taking of possession, the property is destroyed or damaged, and such destruction or damage has not been made good by the settlement date, then the following provisions shall apply:

- (1) If the destruction or damage has been sufficient to render the property untenable and it is untenable on the settlement date the purchaser may:
  - (a) complete the purchase at the purchase price, less a sum equal to any insurance moneys received or receivable by or on behalf of the vendor in respect of such destruction or damage, provided that no reduction shall be made to the purchase price if the vendor's insurance company has agreed to reinstate for the benefit of the purchaser to the extent of the vendor's insurance cover; or
  - (b) cancel this agreement by serving notice on the vendor in which case the vendor shall return to the purchaser immediately the deposit and any other moneys paid by the purchaser, and neither party shall have any right or claim against the other arising from this agreement or its cancellation.
- (2) If the property is not untenable on the settlement date the purchaser shall complete the purchase at the purchase price less a sum equal to the amount of the diminution in value of the property which, to the extent that the destruction or damage to the property can be made good, shall be deemed to be equivalent to the reasonable cost of reinstatement or repair.
- (3) In the case of a property zoned for rural purposes under an operative District Plan, damage to the property shall be deemed to have rendered the property untenable where the diminution in value exceeds an amount equal to 20% of the purchase price.
- (4) If the amount of the diminution in value is disputed, the parties shall follow the same procedure as that set out in subclause 7.4 for when an amount of compensation is disputed.

4.3 The purchaser shall not be required to take over any insurance policies held by the vendor.

## 5.0 Title, boundaries and requisitions

- 5.1 The vendor shall not be bound to point out the boundaries of the property except that on the sale of a vacant residential lot which is not limited as to parcels the vendor shall ensure that all boundary markers required by the Cadastral Survey Act 2002 and any related rules and regulations to identify the boundaries of the property are present in their correct positions at the settlement date.
- 5.2 (1) The purchaser is deemed to have accepted the vendor's title except as to objections or requisitions which the purchaser is entitled to make and notice of which the purchaser serves on the vendor on or before the earlier of:
- the tenth working day after the date of this agreement; or
  - the settlement date.
- (2) Where the transfer of the property is to be registered against a new title yet to be issued, the purchaser is deemed to have accepted the title except as to such objections or requisitions which the purchaser is entitled to make and notice of which the purchaser serves on the vendor on or before the fifth working day following the date the vendor has given the purchaser notice that the title has been issued and a search copy of it as defined in section 172A of the Land Transfer Act 1952 is obtainable.
- (3) If the vendor is unable or unwilling to remove or comply with any objection or requisition as to title, notice of which has been served on the vendor by the purchaser, then the following provisions will apply.
- The vendor shall notify the purchaser ("a vendor's notice") of such inability or unwillingness on or before the fifth working day after the date of service of the purchaser's notice.
  - If the vendor does not give a vendor's notice the vendor shall be deemed to have accepted the objection or requisition and it shall be a requirement of settlement that such objection or requisition shall be complied with before settlement.
  - If the purchaser does not on or before the fifth working day after service of a vendor's notice notify the vendor that the purchaser waives the objection or requisition, either the vendor or the purchaser may (notwithstanding any intermediate negotiations) by notice to the other, cancel this agreement.
- (4) In the event of cancellation under subclause 5.2(3), the purchaser shall be entitled to the immediate return of the deposit and any other moneys paid under this agreement by the purchaser and neither party shall have any right or claim against the other arising from this agreement or its cancellation. In particular, the purchaser shall not be entitled to any interest or to the expense of investigating the title or to any compensation whatsoever.
- 5.3 (1) If the title to the property being sold is a cross lease title or a unit title and there are:
- in the case of a cross lease title:
    - alterations to the external dimensions of any leased structure; or
    - buildings or structures not intended for common use which are situated on any part of the land that is not subject to a restricted user covenant;
  - in the case of a unit title, encroachments out of the principal unit or accessory unit title space (as the case may be): then the purchaser may requisition the title under subclause 5.2 requiring the vendor:
  - in the case of a cross lease title, to deposit a new plan depicting the buildings or structures and register a new cross lease or cross leases (as the case may be) and any other ancillary dealings in order to convey good title; or
  - in the case of a unit title, to deposit an amendment to the unit plan, a redevelopment plan or new unit plan (as the case may be) depicting the principal and/or accessory units and register such transfers and any other ancillary dealings in order to convey good title.
- (2) The words "alterations to the external dimensions of any leased structure" shall only mean alterations which are attached to the leased structure and enclosed.
- 5.4 Except as provided by section 7 of the Contractual Remedies Act 1979, no error, omission or misdescription of the property or the title shall enable the purchaser to cancel this agreement but compensation, if claimed by notice before settlement in accordance with subclause 7.1 but not otherwise, shall be made or given as the case may require.
- 5.5 The vendor shall not be liable to pay for or contribute towards the expense of erection or maintenance of any fence between the property and any contiguous land of the vendor but this proviso shall not enure for the benefit of any subsequent purchaser of the contiguous land; and the vendor shall be entitled to require the inclusion of a fencing covenant to this effect in any transfer of the property.

## 6.0 Vendor's warranties and undertakings

- 6.1 The vendor warrants and undertakes that at the date of this agreement the vendor has not:
- received any notice or demand and has no knowledge of any requisition or outstanding requirement:
    - from any local or government authority or other statutory body; or
    - under the Resource Management Act 1991; or
    - from any tenant of the property; or
    - from any other party; or
  - given any consent or waiver – which directly or indirectly affects the property and which has not been disclosed in writing to the purchaser.
- 6.2 The vendor warrants and undertakes that at settlement:
- The chattels are delivered to the purchaser in reasonable working order, where applicable, but in all other respects in their state of repair as at the date of this agreement (fair wear and tear excepted) but failure so to deliver the chattels shall only create a right of compensation.
  - All electrical and other installations on the property are free of any charge whatsoever.
  - There are no arrears of rates, water rates or charges outstanding on the property.
  - Where an allowance has been made by the vendor in the settlement statement for incomings receivable, the settlement statement correctly records those allowances including, in particular, the dates up to which the allowances have been made.
  - Where the vendor has done or caused or permitted to be done on the property any works:
    - any permit, resource consent or building consent required by law was obtained; and
    - to the vendor's knowledge, the works were completed in compliance with those permits or consents; and
    - where appropriate, a code compliance certificate was issued for those works.
  - Where under the Building Act, any building on the property sold requires a compliance schedule:
    - the vendor has fully complied with any requirements specified in any compliance schedule issued by a territorial authority under the Building Act in respect of the building;
    - the building has a current building warrant of fitness; and
    - the vendor is not aware of any reason, that the vendor has not disclosed in writing to the purchaser, which would prevent a building warrant of fitness from being supplied to the territorial authority when the building warrant of fitness is next due.
  - Since the date of this agreement, the vendor has not given any consent or waiver which directly or indirectly affects the property.
  - Any notice or demand received by the vendor, which directly or indirectly affects the property, after the date of this agreement:
    - from any local or government authority or other statutory body; or
    - under the Resource Management Act 1991; or
    - from any tenant of the property; or
    - from any other party -
 has been delivered forthwith by the vendor to either the purchaser or the purchaser's lawyer, unless the vendor has paid or complied with such notice or demand. If the vendor fails to so deliver or pay the notice or demand, the vendor shall be liable for any penalty incurred.
  - Any chattels included in the sale are the unencumbered property of the vendor.
- 6.3 If the property is or includes part only of a building, the warranty and undertaking in subclause 6.2(6) does not apply. Instead the vendor warrants and undertakes at the date of this agreement that, where under the Building Act the building of which the property forms part requires a compliance schedule:
- To the vendor's knowledge, there has been full compliance with any requirements specified in any compliance schedule issued by a territorial authority under the Building Act in respect of the building;
  - The building has a current building warrant of fitness; and
  - The vendor is not aware of any reason, that the vendor has not disclosed in writing to the purchaser, which would prevent a building warrant of fitness from being supplied to the territorial authority when the building warrant of fitness is next due.
- 6.4 The vendor warrants and undertakes that on or immediately after settlement:
- If the water and wastewater charges are determined by meter, the vendor will have the water meter read and will pay the amount of the charge payable pursuant to that reading; but if the water supplier will not make special readings the water and wastewater charges shall be apportioned.
  - Any outgoings included in the settlement statement are paid in accordance with the settlement statement and, where applicable, to the dates shown in the settlement statement, or will be so paid immediately after settlement.
  - The vendor will give notice of sale in accordance with the Local Government (Rating) Act 2002 to the territorial authority and regional council in whose district the land is situated and will also give notice of the sale to every other authority that makes and levies rates or charges on the land and to the supplier of water.

- (4) Where the property is a unit title, the vendor will notify the body corporate in writing of the transfer of the property and the name and address of the purchaser.
- 6.5 If the purchaser has not validly cancelled this agreement, the breach of any warranty or undertaking contained in this agreement does not defer the obligation to settle but that obligation shall be subject to the rights of the purchaser at law or in equity, including any rights under subclause 5.4 and any right of equitable set-off.

## 7.0 Claims for compensation

- 7.1 If the purchaser claims a right to compensation either under subclause 5.4 or for an equitable set-off:
- (1) The purchaser must serve notice of the claim on the vendor before settlement; and
  - (2) The notice must:
    - (a) in the case of a claim for compensation under subclause 5.4, state the particular error, omission or misdescription of the property or title in respect of which compensation is claimed;
    - (b) in the case of a claim to an equitable set-off, state the particular matters in respect of which compensation is claimed;
    - (c) comprise a genuine pre-estimate of the loss suffered by the purchaser; and
    - (d) be particularised and quantified to the extent reasonably possible as at the date of the notice.
- 7.2 For the purposes of subclause 7.1(1), "settlement" means the date for settlement fixed by this agreement unless, by reason of the conduct or omission of the vendor, the purchaser is unable to give notice by that date, in which case notice may be given by the date for settlement fixed by a valid settlement notice served by either party pursuant to subclause 10.1.
- 7.3 If the amount of compensation is agreed, it shall be deducted on settlement.
- 7.4 If the amount of compensation is disputed:
- (1) An interim amount shall be deducted on settlement and paid by the purchaser to a stakeholder until the amount of the compensation is determined.
  - (2) The interim amount must be a reasonable sum having regard to all of the circumstances.
  - (3) If the parties cannot agree on the interim amount, the interim amount shall be determined by an experienced property lawyer appointed by the parties. The appointee's costs shall be met equally by the parties. If the parties cannot agree on the appointee, the appointment shall be made on the application of either party by the president for the time being of the New Zealand Law Society.
  - (4) The stakeholder shall lodge the interim amount on interest-bearing call deposit with a bank registered under the Reserve Bank of New Zealand Act 1989 in the joint names of the vendor and the purchaser.
  - (5) The interest earned on the interim amount net of any withholding tax and any bank or legal administration fees and commission charges shall follow the destination of the interim amount.
  - (6) The amount of compensation determined to be payable shall not be limited by the interim amount.
  - (7) If the parties cannot agree on a stakeholder, the interim amount shall be paid to a stakeholder nominated on the application of either party by the president for the time being of the New Zealand Law Society.
- 7.5 The procedures prescribed in subclauses 7.1 to 7.4 shall not prevent either party taking proceedings for the specific performance of the contract.

## 8.0 Unit title and cross lease provisions

### Unit Titles

- 8.1 If the property is a unit title, sections 144 to 153 of the Unit Titles Act 2010 ("the Act") require the vendor to provide to the purchaser a pre-contract disclosure statement, a pre-settlement disclosure statement and, if so requested by the purchaser, an additional disclosure statement.
- 8.2 If the property is a unit title, the vendor warrants and undertakes as follows:
- (1) Apart from regular periodic contributions, no contributions have been levied or proposed by the body corporate that have not been disclosed in writing to the purchaser.
  - (2) Not less than five working days before the settlement date the vendor will provide:
    - (a) a certificate of insurance for all insurances effected by the body corporate under the provisions of section 135 of the Act; and
    - (b) a pre-settlement disclosure statement from the vendor, certified correct by the body corporate, under section 147 of the Act. Any periodic contributions to the operating account shown in that pre-settlement disclosure statement shall be apportioned. There shall be no apportionment of contributions to any long-term maintenance fund, contingency fund or capital improvement fund.
  - (3) There are no other amounts owing by the owner under any provision of the Act or the Unit Titles Act 1972.
  - (4) There are no unsatisfied judgments against the body corporate and no proceedings have been instituted against or by the body corporate.
  - (5) No order or declaration has been made by any Court against the body corporate or the owner under any provision of the Act or the Unit Titles Act 1972.
  - (6) The vendor has no knowledge or notice of any fact which might give rise to or indicate the possibility of:
    - (a) the owner or the purchaser incurring any other liability under any provision of the Act or the Unit Titles Act 1972; or
    - (b) any proceedings being instituted by or against the body corporate; or
    - (c) any order or declaration being sought against the body corporate or the owner under any provision of the Act or the Unit Titles Act 1972.
  - (7) The vendor is not aware of proposals to pass any body corporate resolution relating to its rules nor are there any unregistered changes to the body corporate rules which have not been disclosed in writing to the purchaser.
  - (8) No lease, licence, easement or special privilege has been granted by the body corporate in respect of any part of the common property which has not been disclosed in writing to the purchaser.
  - (9) No resolution has been passed and no application has been made and the vendor has no knowledge of any proposal for:
    - (a) the transfer of the whole or any part of the common property;
    - (b) the addition of any land to the common property;
    - (c) the cancellation of the unit plan; or
    - (d) the deposit of an amendment to the unit plan, a redevelopment plan or a new unit plan in substitution for the existing unit plan which has not been disclosed in writing to the purchaser.
  - (10) As at settlement, all contributions and other moneys payable by the vendor to the body corporate have been paid in full.
- 8.3 If the property is a unit title, in addition to the purchaser's rights under sections 149 and 150 of the Act, if the vendor does not provide the certificates of insurance and the pre-settlement disclosure statement under section 147 in accordance with the requirements of subclause 8.2(2), the purchaser may:
- (1) postpone the settlement date until the fifth working day following the date on which that information is provided to the purchaser; or
  - (2) elect that settlement shall still take place on the settlement date.
- 8.4 If the property is a unit title, each party specifies that:
- (1) The facsimile number of the office of that party's lawyer shall be an address for service for that party for the purposes of section 205(1)(d) of the Act; and
  - (2) If that party is absent from New Zealand, that party's lawyer shall be that party's agent in New Zealand for the purposes of section 205(2) of the Act.
- 8.5 If the property is a unit title, any costs owing by the purchaser to the vendor pursuant to section 148(5) of the Act for providing an additional disclosure statement shall be included in the moneys payable by the purchaser on settlement pursuant to subclause 3.8(1). Such costs may be deducted from the deposit if the purchaser becomes entitled to a refund of the deposit upon cancellation or avoidance of this agreement.

### Unauthorised structures - Cross leases and unit titles

- 8.6 (1) Where structures (not stated in clause 5.0 to be requisitionable) have been erected on the property without:
- (a) in the case of a cross lease title any required lessors' consent; or
  - (b) in the case of a unit title any required body corporate consent -
- the purchaser may demand within the period expiring on the earlier of:
- (i) the tenth working day after the date of this agreement; or
  - (ii) the settlement date -
- that the vendor obtain the written consent of the current lessors or the body corporate (as the case may be) to such improvements ("a current consent") and provide the purchaser with a copy of such consent on or before the settlement date.
- (2) Should the vendor be unwilling or unable to obtain a current consent then the procedure set out in subclauses 5.2(3) and 5.2(4) shall apply with the purchaser's demand under subclause 8.6(1) being deemed to be an objection and requisition.

## 9.0 Conditions and mortgage terms

### Particular conditions

- 9.1 If particulars of any finance condition(s) are inserted on the front page of this agreement, this agreement is conditional upon the purchaser arranging finance in terms of those particulars on or before the finance date.

- 9.2 (1) If the purchaser has indicated on the front page of this agreement that a LIM is required:
- that LIM is to be obtained by the purchaser at the purchaser's cost;
  - the purchaser is to request the LIM on or before the fifth working day after the date of this agreement; and
  - this agreement is conditional upon the purchaser approving that LIM provided that such approval must not be unreasonably or arbitrarily withheld.
- (2) If, on reasonable grounds, the purchaser does not approve the LIM, the purchaser shall give notice to the vendor ("the purchaser's notice") on or before the fifteenth working day after the date of this agreement stating the particular matters in respect of which approval is withheld and, if those matters are capable of remedy, what the purchaser reasonably requires to be done to remedy those matters. If the purchaser does not give a purchaser's notice the purchaser shall be deemed to have approved the LIM. If through no fault of the purchaser the LIM is not available on or before the fifteenth working day after the date of this agreement and the vendor does not give an extension when requested, this condition shall not have been fulfilled and the provisions of subclause 9.8(5) shall apply.
- (3) The vendor shall give notice to the purchaser ("the vendor's notice") on or before the fifth working day after receipt of the purchaser's notice advising whether or not the vendor is able and willing to comply with the purchaser's notice by the settlement date.
- (4) If the vendor does not give a vendor's notice, or if the vendor's notice advises that the vendor is unable or unwilling to comply with the purchaser's notice, and if the purchaser does not, on or before the tenth working day after the date on which the purchaser's notice is given, give notice to the vendor that the purchaser waives the objection to the LIM, this condition shall not have been fulfilled and the provisions of subclause 9.8(5) shall apply.
- (5) If the vendor gives a vendor's notice advising that the vendor is able and willing to comply with the purchaser's notice, this condition is deemed to have been fulfilled and it shall be a requirement of settlement that the purchaser's notice shall be complied with, and also if the vendor must carry out work on the property, that the vendor shall obtain the approval of the territorial authority to the work done, both before settlement.
- 9.3 If the purchaser has indicated on the front page of this agreement that a building report is required, this agreement is conditional upon the purchaser obtaining at the purchaser's cost on or before the tenth working day after the date of this agreement a report on the condition of the buildings and any other improvements on the property that is satisfactory to the purchaser, on the basis of an objective assessment. The report must be prepared in good faith by a suitably-qualified building inspector in accordance with accepted principles and methods. Subject to the rights of any tenants of the property, the vendor shall allow the building inspector to inspect the property at all reasonable times upon reasonable notice for the purposes of preparation of the report. The building inspector may not carry out any invasive testing in the course of inspection without the vendor's prior written consent. If the purchaser avoids this agreement for non-fulfilment of this condition pursuant to subclause 9.8(5), the purchaser must provide the vendor immediately upon request with a copy of the building inspector's report.
- 9.4 (1) If the purchaser has indicated on the front page of this agreement that OIA Consent is not required then the purchaser warrants that the purchaser does not require OIA Consent.
- (2) If the purchaser has indicated on the front page of this agreement that OIA Consent is required, this agreement is conditional upon OIA Consent being obtained on or before the Land Act/OIA date shown on the front page of this agreement, the purchaser being responsible for payment of the application fee.
- 9.5 If this agreement relates to a transaction to which the Land Act 1948 applies, this agreement is subject to the vendor obtaining the necessary consent by the Land Act/OIA date shown on the front page of this agreement.
- 9.6 If the Land Act/OIA date is not shown on the front page of this agreement that date shall be the settlement date or a date 65 working days from the date of this agreement whichever is the sooner.
- 9.7 If this agreement relates to a transaction to which section 225 of the Resource Management Act 1991 applies then this agreement is subject to the appropriate condition(s) imposed by that section.

#### Operation of conditions

- 9.8 If this agreement is expressed to be subject either to the above or to any other condition(s), then in relation to each such condition the following shall apply unless otherwise expressly provided:
- The condition shall be a condition subsequent.
  - The party or parties for whose benefit the condition has been included shall do all things which may reasonably be necessary to enable the condition to be fulfilled by the date for fulfilment.
  - Time for fulfilment of any condition and any extended time for fulfilment to a fixed date shall be of the essence.
  - The condition shall be deemed to be not fulfilled until notice of fulfilment has been served by one party on the other party.
  - If the condition is not fulfilled by the date for fulfilment, either party may at any time before the condition is fulfilled or waived avoid this agreement by giving notice to the other. Upon avoidance of this agreement the purchaser shall be entitled to the immediate return of the deposit and any other moneys paid by the purchaser under this agreement and neither party shall have any right or claim against the other arising from this agreement or its termination.
  - At any time before this agreement is avoided the purchaser may waive any finance condition and either party may waive any other condition which is for the sole benefit of that party. Any waiver shall be by notice.

#### Mortgage terms

- 9.9 Any mortgage to be arranged pursuant to a finance condition shall be upon and subject to the terms and conditions currently being required by the lender in respect of loans of a similar nature.
- 9.10 If the vendor is to advance mortgage moneys to the purchaser then, unless otherwise stated, the mortgage shall be in the appropriate "fixed sum" form currently being published by Auckland District Law Society Incorporated.

### 10.0 Notice to complete and remedies on default

- 10.1 (1) If the sale is not settled on the settlement date either party may at any time thereafter serve on the other party a settlement notice; but
- (2) The settlement notice shall be effective only if the party serving it is at the time of service either in all material respects ready able and willing to proceed to settle in accordance with this agreement or is not so ready able and willing to settle only by reason of the default or omission of the other party.
- (3) If the purchaser is in possession the vendor's right to cancel this agreement will be subject to sections 28 to 36 of the Property Law Act 2007 and the settlement notice may incorporate or be given with a notice under section 28 of that Act complying with section 29 of that Act.
- 10.2 Subject to subclause 10.1(3), upon service of the settlement notice the party on whom the notice is served shall settle:
- on or before the twelfth working day after the date of service of the notice; or
  - on the first working day after the 13th day of January if the period of twelve working days expires during the period commencing on the 6th day of January and ending on the 13th day of January, both days inclusive –
- time being of the essence, but without prejudice to any intermediate right of cancellation by either party.
- 10.3 (1) If this agreement provides for the payment of the purchase price by instalments and the purchaser fails duly and punctually to pay any instalment on or within one month from the date on which it fell due for payment then, whether or not the purchaser is in possession, the vendor may immediately give notice to the purchaser calling up the unpaid balance of the purchase price, which shall upon service of the notice fall immediately due and payable.
- The date of service of the notice under this subclause shall be deemed the settlement date for the purposes of subclause 10.1.
  - The vendor may give a settlement notice with a notice under this subclause.
  - For the purpose of this subclause a deposit is not an instalment.
- 10.4 If the purchaser does not comply with the terms of the settlement notice served by the vendor then, subject to subclause 10.1(3):
- Without prejudice to any other rights or remedies available to the vendor at law or in equity the vendor may:
    - sue the purchaser for specific performance; or
    - cancel this agreement by notice and pursue either or both of the following remedies namely:
      - forfeit and retain for the vendor's own benefit the deposit paid by the purchaser, but not exceeding in all 10% of the purchase price; and/or
      - sue the purchaser for damages.
  - Where the vendor is entitled to cancel this agreement the entry by the vendor into a conditional or unconditional agreement for the resale of the property or any part thereof shall take effect as a cancellation of this agreement by the vendor if this agreement has not previously been cancelled and such resale shall be deemed to have occurred after cancellation.
  - The damages claimable by the vendor under subclause 10.4(1)(b)(ii) shall include all damages claimable at common law or in equity and shall also include (but shall not be limited to) any loss incurred by the vendor on any bona fide resale contracted within one year from the date by which the purchaser should have settled in compliance with the settlement notice. The amount of that loss may include:
    - interest on the unpaid portion of the purchase price at the interest rate for late settlement from the settlement date to the settlement of such resale; and
    - all costs and expenses reasonably incurred in any resale or attempted resale; and
    - all outgoings (other than interest) on or maintenance expenses in respect of the property from the settlement date to the settlement of such resale.
  - Any surplus money arising from a resale as aforesaid shall be retained by the vendor.
- 10.5 If the vendor does not comply with the terms of a settlement notice served by the purchaser then without prejudice to any other rights or remedies available to the purchaser at law or in equity the purchaser may:
- sue the vendor for specific performance; or
  - cancel this agreement by notice and require the vendor forthwith to repay to the purchaser any deposit and any other money paid on account of the purchase price and interest on such sum(s) at the interest rate for late settlement from the date or dates of payment by the purchaser until repayment.

- 10.6 The party serving a settlement notice may extend the term of the notice for one or more specifically stated periods of time and thereupon the term of the settlement notice shall be deemed to expire on the last day of the extended period or periods and it shall operate as though this clause stipulated the extended period(s) of notice in lieu of the period otherwise applicable; and time shall be of the essence accordingly. An extension may be given either before or after the expiry of the period of the notice.
- 10.7 Nothing in this clause shall preclude a party from suing for specific performance without giving a settlement notice.
- 10.8 A party who serves a settlement notice under this clause shall not be in breach of an essential term by reason only of that party's failure to be ready and able to settle upon the expiry of that notice.

### 11.0 Non-merger

- 11.1 The obligations and warranties of the parties in this agreement shall not merge with:
- (1) the giving and taking of possession;
  - (2) settlement;
  - (3) the transfer of title to the property;
  - (4) delivery of the chattels (if any); or
  - (5) registration of the transfer of title to the property.

### 12.0 Agent

- 12.1 If the name of a licensed real estate agent is recorded on this agreement it is acknowledged that the sale evidenced by this agreement has been made through that agent whom the vendor appoints as the vendor's agent to effect the sale. The vendor shall pay the agent's charges including GST for effecting such sale.

### 13.0 Goods and Services Tax

- 13.1 If this agreement provides for the purchaser to pay (in addition to the purchase price stated without GST) any GST which is payable in respect of the supply made under this agreement then:
- (1) The purchaser shall pay to the vendor the GST which is so payable in one sum on the GST date.
  - (2) Where the GST date has not been inserted on the front page of this agreement the GST date shall be the settlement date.
  - (3) Where any GST is not so paid to the vendor the purchaser shall pay to the vendor:
    - (a) interest at the interest rate for late settlement on the amount of GST unpaid from the GST date until payment; and
    - (b) any default GST.
  - (4) It shall not be a defence to a claim against the purchaser for payment to the vendor of any default GST that the vendor has failed to mitigate the vendor's damages by paying an amount of GST when it fell due under the GST Act.
  - (5) Any sum referred to in this clause is included in the moneys payable by the purchaser on settlement pursuant to subclause 3.8(1).
- 13.2 If the supply under this agreement is a taxable supply the vendor will deliver a tax invoice to the purchaser on or before the GST date or such earlier date as the purchaser is entitled to delivery of an invoice under the GST Act.
- 13.3 The vendor warrants that any dwelling and curtilage or part thereof supplied on sale of the property are not a supply to which section 5(16) of the GST Act applies.
- 13.4
- (1) Without prejudice to the vendor's rights and remedies under subclause 13.1, where any GST is not paid to the vendor on or within one month of the GST date, then whether or not the purchaser is in possession, the vendor may immediately give notice to the purchaser calling up any unpaid balance of the purchase price, which shall upon service of the notice fall immediately due and payable.
  - (2) The date of service of the notice under this subclause shall be deemed the settlement date for the purposes of subclause 10.1.
  - (3) The vendor may give a settlement notice under subclause 10.1 with a notice under this subclause.

### 14.0 Zero-rating

- 14.1 The parties warrant that the particulars stated in Schedule 2 are correct at the date of this agreement.
- 14.2 Where the particulars stated in Schedule 2 indicate that at settlement:
- (1) The vendor is a registered person or will be a registered person;
  - (2) The recipient is a registered person or will be a registered person;
  - (3) The recipient intends to use the goods supplied under this agreement for making taxable supplies; and
  - (4) The recipient does not intend to use the property as a principal place of residence by the recipient or a person associated with the recipient under section 2A(1)(c) of the GST Act -
- GST will be chargeable on the supply under this agreement at zero per cent pursuant to section 11(1)(mb) of the GST Act.
- 14.3 If GST is chargeable on the supply under this agreement at zero per cent pursuant to section 11(1)(mb) of the GST Act, then on or before settlement the purchaser will provide the vendor with the recipient's name, address and registration number if any of those details are not included in Schedule 2 or they have altered.
- 14.4 If any of the particulars stated by the purchaser in Schedule 2 should alter between the date of this agreement and settlement, the purchaser shall notify the vendor of the altered particulars as soon as practicable and in any event no later than two working days before settlement. The purchaser warrants that any altered particulars will be correct as at the date of the purchaser's notification. If the GST treatment of the supply under this agreement should be altered as a result of the altered particulars, the vendor shall prepare and deliver to the purchaser or the purchaser's lawyer an amended settlement statement if the vendor has already tendered a settlement statement, and a credit note or a debit note, as the case may be, if the vendor has already issued a tax invoice.

### 15.0 Supply of a Going Concern

- 15.1 If there is a supply under this agreement to which section 11(1)(mb) of the GST Act does not apply but which comprises the supply of a taxable activity that is a going concern at the time of the supply, then, unless otherwise expressly stated herein:
- (1) Each party warrants that it is a registered person or will be so by the date of the supply;
  - (2) Each party agrees to provide the other party by the date of the supply with proof of its registration for GST purposes;
  - (3) The parties agree that they intend that the supply is of a taxable activity that is capable of being carried on as a going concern by the purchaser; and
  - (4) The parties agree that the supply made pursuant to this agreement is the supply of a going concern on which GST is chargeable at zero per cent.
- 15.2 If after subsequently transpires that GST is payable in respect of the supply and if this agreement provides for the purchaser to pay (in addition to the purchase price without GST) any GST which is payable in respect of the supply made under this agreement, then the provisions of clause 13.0 of this agreement shall apply.

### 16.0 Limitation of Liability

- 16.1 If any person enters into this agreement as trustee of a trust, then:
- (1) That person warrants that:
    - (a) that person has power to enter into this agreement under the terms of the trust;
    - (b) that person has properly signed this agreement in accordance with the terms of the trust;
    - (c) that person has the right to be indemnified from the assets of the trust and that right has not been lost or impaired by any action of that person including entry into this agreement; and
    - (d) all of the persons who are trustees of the trust have approved entry into this agreement.
  - (2) If that person has no right to or interest in any assets of the trust except in that person's capacity as a trustee of the trust, that person's liability under this agreement will not be personal and unlimited but will be limited to the actual amount recoverable from the assets of the trust from time to time ("the limited amount"). If the right of that person to be indemnified from the trust assets has been lost or impaired, that person's liability will become personal but limited to the extent of that part of the limited amount which cannot be recovered from any other person.

### 17.0 Counterparts

- 17.1 This agreement may be executed in two or more counterparts, all of which will together be deemed to constitute one and the same agreement. A party may enter into this agreement by signing a counterpart copy and sending it to the other party, including by facsimile or e-mail.

FURTHER TERMS OF SALE

DRAFT



**SCHEDULE 1**

List all chattels included in the sale  
*(strike out or add as applicable)*

**Stove    Fixed floor coverings    Blinds    Curtains    Drapes    Light fittings**

All chattels and personal property owned by the vendor (or a subsidiary of the vendor or a party having control of the vendor) and used wholly or principally in connection with the management and operation of an international convention centre at the Property.

DRAFT

**SCHEDULE 2  
(GST Information – see clause 14.0)**

**Section 1**

1.	The vendor is registered under the GST Act or will be so registered at settlement.	Yes/ <del>No</del>
2.	The vendor's registration number (if already registered):	
3.	The purchaser is registered under the GST Act or will be so registered at settlement.	Yes/ <del>No</del>
4.	The purchaser's details are as follows:	
(a)	Full name: Her Majesty the Queen in Right of New Zealand acting by and through the Minister for Economic Development	
(b)	Address:	
(c)	Registration number (if already registered):	
5.	The purchaser intends at settlement to use the goods supplied under this agreement for making taxable supplies.	Yes/ <del>No</del>
6.	The purchaser intends at settlement to use the property as a principal place of residence by the purchaser or a person associated with the purchaser under section 2A(1)(c) of the GST Act	<del>Yes</del> /No
7.	The purchaser intends to direct the vendor to transfer title to the property to another party ("nominee")	Yes/No

If the answer to question 7 is "Yes", then please continue. Otherwise, there is no need to complete this Schedule any further.

**Section 2**

8.	The nominee is registered under the GST Act or is expected by the purchaser to be so registered at settlement.	Yes/No
9.	The nominee's details (if known to the purchaser) are as follows:	
(a)	Full name:	
(b)	Address:	
(c)	Registration number (if already registered):	
10.	The purchaser expects the nominee to intend at settlement to use the goods supplied under this agreement for making taxable supplies.	Yes/No
11.	The purchaser expects the nominee to intend at settlement to use the property as a principal place of residence by the nominee or a person associated with the nominee under section 2A(1)(c) of the GST Act	Yes/No

**WARNING** *(This warning does not form part of this agreement)*

This is a binding contract. **Read the information set out on the back page before signing.**

**Acknowledgements**

Where this agreement relates to the sale of a residential property and this agreement was provided to the parties by a real estate agent, or by a licensee on behalf of the agent, the parties acknowledge that they have been given the guide about the sale of residential property approved by the Real Estate Agents Authority.

**Signature of vendor(s)**

**Signature of purchaser(s)**

.....  
.....

.....  
.....

**BEFORE SIGNING THE AGREEMENT****AGREEMENT FOR SALE AND  
PURCHASE OF REAL ESTATE**

© This form is copyright to the Real Estate Institute of New Zealand Incorporated and  
Auckland District Law Society Incorporated

DATE:

**VENDOR:**

SKYCITY ENTERTAINMENT GROUP LIMITED

Contact Details:

**VENDOR'S LAWYERS:**

Firm:

Individual Acting:

Contact Details:

**PURCHASER:**

HER MAJESTY THE QUEEN

Contact Details:

**PURCHASER'S LAWYERS:**

Firm: Kensington Swan

Individual Acting: Gerald Fitzgerald

Contact Details:

PO Box 10-246

Wellington

Phone: 04 472 7877

Fax: 04 472 2291

Email: gerald.fitzgerald@kensingtonswan.com

- It is recommended both parties seek professional advice before signing. This is especially so if:
  - there are any doubts. Once signed, this will be a binding contract with only restricted rights of termination.
  - property such as a hotel or a farm is being sold. The agreement is designed primarily for the sale of residential and commercial property.
  - the property is vacant land in the process of being subdivided or there is a new unit title or cross lease to be issued. In these cases additional clauses may need to be inserted.
  - there is any doubt as to the position of the boundaries.
  - the purchaser wishes to check the weathertightness and soundness of construction of any dwellings or other buildings on the land.
- The purchaser should investigate the status of the property under the Council's District Plan. The property and those around it are affected by zoning and other planning provisions regulating their use and future development.
- The purchaser should investigate whether necessary permits, consents and code compliance certificates have been obtained from the Council where building works have been carried out. This investigation can be assisted by obtaining a LIM from the Council.
- The purchaser should compare the title plans against the physical location of existing structures where the property is a unit title or cross lease. Structures or alterations to structures not shown on the plans may result in the title being defective.
- In the case of a unit title, before the purchaser enters into the agreement:
  - the vendor must provide to the purchaser a pre-contract disclosure statement under section 146 of the Unit Titles Act 2010;
  - the purchaser should check the minutes of the past meetings of the body corporate, enquire whether there are any issues affecting the units and/or the common property, check the body corporate's long term maintenance plan and enquire whether the body corporate has imposed or proposed levies for a long term maintenance fund or any other fund for the maintenance of, or remedial or other work to, the common property.
- The vendor should ensure the warranties and undertakings in clauses 6.0 and 8.0:
  - are able to be complied with; and if not
  - the applicable warranty is deleted from the agreement and any appropriate disclosure is made to the purchaser.
- Both parties should ensure the chattels list in Schedule 1 is accurate.
- Before signing this agreement, both parties should seek professional advice regarding the GST treatment of the transaction. This depends upon the GST information supplied by the parties and could change before settlement if that information changes.

**THE ABOVE NOTES ARE NOT PART OF THIS AGREEMENT AND ARE NOT A COMPLETE LIST OF MATTERS WHICH ARE IMPORTANT IN CONSIDERING THE LEGAL CONSEQUENCES OF THIS AGREEMENT.**

**PROFESSIONAL ADVICE SHOULD BE SOUGHT REGARDING THE EFFECT AND CONSEQUENCES OF ANY AGREEMENT ENTERED INTO BETWEEN THE PARTIES.**

**THE PURCHASER IS ENTITLED TO A COPY OF ANY SIGNED OFFER AT THE TIME IT IS MADE.**

**LICENSED REAL ESTATE AGENT:**

Agent's Name:

Manager:

Salesperson:

Contact Details:

## Schedule 9 Other provisions of Crown Lease

In the event that the Crown elects to take up the Crown Lease, the following provisions shall apply in addition to the terms set out in clause 20.2 of the Agreement:

- a SKYCITY leases the NZICC and the Land (including all personal property owned by SKYCITY or any member of the SKYCITY Group and used wholly or principally in connection with the NZICC), and the Crown takes the same on lease as from the date of the notice given to SKYCITY by the Crown pursuant to clause 20.2f.
- b Throughout the term of the Crown Lease the Crown shall be entitled to own, operate and manage the NZICC as the New Zealand International Convention Centre.
- c Throughout the term of the Crown Lease SKYCITY shall be responsible for the following:
  - Keeping the NZICC insured on a full replacement and reinstatement basis and paying all premiums in respect of such insurance and all excess amounts payable in respect of any claim made in respect of such insurance cover. SKYCITY shall upon demand produce to the Crown particulars of such insurance cover and proof of payment of premiums. The Crown shall not do or omit to do anything which prejudices any such insurance policy or the right to make a claim under any such insurance policies;
  - Paying all local authority rates and other levies or taxes payable in respect of the NZICC and/or the Land and/or the ownership of the NZICC and/or the Land by SKYCITY and all rent and other charges payable under any ground lease;
  - Keeping on foot service contracts for air conditioning, lifts, other building services, and security services in respect of the NZICC which are not assigned to the Crown pursuant to clause 20.4, and paying all charges in relation thereto;
  - At its cost keeping the Land (including yard areas, car parking areas, storm or waste water systems, lawns, and garden areas) in good order and repair, and keeping the NZICC in good structural and decorative order, repair, and condition and water-tight.
- d SKYCITY shall permit the Crown to maintain and amend such signage as the Crown thinks fit throughout the lease term.
- e The Crown shall be entitled to make additions or alterations to the NZICC for the purposes of the operation and management of the NZICC and shall not be required to reinstate the NZICC at the expiration of the lease term. Nor shall the Crown as tenant have any liability at the end or earlier expiration of the lease term to remove any fixtures, fittings, chattels or improvements in respect of the NZICC.
- f Throughout the lease term, the Crown as tenant will pay to the relevant suppliers the GST inclusive amount of all charges for telephones, electricity, gas, water and other utilities or services used at the NZICC (including line charges), the collection of rubbish from the NZICC, the replacement (as necessary) of light bulbs and tubes within the NZICC, and the cost of air conditioning supplied to the NZICC.

- g The Crown as tenant shall not be entitled to assign the Crown lease, but may sublet parts of the NZICC or the Land.
- h If the NZICC or any portion of the NZICC is destroyed or damaged by fire, flood, explosion, lightning, storm, earthquake, or volcanic activity, SKYCITY as Landlord shall with all reasonable speed repair the damage or reinstate and reconstruct the NZICC. Any repair, reinstatement or reconstruction of the NZICC may be carried out by SKYCITY as Landlord using such materials and form of construction and in accordance with such plans as are first approved in writing by the Crown as tenant. Such approval shall not be unreasonably or arbitrarily withheld as long as following such repair, reinstatement or reconstruction the NZICC is suitable in all respects for the Crown's occupation and use of the NZICC, and the repaired, reinstated or reconstructed NZICC and all building services are of no less a quality and standard than applied prior to the damage or destruction, and suitable in all respects to enable the Crown to meet the Objectives.
- i Except to the extent to which the same are negated by this Schedule, the covenants, conditions and powers set out in Schedule 3 of the Property Law Act 2007 shall apply to the Crown Lease. If there is any dispute or difference between the provisions of Schedule 3 and the provisions of this Schedule to the Agreement, the provisions of this Schedule shall prevail.
- j In the event the Ground Lease has been granted prior to the commencement of the Crown Lease or is granted during the term of the Crown Lease, SKYCITY shall comply with the obligations of the Ground Lessee throughout the term of the Crown Lease (except to the extent any such obligations are expressly the obligation of the Crown under the Crown Lease).
- k In the event that SKYCITY fails to comply with any of its obligations contained in the Crown Lease and such failure is not remedied within a reasonable period of notice requiring remediation from the Crown, the Crown may (without limiting any other remedies it may wish to pursue) comply with such SKYCITY obligations.

**Schedule 10 Memorandum of Encumbrance Instruments and  
Restrictive Covenants and Ground Lease Tripartite  
Deed**

**A. Ground Lease Memorandum of Encumbrance**

**Draft Ground Lease Memorandum of Encumbrance instrument**

**Encumbrance Instrument**  
(Section 101 Land Transfer Act 1952)

Affected instrument Identifier  
and type (if applicable)

All/part

Area/Description of part or stratum

[Ground Lease Title]

All

**Encumbrancer**

SKYCITY ENTERTAINMENT GROUP LIMITED

**Encumbrancee**

HER MAJESTY THE QUEEN in Right of New Zealand acting by and through the Minister for Economic Development

**Estate or interest to be encumbered**

*Insert e.g. Fee simple, Leasehold in Lease No. etc*

[Ground Lease Title]

**Encumbrance Memorandum Number**

Nil

**Nature of security**

*State whether sum of money, annuity or rentcharge and amount*

Annual rent charge of a peppercorn

**Encumbrance**

*Delete words in {}, as appropriate*

The Encumbrancer encumbers for the benefit of the Encumbrancee the land in the above computer register(s) with the above sum of money, annuity or rentcharge, to be raised and paid in accordance with the terms set out in the {above Encumbrance Memorandum} [Annexure Schedule(s)] and so as to incorporate in this Encumbrance the terms and other provisions set out in the {above Encumbrance Memorandum} [and] [Annexure Schedule(s)] for the better securing to the Encumbrancee the payment(s) secured by this Encumbrance, and compliance by the Encumbrancer with the terms of this Encumbrance.

**Terms**

1. **Length of term:** Refer clause 2.2 in Annexure Schedule.
  2. ~~Payment date(s):~~
  3. ~~Event(s) in which the sum, annuity or rentcharge becomes payable:~~
  4. ~~Payment of sum, annuity or rentcharge:~~
  5. ~~Event(s) in which the sum, annuity or rentcharge ceases to be payable:~~
- Other terms as per the Annexure Schedule.

**Covenants and conditions***Continue in Annexure Schedule(s), if required*

As per the Annexure Schedule.

**Modification of statutory provisions***Continue in Annexure Schedule(s), if required*

As per the Annexure Schedule.

## Background

- A The Encumbrancer is registered as proprietor of the Lease.
- B The Encumbrancer and the Encumbrancee are the parties to the Convention Centre Agreement.
- C Pursuant to the Convention Centre Agreement the Encumbrancer has agreed to construct on the Land the NZICC and has agreed with the Encumbrancee to manage and operate the NZICC on the terms and conditions therein set out.
- D In the event that the Encumbrancer commits certain events of default, the Encumbrancee amongst other remedies and subject to the terms of the Convention Centre Agreement may require the Encumbrancer to grant the Crown Lease in favour of the Encumbrancee or to assign to the Encumbrancee its interest in the Lease (including the sale of all improvements on the Land) on the terms in the Crown Option, in each case to enable the Encumbrancee to operate and manage the NZICC in lieu of the Encumbrancer.
- E The Encumbrancer has agreed with the Encumbrancee that it will not sell, transfer or otherwise deal with its interest in the Lease and/or the NZICC and/or its rights and obligations under the Convention Centre Agreement, or otherwise act in a manner which prejudices the ability of the Encumbrancer to call for the Crown Lease or to exercise the Crown Option.
- F The Encumbrancer has agreed to enter into and execute this encumbrance instrument.

## 1 Interpretation

In this encumbrance instrument, unless the context requires otherwise:

### 1.1 Definitions

**'Convention Centre Agreement'** means the New Zealand International Convention Centre Project and Licensing Agreement entered into between the Encumbrancer and the Encumbrancee and dated [                    ].

**'Crown Lease'** has the meaning set out in the Convention Centre Agreement.

**'Crown Lease Event'** has the meaning set out in the Convention Centre Agreement.

**'Crown Option'** has the meaning set out in the Convention Centre Agreement.

**'Crown Option Event'** has the meaning set out in the Convention Centre Agreement.

**'Encumbrancer'** means the Encumbrancer named in this encumbrance instrument, and includes the registered proprietor for the time being of the Lease, any person claiming under such registered proprietor, and the registered proprietor's licensees and tenants.

**'Land'** means the land comprising the premises the subject of the Lease.

**'Lease'** means the lease and the leasehold estate for which there has issued the Ground Lease Title described on the front page of this encumbrance instrument.

'NZICC' means the building to be constructed by the Encumbrancer on the Land and to be managed and operated by the Encumbrancer as the New Zealand International Convention Centre in accordance with the terms of the Convention Centre Agreement.

'Term' has the meaning set out in the Convention Centre Agreement.

## 1.2 **Defined expressions**

Expressions defined in the main body of this encumbrance instrument have the defined meaning in the whole of this encumbrance instrument, including the background.

## 1.3 **Headings**

Section, clause and other headings are for each of reference only, and do not affect this encumbrance instrument's interpretation.

## 1.4 **Negative Obligations**

Any obligation not to do anything includes an obligation not to suffer, permit or cause that thing to be done.

## 1.4 **Parties**

References to parties are references to parties to this encumbrance instrument and, in the case of the Encumbrancer, to its successors and assigns.

## 1.5 **Persons**

References to persons include references to individuals, companies, corporations, partnerships, firms, joint ventures, associations, trusts, organisations, governmental or other regulatory bodies or authorities or other entities, in each case whether or not having separate legal personality.

## 1.6 **Plural and Singular**

Words importing the singular number include the plural and vice versa.

## 1.7 **Sections, Clauses and Schedules**

Reference to sections, clauses and schedules are references to this encumbrance instrument's sections, clauses and schedules.

## 1.8 **Statutes and Regulations**

References to any statutory provision includes any statutory provision which amends or replaces it, and any subordinate legislation made under it.

## **2 Land Encumbered**

2.1 The Encumbrancer encumbers the Land in terms of the operative clause on the front page of this encumbrance instrument and in accordance with the following terms of this encumbrance instrument.

2.2 The term of this encumbrance instrument shall commence on the date of this encumbrance instrument and end on the last day of the Term.

### **3 Rent Charge**

- 3.1 The rent charge shall be paid by the Encumbrancer to the Encumbrancee on the last day of January in each year, if demanded (but not otherwise). The Encumbrancee may make demand for payment of the rent charge only if there has been a breach by the Encumbrancer of the terms of this encumbrance instrument.
- 3.2 The parties agree that:
- a the rent charge shall be payable by the Encumbrancer only following demand of the same being made by the Encumbrancee in accordance with the terms of this encumbrance instrument; and
  - b under no circumstances shall the rent charge for the relevant year or any future year be paid in advance.
- 3.3 The parties acknowledge and agree that:
- a payment of the rent charge in any year shall not in any way limit or prejudice the Encumbrancee's rights to seek and obtain injunctive relief or other equitable remedies in the event of a breach or anticipated breach by the Encumbrancer of this encumbrance instrument;
  - b the rent charge is not to be treated as a form of liquidated damages; and
  - c the amount of the rent charge shall not limit the amount of damages which the Encumbrancee may be entitled to claim in the event of a breach by the Encumbrancer of this encumbrance instrument.

### **4 Encumbrancer's Covenants**

- 4.1 The Encumbrancer acknowledges and agrees that upon the occurrence of a Crown Lease Event the Encumbrancee has the right to take the Crown Lease on the terms and conditions set out in the Convention Centre Agreement.
- 4.2 The Encumbrancer acknowledges and agrees that upon the occurrence of a Crown Option Event the Encumbrancee may exercise the Crown Option on the terms and conditions set out in the Convention Centre Agreement.
- 4.3 The Encumbrancer covenants and agrees with the Encumbrancee that it will not sell, transfer or otherwise deal with its interest in the Lease and/or its rights and obligations under the Convention Centre Agreement and/or otherwise act in a manner which prejudices the ability of the Encumbrancee to call for and obtain the full benefit of the Crown Lease or to exercise and obtain the full benefit of the Crown Option.

### **5 Property Law Act 2007 and Land Transfer Act 1952**

- 5.1 The Encumbrancee shall be entitled to all of the powers and remedies (but excluding the power of sale and the power to enter into possession) given to encumbrancees by the Land Transfer Act 1952 and the Property Law Act 2007 except that the implied terms set out in Part 1 of Schedule 2 of the Property Law Act 2007 shall be expressly excluded from this encumbrance instrument.

## **6 Consent of Encumbrancee**

- 6.1 The Encumbrancee's consent shall not be required to the registration of any instrument against the computer freehold register identifier for the Lease which has priority behind this encumbrance instrument.

## **7 No Prejudice**

- 7.1 No delay or failure by the Encumbrancee to enforce performance of any of the covenants on the part of the Encumbrancer set out in this encumbrance instrument and no indulgence granted to the Encumbrancer by the Encumbrancee shall prejudice the rights of the Encumbrancee to enforce any of the covenants of this encumbrance instrument.

**B. Ground Lease Restrictive Covenant**

**Easement instrument to grant easement or *profit à prendre*, or create land covenant**  
 (Sections 90A and 90F Land Transfer Act 1952)

2009/6229EF  
 APPROVED  
 Registrar-General of Land

**Grantor**

SKYCITY Entertainment Group Limited

**Grantee**

HER MAJESTY THE QUEEN in Right of New Zealand acting by and through the MINISTER FOR ECONOMIC DEVELOPMENT

**Grant of Easement or *Profit à prendre* or Creation of Covenant**

The Grantor being the registered proprietor of the servient tenement(s) set out in Schedule A grants to the Grantee (and, if so stated, in gross) the easement(s) or *profit(s) à prendre* set out in Schedule A, or creates the covenant(s) set out in Schedule A, with the rights and powers or provisions set out in the Annexure Schedule(s)

**Schedule A**

*Continue in additional Annexure Schedule, if required*

Purpose (Nature and extent) of easement; <i>profit</i> or covenant	Shown (plan reference)	Servient Tenement (Computer Register)	Dominant Tenement (Computer Register) or in gross
Covenant as to use	[All NZICC Land]	[Ground lease titles]	In gross
Covenant against subdivision	[All NZICC Land]	[Ground lease titles]	In gross

**Easements or profits à prendre rights and powers (including terms, covenants and conditions)**

Delete phrases in [ ] and insert memorandum number as required; continue in additional Annexure Schedule, if required

~~Unless otherwise provided below, the rights and powers implied in specified classes of easement are those prescribed by the Land Transfer Regulations 2002 and/or Schedule Five of the Property Law Act 2007~~

The implied rights and powers are hereby ~~[varied] [negated] [added to] or [substituted]~~ by:

~~[Memorandum number \_\_\_\_\_, registered under section 155A of the Land Transfer Act 1952]~~

~~[the provisions set out in Annexure Schedule \_\_\_\_\_]~~

**Covenant provisions**

Delete phrases in [ ] and insert Memorandum number as require; continue in additional Annexure Schedule, if required

The provisions applying to the specified covenants are those set out in: **the Annexure Schedule.**

~~[Memorandum number \_\_\_\_\_, registered under section 155A of the Land Transfer Act 1952]~~

~~[Annexure Schedule \_\_\_\_\_]~~

*Insert instrument type*

Land Covenant

**Terms, conditions, covenants or restrictions in respect of the above Covenants:**

## **Background**

- A. The Grantor is registered as proprietor of the leasehold interest comprising the Servient Land.
- B. The Grantor and the Grantee have agreed to enter into this Instrument.

## **Operative Part**

### **1 Interpretation**

1.1 In this Instrument, unless the context otherwise requires:

'**Covenants**' means the covenants set out in this Instrument.

'**Grantor**' means the registered proprietor of the Servient Land from time to time.

'**Instrument**' means the front two pages of this instrument, and this Annexure Schedule.

'**NZICC Agreement**' means the New Zealand International Convention Centre Project and Licensing Agreement between the parties dated [            ].

'**Servient Land**' means the leasehold interest described in Schedule A as the servient land which is subject to the Covenants.

1.2 For the avoidance of doubt, words importing the singular number include the plural and vice versa.

### **2 Covenants**

2.1 The Grantor **hereby covenants and agrees** with the Grantee that the Servient Land shall be subject to the burden of the covenants set out hereunder for the benefit of the Grantee.

2.2 The Grantor covenants:

- a The Servient Land will be used for the purposes of an international convention centre operated in accordance with (and subject to the terms of) the NZICC Agreement.
- b The Servient Land will be used for no purpose other than that set out in clause 2.2a above.
- c The Servient Land will not be subdivided, whether under the Unit Titles Act 2010, any other form of strata titling, or otherwise, other than as consented to by the Grantee in accordance with the NZICC Agreement.

2.3 The Grantor further covenants and agrees that the Covenants shall run with the Servient Land and bind the Servient Land for the benefit of the Grantee.

2009/5043EF  
APPROVED  
Registrar-General of Land

*Insert instrument type*

Land Covenant

**3 Removal from register**

3.1 Upon request by the Grantor following the expiry of the Term (as defined in the NZICC Agreement) the Grantee shall at its own cost take all steps as requested by the Grantor as necessary to discharge this Instrument and to remove it from the title to the Servient Land.

**4 Notices**

4.1 Any notice required to be served on any party shall be in writing and in accordance with the Property Law Act 2007.

**5 Liability**

5.1 Without prejudice to the Grantee's other rights, this Instrument binds the Grantor's successors in title so that contemporaneously with the acquisition of any interest in the Servient Land all such successors in title become bound to comply with this Instrument.

5.2 The Covenants may be enforceable by the Grantee only against the registered proprietor for the time being of the Servient Land and a registered proprietor of the Servient Land shall be liable only for a breach of the Covenants committed during the period it is the registered proprietor.

**6 Severability**

6.1 If any provision of this Instrument is judged invalid, unlawful or unenforceable for any reason whatsoever by a Court of competent jurisdiction, such invalidity, unenforceability or illegality will not affect the operation, construction or interpretation of any other provision of this Instrument to the intent that the invalid, unenforceable or illegal provision will be treated for all purposes as severed from this Instrument.

**Request to Land Information New Zealand**

Please notify the burden of the land covenants on Identifier [ ], pursuant to the authority to do so conferred by [*here specify that section of the New Zealand International Convention Centre Act (once enacted) that is the counterpart of clause 12 of the New Zealand International Convention Centre Bill*].

**C. Ground Lease Tripartite Deed**

# **Ground Lease Tripartite Deed**

Between

**Her Majesty the Queen in Right of New Zealand acting  
by and through the Minister for Economic Development**

and

**SKYCITY Entertainment Group Limited**

and

**[Ground Lessor]**

DEED dated the

2013

## PARTIES

SKYCITY ENTERTAINMENT GROUP LIMITED ('SKYCITY')

HER MAJESTY THE QUEEN IN RIGHT OF NEW ZEALAND ACTING BY AND THROUGH  
THE MINISTER FOR ECONOMIC DEVELOPMENT ('Crown')

[ ] ('Ground Lessor')

## INTRODUCTION

- A. The Crown and SKYCITY are parties to the New Zealand International Convention Centre Project and Licensing Agreement dated [ ] ('Agreement').
- B. SKYCITY is the registered proprietor of leasehold certificate of title [ ] ('Leasehold Certificate of Title'). The Leasehold Certificate of Title issued on registration of the lease dated [ ] between SKYCITY and the Ground Lessor (being registered instrument number [ ] ('Lease')) over the fee simple estate ('Fee Simple') owned by the Ground Lessor and contained and described in certificate of title [ ].
- C. The Agreement requires that in the event of the transfer of the Fee Simple by SKYCITY that a deed in the form of this deed is entered into.

## OPERATIVE PROVISIONS

1. Interpretation: In this deed, unless the context otherwise requires:

'Business Day' means a day of the week other than:

- (a) Saturday, Sunday, Waitangi Day, Good Friday, Easter Monday, Anzac Day, the Sovereign's Birthday, Auckland Anniversary Day, Wellington Anniversary Day, and Labour Day;
- (b) any other day identified by legislation as a public holiday to be observed throughout New Zealand; and
- (c) a day in the period commencing with 25 December and ending with 2 January in the following year.

'Cancel' means:

- (a) apply to a court for an order for possession of the Premises; or
- (b) re-enter the Premises; and

'Cancellation' has a corresponding meaning.

'PLA' means Property Law Act 2007.

'PLA Notice' means any notice served by the Ground Lessor referred to in clause 2(b).

'Premises' means the premises the subject of the Lease.

'Remedial Rights' has the meaning given in clause 5.

'SKYCITY', 'Crown' and 'Ground Lessor' include their respective successors, permitted assigns, executors and administrators.

'SKYCITY Default' means a breach by SKYCITY of a covenant or condition in the Lease (including the covenant to pay rent).

'SKYCITY Remedial Actions' means in respect of any PLA Notice the actions described in that notice as being required to remedy the breach the subject of that PLA Notice.

References to clauses and Parts shall be to clauses and Parts in this deed unless otherwise stated.

Words denoting the singular shall include the plural and vice versa.

One gender shall include the other genders.

Words denoting persons shall include any firm, company or other body whether incorporated or not.

Where any party comprises more than one person, each person shall be deemed to have entered into this deed both jointly and severally and the provisions of this deed shall bind such persons jointly and each of them severally.

#### Part A - Standstill Period and Remedial Rights

2. Default Notice: If:

- (a) a SKYCITY Default occurs; and
- (b) the Ground Lessor serves notice on SKYCITY in accordance with sections 245 or 246 of the PLA; and
- (c) SKYCITY does not perform the SKYCITY Remedial Actions in accordance with the PLA Notice,

the Ground Lessor may provide notice ('Default Notice') thereof to the Crown (copied to SKYCITY) which notice shall:

- (d) attach a copy of the PLA Notice;
- (e) set out the extent to which the SKYCITY Remedial Actions have not been performed by SKYCITY and the things that the Crown (or SKYCITY) must do or stop doing; or the amount of compensation which the Ground Lessor considers to be reasonable to remedy the SKYCITY Default the subject of the PLA Notice,

and a Default Notice shall only be validly served where it complies with sub-clauses 2(d) and 2(e).

3. Standstill Period: If at any time a SKYCITY Default occurs, and but for this clause the Ground Lessor would be entitled to exercise a right to Cancel the Lease, the Ground Lessor undertakes that it will not, without the Crown's prior written consent:

- (a) exercise any right to Cancel the Lease; or

- (b) otherwise act so as to knowingly prejudice SKYCITY's or the Crown's ability to remedy the SKYCITY Default,

unless:

- (c) a Default Notice has been served in accordance with clause 2; and
- (d) the period ('Standstill Period') from the date ('Notice Receipt Date') on which the Default Notice is received by the Crown until the earlier of:
  - (i) the date being 60 Business Days after the Notice Receipt Date; and
  - (ii) the receipt by the Ground Lessor of written notice from the Crown that it does not intend to exercise its Remedial Rights,

has expired.

- 4. **During Standstill Period:** During the Standstill Period the Ground Lessor shall continue to lease the Premises to SKYCITY pursuant to the Lease and shall:

- (a) not prevent the Crown (including, its agents, consultants, and advisers) accessing the Premises; and
- (b) in each case, upon request by the Crown, hold discussions in good faith with the Crown, and provide all information in the Ground Lessor's possession (including details as to any action taken by SKYCITY from time to time to perform the SKYCITY Remedial Actions) reasonably requested by the Crown, with respect to the SKYCITY Default and relevant for it to take, and to decide what steps to take and whether to take, any action pursuant to this deed.

- 5. **Remedial Rights:** From the Notice Receipt Date until the breach of the Lease the subject of the Default Notice has been remedied the Crown may on behalf of SKYCITY:

- (a) perform any SKYCITY Remedial Actions which remain unperformed;
- and thereafter:
- (b) pay such money as may be due and owing to the Ground Lessor or any other person; or
  - (c) otherwise discharge the obligations of SKYCITY,

under the Lease (together, 'Remedial Rights'), to the extent such obligations are then current and unperformed.

- 6. **No obligation to remedy default:** The Crown is not obliged to take action to remedy a SKYCITY Default.

- 7. **Expiry of Standstill Period:** On the expiry of the Standstill Period, the Ground Lessor may exercise whatever rights are then available to it under the Lease and the Crown and SKYCITY each acknowledge and agree that nothing in this deed shall require the Ground Lessor to issue a further PLA Notice in respect of a SKYCITY Default for which a PLA Notice has already been served by the Ground Lessor.

- 8. **Extent of obligations of SKYCITY and the Crown:** The parties acknowledge and agree that save as set out expressly in Part B (clauses 9 to 12 (inclusive)) of this deed, this deed does not create liability or obligation on the part of the Crown to the Ground Lessor to pay or

perform SKYCITY's liabilities or obligations under the Lease or to rectify any default and the Crown is not responsible to any party for not doing so.

**Part B - Assignment**

9. **Assignment and Ground Lessor's consent:** In the event that the Crown (in accordance with the Agreement) takes an assignment of the Lease from SKYCITY, the Crown shall so notify the Ground Lessor in writing (which notice shall state the date ('Date of Assignment') on which the assignment takes effect). The Ground Lessor hereby consents to the assignment of SKYCITY's estate and interest in the Lease to the Crown at any time during the term of the Lease provided that such consent shall otherwise be without prejudice to the Ground Lessor's rights, remedies and powers against SKYCITY (and, subject to clause 10, its assigns) under the Lease.
10. **Crown's covenants with the Ground Lessor:**
- (a) The Crown covenants with the Ground Lessor that the Crown shall from the Date of Assignment and for the remainder of the term created by the Lease pay the rent and comply with the other obligations imposed on the lessee under the Lease, to the extent those obligations arise on or after the Date of Assignment.
  - (b) Subject to clause 12, SKYCITY remains solely liable for the performance of all obligations imposed on the lessee under the Lease for the period up to and excluding the Date of Assignment, and the Ground Lessor shall not be entitled, after the Date of Assignment, to Cancel the Lease by reason of the non-fulfilment of those obligations. This clause shall apply notwithstanding section 97(3) of the Land Transfer Act 1952 or any other legislative provision or common law rule to the contrary.
  - (c) The Crown also covenants with the Ground Lessor that (a) the Crown shall at its own cost, upon request by the Ground Lessor after the Date of Assignment, take all steps necessary to remove, from the title to the Fee Simple, the memorandum of encumbrance granted in favour of the Crown to secure the performance by the Ground Lessor of its obligations in this deed, and (b) as from the Date of Assignment, Part A (clauses 2 to 8 (inclusive)) of this deed shall cease to have any further effect except as provided in clause 12.
11. **SKYCITY's covenants with the Ground Lessor:** SKYCITY covenants with the Ground Lessor that the covenants of the Crown in this deed shall not reduce or vary SKYCITY's liability to the Ground Lessor for any liability under the Lease.
12. **Effect on Default Notice of assignment:** Notwithstanding Part A (clauses 2 to 8 (inclusive)) of this deed, the Ground Lessor agrees and acknowledges that in the event that it serves a Default Notice on the Crown:
- (a) if the Crown, within 30 Business Days of the Notice Receipt Date notifies the Ground Lessor that it has taken an assignment of the Lease, then:
    - (i) the provisions of clause 10b shall apply; and
    - (ii) the Ground Lessor shall not be entitled to take any action against the Crown (including seeking to exercise any right of Cancellation of the Lease arising as a consequence of SKYCITY's failure to comply with any PLA Notice) in respect of any breach of the Lease which occurred prior to the Date of Assignment.
  - (b) if the Crown takes an assignment of the Lease and clause 12(a) does not apply the Crown shall be liable to complete the matters identified in the Default Notice as being required to remedy the SKYCITY Default provided that any Standstill Period

continuing at the time that the Crown notifies the Ground Lessor that it has taken an assignment of the Lease shall continue as provided for in clause 3 so as to allow the Crown a further period in which to remedy any subsisting breach of the Lease. For the avoidance of doubt, and notwithstanding the continuance of the Standstill Period, the Crown is liable to pay the rent imposed on the lessee under the Lease and to otherwise comply with the covenants of the Lease to the extent that those obligations arise on or after the Date of Assignment.

**Part C - No Subdivision**

13. **No Subdivision:** The Ground Lessor shall ensure that the Fee Simple shall not be subdivided, whether under the Unit Titles Act 2010, any other form of strata titling, or otherwise other than as consented to by the Crown in accordance with the Agreement.

**Part D - Consent to sublease**

14. **Consent to sublease:** The Ground Lessor hereby consents to the granting to the Crown by SKYCITY of a sublease (on such terms as SKYCITY and the Crown may agree and otherwise in accordance with the Agreement) but without prejudice to the Ground Lessor's rights, remedies and powers against SKYCITY under the Lease (and, for the avoidance of doubt, such consent does not operate as a waiver of any of the rights that the Ground Lessor may have under the terms of the Lease).

**Part E - No variation to Lease without Crown consent**

15. **No variation:** The Lease shall not be assigned, varied or surrendered without the written consent of the Crown.

**Part E - Miscellaneous**

16. **Acknowledgement by the Crown:** The Crown acknowledges that the Crown has executed this deed with full knowledge of the obligations imposed on the lessee under the Lease.
17. **Acknowledgements by SKYCITY and the Crown:** SKYCITY and the Crown acknowledge that clauses 4 and 5, 9 and 10 and 14 are without prejudice to the rights and liabilities of each of those parties under the Agreement and shall not create any additional rights on the part of the Crown other than as expressly set out in this deed or the Agreement. SKYCITY acknowledges that it consents to the terms of this deed notwithstanding that they may conflict with SKYCITY's rights under the Lease. In addition, the Ground Lessor may conclusively rely upon any statement, certificate or notice (and the contents thereof) at any time received from the Crown, including to the exclusion of any contrary statement, certificate or notice received by it from SKYCITY (and the Ground Lessor shall have no obligation to make any further enquiry), in respect of any matter relevant to the performance of the Ground Lessor's obligations under this deed (including as regards the Crown's or SKYCITY's entitlements under, the application of, and compliance with the requirements of, the Agreement) and any dispute between SKYCITY and the Crown as regards such matters shall be determined without the involvement of the Ground Lessor.
18. **Ground Lessor successor:** In the event that the Ground Lessor sells or transfers its interest in the Fee Simple it shall procure the transferee to enter into a deed of covenant in favour of the Crown to the effect that the transferee shall be bound by the obligations of the Ground Lessor and the terms of this deed, in such form as the Crown may approve (acting reasonably).
19. **Further assurances:** The Ground Lessor shall, at the cost of SKYCITY (or failing SKYCITY, the Crown), execute such further documents and do all things that SKYCITY and/or the Crown reasonably requires, in order to perfect, preserve, maintain, protect, or otherwise give full effect to the Crown's rights under this deed.

20. Term:

- (a) This deed shall remain in effect for the term of the Agreement and upon the expiry or earlier termination of the Agreement this deed shall immediately cease to have any further effect and the Crown will promptly notify the Ground Lessor in writing of that occurrence.
- (b) Upon this deed ceasing to have effect and unless previously removed pursuant to clause 10, the Crown shall at its own cost, upon request by the Ground Lessor, take all steps necessary to remove, from the title to the Fee Simple, the memorandum of encumbrance granted in favour of the Crown to secure the performance by the Ground Lessor of its obligations in this deed.

21. Notices:

- (a) Each notice or other communication under this deed is to be made in writing and shall be served in accordance with section 353 of the PLA.
- (b) Notices must be sent to the person and address specified below. Such persons and addresses will be deemed to be correct until written notice is given of any change.
  - (i) SKYCITY [insert details]
  - (ii) Crown [insert details]
  - (iii) Ground Lessor [insert details]

22. Costs: Each party shall bear its own costs of and incidental to the preparation and execution of this deed.

**SIGNED AS A DEED**

[insert appropriate execution provisions for parties]

**D. Ground Lessor Memorandum of Encumbrance**

**Draft Ground Lessor Memorandum of Encumbrance instrument**

**Encumbrance Instrument**  
(Section 101 Land Transfer Act 1952)

Affected instrument Identifier and type (if applicable)      All/part      Area/Description of part or stratum

FEE SIMPLE	ALL	
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**Encumbrancer**

[GROUND LESSOR]

**Encumbrancee**

HER MAJESTY THE QUEEN in Right of New Zealand acting by and through the Minister for Economic Development

**Estate or interest to be encumbered**

*Insert e.g. Fee simple, Leasehold in Lease No. etc*

FEE SIMPLE

**Encumbrance Memorandum Number**

Nil

**Nature of security**

*State whether sum of money, annuity or rentcharge and amount*

Annual rent charge of a peppercorn

**Encumbrance**

*Delete words in {}, as appropriate*

The Encumbrancer encumbers for the benefit of the Encumbrancee the land in the above computer register(s) with the above sum of money, annuity or rentcharge, to be raised and paid in accordance with the terms set out in the ~~{above Encumbrance Memorandum}~~ [Annexure Schedule(s)] and so as to incorporate in this Encumbrance the terms and other provisions set out in the ~~{above Encumbrance Memorandum}~~ [and] [Annexure Schedule(s)] for the better securing to the Encumbrancee the payment(s) secured by this Encumbrance, and compliance by the Encumbrancer with the terms of this Encumbrance.

**Terms**

1. **Length of term:** Refer clause 2.2 in Annexure Schedule.
  2. ~~**Payment date(s):**~~
  3. ~~**Event(s) in which the sum, annuity or rentcharge becomes payable:**~~
  4. ~~**Payment of sum, annuity or rentcharge:**~~
  5. ~~**Event(s) in which the sum, annuity or rentcharge ceases to be payable:**~~
- Other terms as per the Annexure Schedule.

**Covenants and conditions***Continue in Annexure Schedule(s), if required*

As per the Annexure Schedule.

**Modification of statutory provisions***Continue in Annexure Schedule(s), if required*

As per the Annexure Schedule.

## Background

- A The Encumbrancer is registered as proprietor of the Land.
- B The Encumbrancer has granted the Ground Lease to SKYCITY.
- C SKYCITY and the Encumbrancee are parties to the Convention Centre Agreement.
- D The Encumbrancer and the Encumbrancee are the parties to the Ground Lease Tripartite Deed.
- E The Encumbrancer has agreed to enter into and execute this encumbrance instrument.

## 1 Interpretation

In this encumbrance instrument, unless the context requires otherwise:

### 1.1 Definitions

**'Convention Centre Agreement'** means the New Zealand International Convention Centre Project and Licensing Agreement entered into between SKYCITY and the Encumbrancee and dated [            ].

**'Encumbrancer'** means the Encumbrancer named in this encumbrance instrument, and includes the registered proprietor for the time being of the Land, any person claiming under such registered proprietor, and the registered proprietor's licensees and tenants.

**'Ground Lease'** means the lease of the Land dated [            ] between the Encumbrancer and SKYCITY.

**'Ground Lease Tripartite Deed'** means the deed between the Encumbrancer, SKYCITY and the Encumbrancee dated [            ] entered into pursuant to the Convention Centre Agreement.

**'Land'** means the land described on the front page of this encumbrance instrument.

### 1.2 Defined expressions

Expressions defined in the main body of this encumbrance instrument have the defined meaning in the whole of this encumbrance instrument, including the background.

### 1.3 Headings

Section, clause and other headings are for each of reference only, and do not affect this encumbrance instrument's interpretation.

### 1.4 Negative Obligations

Any obligation not to do anything includes an obligation not to suffer, permit or cause that thing to be done.

### 1.4 Parties

References to parties are references to parties to this encumbrance instrument and, in the case of the Encumbrancer, to its successors and assigns.

## 1.5 **Persons**

References to persons include references to individuals, companies, corporations, partnerships, firms, joint ventures, associations, trusts, organisations, governmental or other regulatory bodies or authorities or other entities, in each case whether or not having separate legal personality.

## 1.6 **Plural and Singular**

Words importing the singular number include the plural and vice versa.

## 1.7 **Sections, Clauses and Schedules**

Reference to sections, clauses and schedules are references to this encumbrance instrument's sections, clauses and schedules.

## 1.8 **Statutes and Regulations**

References to any statutory provision includes any statutory provision which amends or replaces it, and any subordinate legislation made under it.

## **2 Land Encumbered**

2.1 The Encumbrancer encumbers the Land in terms of the operative clause on the front page of this encumbrance instrument and in accordance with the following terms of this encumbrance instrument.

2.2 The term of this encumbrance instrument shall commence on the date of this encumbrance instrument and shall continue until such time as the Ground Lease Tripartite Deed is terminated or otherwise ceases to have effect, at which time the parties shall take whatever steps as are necessary to discharge this encumbrance instrument and remove it from the computer freehold register identified for the Land.

## **3 Rent Charge**

3.1 The rent charge shall be paid by the Encumbrancer to the Encumbrancee on the last day of January in each year, if demanded (but not otherwise). The Encumbrancee may make demand for payment of the rent charge only if there has been a breach by the Encumbrancer of the terms of this encumbrance instrument.

3.2 The parties agree that:

- a the rent charge shall be payable by the Encumbrancer only following demand of the same being made by the Encumbrancee in accordance with the terms of this encumbrance instrument; and
- b under no circumstances shall the rent charge for the relevant year or any future year be paid in advance.

3.3 The parties acknowledge and agree that:

- a payment of the rent charge in any year shall not in any way limit or prejudice the Encumbrancee's rights to seek and obtain injunctive relief or other equitable remedies in the event of a breach or anticipated breach by the Encumbrancer of this encumbrance instrument;

- b the rent charge is not to be treated as a form of liquidated damages; and
- c the amount of the rent charge shall not limit the amount of damages which the Encumbrancee may be entitled to claim in the event of a breach by the Encumbrancer of this encumbrance instrument.

#### **4 Encumbrancer's Covenants**

- 4.1 The Encumbrancer acknowledges and agrees that it shall comply with the obligations of the Ground Lessor in the Ground Lease Tripartite Deed.
- 4.2 The Encumbrancer covenants and agrees with the Encumbrancee that it will not sell, transfer or otherwise deal with its interest in the Land in a manner which prejudices the ability of the Encumbrancee to enforce and obtain the full benefit of the Ground Lease Tripartite Deed.

#### **5 Property Law Act 2007 and Land Transfer Act 1952**

- 5.1 The Encumbrancee shall be entitled to all of the powers and remedies (but excluding the power of sale and the power to enter into possession) given to encumbrancees by the Land Transfer Act 1952 and the Property Law Act 2007 except that the implied terms set out in Part 1 of Schedule 2 of the Property Law Act 2007 shall be expressly excluded from this encumbrance instrument.

#### **6 Consent of Encumbrancee**

- 6.1 The Encumbrancee's consent shall not be required to the registration of any instrument against the computer freehold register identifier for the Land which has priority behind this encumbrance instrument.

#### **7 No Prejudice**

- 7.1 No delay or failure by the Encumbrancee to enforce performance of any of the covenants on the part of the Encumbrancer set out in this encumbrance instrument and no indulgence granted to the Encumbrancer by the Encumbrancee shall prejudice the rights of the Encumbrancee to enforce any of the covenants of this encumbrance instrument.

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## **E. Memorandum of Encumbrance**

# Draft Memorandum of Encumbrance Instrument

## Encumbrance instrument (Section 101 Land Transfer Act 1952)

2009/6232EF  
APPROVED  
Registrar-General of Land

Affected instrument Identifier  
and type (if applicable)

All/part

Area/Description of part or stratum

	All	
--	-----	--

### Encumbrancer

SKYCITY ENTERTAINMENT GROUP LIMITED

### Encumbrancee

HER MAJESTY THE QUEEN in Right of New Zealand acting by and through the Minister for Economic Development

### Estate or interest to be encumbered

*Insert e.g. Fee simple; Leasehold in Lease No. etc.*

### Encumbrance Memorandum Number

Nil

### Nature of security

*State whether sum of money, annuity or rentcharge and amount*

Annual rent charge of a peppercorn

### Encumbrance

*Delete words in [ ], as appropriate*

The Encumbrancer encumbers for the benefit of the Encumbrancee the land in the above computer register(s) with the above sum of money, annuity or rentcharge, to be raised and paid in accordance with the terms set out in the ~~[above Encumbrance Memorandum]~~ [Annexure Schedule(s)] and so as to incorporate in this Encumbrance the terms and other provisions set out in the ~~[above Encumbrance Memorandum]~~ [and] [Annexure Schedule(s)] for the better securing to the Encumbrancee the payment(s) secured by this Encumbrance, and compliance by the Encumbrancer with the terms of this encumbrance.

**Terms**

- 1 Length of term ~~Refer clause 2.2 of Annexure Schedule.~~
  - 2 ~~Payment date(s)~~
  - 3 ~~Rate(s) of interest~~
  - 4 ~~Event(s) in which the sum, annuity or rentcharge becomes payable~~
  - 5 ~~Event(s) in which the sum, annuity or rentcharge ceases to be payable~~
- Other terms as per the Annexure Schedule**

**Covenants and conditions**

*Continue in Annexure Schedule(s), if required*

**As per the Annexure Schedule**

**Modification of statutory provisions**

*Continue in Annexure Schedule(s), if required*

**As per the Annexure Schedule**

## Background

- A The Encumbrancer is registered as proprietor of the Land.
- B The Encumbrancer and the Encumbrancee are the parties to the Convention Centre Agreement.
- C Pursuant to the Convention Centre Agreement the Encumbrancer has agreed to construct on the Land the NZICC and has agreed with the Encumbrancee to manage and operate the NZICC on the terms and conditions therein set out.
- D In the event that the Encumbrancer commits certain events of default, the Encumbrancee amongst other remedies and subject to the terms of the Convention Centre Agreement may require the Encumbrancer to grant the Crown Lease in favour of the Encumbrancee or to sell to the Encumbrancee the Land and all improvements on the Land on the terms in the Crown Option, in each case to enable the Encumbrancee to operate and manage the NZICC in lieu of the Encumbrancer.
- E The Encumbrancer has agreed with the Encumbrancee that it will not sell, transfer or otherwise deal with its interest in the Land and/or the NZICC and/or its rights and obligations under the Convention Centre Agreement, or otherwise act in a manner which prejudices the ability of the Encumbrancer to call for the Crown Lease or to exercise the Crown Option.
- F The Encumbrancer has agreed to enter into and execute this encumbrance instrument.

## 1 Interpretation

In this encumbrance instrument, unless the context requires otherwise:

### 1.1 Definitions

**'Convention Centre Agreement'** means the New Zealand International Convention Centre Project and Licensing Agreement entered into between the Encumbrancer and the Encumbrancee and dated [ ].

**'Crown Lease'** has the meaning set out in the Convention Centre Agreement.

**'Crown Lease Event'** has the meaning set out in the Convention Centre Agreement.

**'Crown Option'** has the meaning set out in the Convention Centre Agreement.

**'Crown Option Event'** has the meaning set out in the Convention Centre Agreement.

**'Encumbrancer'** means the Encumbrancer named in this encumbrance instrument, and includes the registered proprietor for the time being of the Land, any person claiming under such registered proprietor, and the registered proprietor's licensees and tenants.

**'Land'** means the land described on the front page of this encumbrance instrument.

**'NZICC'** means the building to be constructed by the Encumbrancer on the Land and to be managed and operated by the Encumbrancer as the New Zealand International Convention Centre in accordance with the terms of the Convention Centre Agreement.

**'Term'** has the meaning set out in the Convention Centre Agreement.

## 1.2 **Defined expressions**

Expressions defined in the main body of this encumbrance instrument have the defined meaning in the whole of this encumbrance instrument, including the background.

## 1.3 **Headings**

Section, clause and other headings are for each of reference only, and do not affect this encumbrance instrument's interpretation.

## 1.4 **Negative Obligations**

Any obligation not to do anything includes an obligation not to suffer, permit or cause that thing to be done.

## 1.5 **Parties**

References to parties are references to parties to this encumbrance instrument and, in the case of the Encumbrancer, to its successors and assigns.

## 1.6 **Persons**

References to persons include references to individuals, companies, corporations, partnerships, firms, joint ventures, associations, trusts, organisations, governmental or other regulatory bodies or authorities or other entities, in each case whether or not having separate legal personality.

## 1.7 **Plural and Singular**

Words importing the singular number include the plural and vice versa.

## 1.8 **Sections, Clauses and Schedules**

Reference to sections, clauses and schedules are references to this encumbrance instrument's sections, clauses and schedules.

## 1.9 **Statutes and Regulations**

References to any statutory provision includes any statutory provision which amends or replaces it, and any subordinate legislation made under it.

# 2 **Land Encumbered**

2.1 The Encumbrancer encumbers the Land in terms of the operative clause on the front page of this encumbrance instrument and in accordance with the following terms of this encumbrance instrument.

2.2 The term of this encumbrance instrument shall commence on the date of this encumbrance instrument and end on the last day of the Term.

# 3 **Rent Charge**

3.1 The rent charge shall be paid by the Encumbrancer to the Encumbrancee on the last day of January in each year, if demanded (but not otherwise). The Encumbrancee may make demand for payment of the rent charge only if there has been a breach by the Encumbrancer of the terms of this encumbrance instrument.

- 3.2 The parties agree that:
- a the rent charge shall be payable by the Encumbrancer only following demand of the same being made by the Encumbrancee in accordance with the terms of this encumbrance instrument; and
  - b under no circumstances shall the rent charge for the relevant year or any future year be paid in advance.

- 3.3 The parties acknowledge and agree that:
- a payment of the rent charge in any year shall not in any way limit or prejudice the Encumbrancee's rights to seek and obtain injunctive relief or other equitable remedies in the event of a breach or anticipated breach by the Encumbrancer of this encumbrance instrument;
  - b the rent charge is not to be treated as a form of liquidated damages; and
  - c the amount of the rent charge shall not limit the amount of damages which the Encumbrancee may be entitled to claim in the event of a breach by the Encumbrancer of this encumbrance instrument.

#### **4 Encumbrancer's Covenants**

- 4.1 The Encumbrancer acknowledges and agrees that upon the occurrence of a Crown Lease Event the Encumbrancee has the right to take the Crown Lease on the terms and conditions set out in the Convention Centre Agreement.
- 4.2 The Encumbrancer acknowledges and agrees that upon the occurrence of a Crown Option Event the Encumbrancee may exercise the Crown Option on the terms and conditions set out in the Convention Centre Agreement.
- 4.3 The Encumbrancer covenants and agrees with the Encumbrancee that it will not sell, transfer or otherwise deal with its interest in the Land and/or its rights and obligations under the Convention Centre Agreement and/or otherwise act in a manner which prejudices the ability of the Encumbrancee to call for and obtain the full benefit of the Crown Lease or to exercise and obtain the full benefit of the Crown Option.

#### **5 Property Law Act 2007 and Land Transfer Act 1952**

- 5.1 The Encumbrancee shall be entitled to all of the powers and remedies (but excluding the power of sale and the power to enter into possession) given to encumbrancees by the Land Transfer Act 1952 and the Property Law Act 2007 except that the implied terms set out in Part 1 of Schedule 2 of the Property Law Act 2007 shall be expressly excluded from this encumbrance instrument.

#### **6 Consent of Encumbrancee**

- 6.1 The Encumbrancee's consent shall not be required to the registration of any instrument against the computer freehold register identifier for the Land which has priority behind this encumbrance instrument.

## **7 No Prejudice**

- 7.1 No delay or failure by the Encumbrancee to enforce performance of any of the covenants on the part of the Encumbrancer set out in this encumbrance instrument and no indulgence granted to the Encumbrancer by the Encumbrancee shall prejudice the rights of the Encumbrancee to enforce any of the covenants of this encumbrance instrument.

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## **F. Restrictive Covenant**

**Easement instrument to grant easement or *profit à prendre*, or create land covenant**  
 (Sections 90A and 90F Land Transfer Act 1952)

2009/6229EF  
 APPROVED  
 Registrar-General of Land

**Grantor**

SKYCITY Entertainment Group Limited

**Grantee**

HER MAJESTY THE QUEEN in Right of New Zealand acting by and through the MINISTER FOR ECONOMIC DEVELOPMENT

**Grant of Easement or *Profit à prendre* or Creation of Covenant**

The Grantor being the registered proprietor of the servient tenement(s) set out in Schedule A grants to the Grantee (and, if so stated, in gross) the easement(s) or *profit(s) à prendre* set out in Schedule A, or creates the covenant(s) set out in Schedule A, with the rights and powers or provisions set out in the Annexure Schedule(s)

**Schedule A**

*Continue in additional Annexure Schedule, if required*

Purpose (Nature and extent) of easement; <i>profit</i> or covenant	Shown (plan reference)	Servient Tenement (Computer Register)	Dominant Tenement (Computer Register) or in gross
Covenant as to use	[All NZICC Land]	[All NZICC Land]	In gross
Covenant against subdivision	[All NZICC Land]	[All NZICC Land]	In gross

**Easements or profits à prendre rights and powers (including terms, covenants and conditions)**

Delete phrases in [ ] and insert memorandum number as required; continue in additional Annexure Schedule, if required

~~Unless otherwise provided below, the rights and powers implied in specified classes of easement are those prescribed by the Land Transfer Regulations 2002 and/or Schedule Five of the Property Law Act 2007~~

The implied rights and powers are hereby **[varied] [negated] [added to] or [substituted]** by:

~~[Memorandum number \_\_\_\_\_, registered under section 155A of the Land Transfer Act 1952]~~

~~[the provisions set out in Annexure Schedule \_\_\_\_\_]~~

**Covenant provisions**

Delete phrases in [ ] and insert Memorandum number as require; continue in additional Annexure Schedule, if required

The provisions applying to the specified covenants are those set out in: **the Annexure Schedule.**

~~[Memorandum number \_\_\_\_\_, registered under section 155A of the Land Transfer Act 1952]~~

~~[Annexure Schedule \_\_\_\_\_]~~

2009/5043EF  
APPROVED  
Registrar-General of Land

*Insert instrument type*

Land Covenant

**Terms, conditions, covenants or restrictions in respect of the above Covenants:**

**Background**

- A. The Grantor is registered as proprietor of the Servient Land.
- B. The Grantor and the Grantee have agreed to enter into this Instrument.

**Operative Part**

**1 Interpretation**

1.1 In this Instrument, unless the context otherwise requires:

‘**Covenants**’ means the covenants set out in this Instrument.

‘**Grantor**’ means the registered proprietor of the Servient Land from time to time.

‘**Instrument**’ means the front two pages of this instrument, and this Annexure Schedule.

‘**NZICC Agreement**’ means the New Zealand International Convention Centre Project and Licensing Agreement between the parties dated [ ].

‘**Servient Land**’ means the land described in Schedule A as the servient land which is subject to the Covenants.

1.2 For the avoidance of doubt, words importing the singular number include the plural and vice versa.

**2 Covenants**

2.1 The Grantor **hereby covenants and agrees** with the Grantee that the Servient Land shall be subject to the burden of the covenants set out hereunder for the benefit of the Grantee.

2.2 The Grantor covenants:

- a The Servient Land will be used for the purposes of an international convention centre operated in accordance with (and subject to the terms of) the NZICC Agreement.
- b The Servient Land will be used for no purpose other than that set out in clause 2.2a above.
- c The Servient Land will not be subdivided, whether under the Unit Titles Act 2010, any other form of strata titling, or otherwise, other than as consented to by the Grantee in accordance with the NZICC Agreement.

2.3 The Grantor further covenants and agrees that the Covenants shall run with the Servient Land and bind the Servient Land for the benefit of the Grantee.

2009/5043EF  
APPROVED  
Registrar-General of Land

*Insert instrument type*

Land Covenant

**3 Removal from register**

3.1 Upon request by the Grantor following the expiry of the Term (as defined in the NZICC Agreement) the Grantee shall at its own cost take all steps as requested by the Grantor as necessary to discharge this Instrument and to remove it from the title to the Servient Land.

**4 Notices**

4.1 Any notice required to be served on any party shall be in writing and in accordance with the Property Law Act 2007.

**5 Liability**

5.1 Without prejudice to the Grantee's other rights, this Instrument binds the Grantor's successors in title so that contemporaneously with the acquisition of any interest in the Servient Land all such successors in title become bound to comply with this Instrument.

5.2 The Covenants may be enforceable by the Grantee only against the registered proprietor for the time being of the Servient Land and a registered proprietor of the Servient Land shall be liable only for a breach of the Covenants committed during the period it is the registered proprietor.

**6 Severability**

6.1 If any provision of this Instrument is judged invalid, unlawful or unenforceable for any reason whatsoever by a Court of competent jurisdiction, such invalidity, unenforceability or illegality will not affect the operation, construction or interpretation of any other provision of this Instrument to the intent that the invalid, unenforceable or illegal provision will be treated for all purposes as severed from this Instrument.

**Request to Land Information New Zealand**

Please notify the burden of the land covenants on Identifier [ ], pursuant to the authority to do so conferred by [*here specify that section of the New Zealand International Convention Centre Act (once enacted) that is the counterpart of clause 12 of the New Zealand International Convention Centre Bill*].

## **Schedule 11 SKYCITY Costs Resulting from the NZICC and this Agreement**

The categories of cost which may be considered in determining the value of SKYCITY's investment in the NZICC and other agreed assets acquired or developed as a consequence of this Agreement and which may be taken into account in determining the Compensation Cap for the purposes of clause 22.15 are the following:

### **NZICC construction and fit out costs**

- The value of SKYCITY's agreed internal project management costs from signing the Agreement through until Completion.
- Agreed staff relocation costs from Hobson St.
- Agreed value for the provision of substitute alternative staff carpark from Hobson St.
- but in each case only to the extent that such costs are not already included in any other item in the above list.

### **Capital Costs associated with Casino Alterations and implementation of Regulatory Concessions**

- Cost of development of the Casino Alterations (including fees, alterations to Auckland premises and furniture, fittings and equipment) associated with deploying the devices described in the Regulatory Concessions.
- Cost of new devices/gaming product deployed in the new areas created by the Casino Alterations.
- Cost of technology/systems deployed in the new areas created by the Casino Alterations.
- Cost of additional security/surveillance deployed in the new areas created by the Casino Alterations.
- Staff restructuring costs (demonstrably resulting from removal, reversal or partial removal of the Regulatory Concessions).

### **Less**

- a the market value of the items which are rendered redundant by the reversal, removal or partial removal of the Regulatory Concessions as at that date of reversal, removal or partial removal based on their highest and best use.

## Schedule 12 New Game Mix A and New Game Mix A.1

### GAME MIX A

Pursuant to condition 9 the following game mix may be operated by the Licence Holder on casino gaming tables, subject to the following condition noted:

Blackjack/Pontoon (Manual Shuffle)	31 games
Blackjack/Pontoon (Auto Shuffle)	30 games
Caribbean Stud Poker (Auto Shuffle)	13 games
Midi Baccarat (Auto Shuffle)	23 games
Mini Baccarat (Auto Shuffle)	9 games
Money Wheel (Double Side)	3 games
Pai Gow	5 games
Roulette	31 games
Electronic Roulette	3 games
Tai Sai (Double Side)	1 game
Tai Sai (Single Side)	1 game

#### Notes for Game Mix A

1. The Electronic Roulette tables comprise up to 14 player spaces and no manual table.
2. Where table games provide for the use of automatic shufflers, the use of those shufflers shall be discretionary.
3. The Licence Holder is permitted to operate alternative game mixes of up to 150 tables as specified in the Annex.

### GAME MIX A.1

Pursuant to condition 9 the following game mix may also be operated by the Licence Holder on casino gaming tables, subject to the following conditions noted:

Blackjack/Pontoon (Auto Shuffle)	3 games
Caribbean Stud Poker (Auto Shuffle)	2 games
Midi Baccarat (Auto Shuffle)	2 games
Mini Baccarat (Auto Shuffle)	2 games
Pai Gow	1 game
Roulette	1 game
Tai Sai (Double Side)	1 game

#### Notes for Game Mix A.1

1. Where table games provide for the use of automatic shufflers, the use of those shufflers shall be discretionary.
2. The Licence Holder is permitted to operate alternative game mixes of up to 12 tables as specified in the Annex.
3. The Licence Holder is permitted to substitute each table in Game Mix A.1 for up to 20 Automated Table Game terminals.
4. The Licence Holder may not substitute tables between Game Mix A and Game Mix A.1.

## Schedule 13 TITO and Cashless Gaming Technology

	Non-Restricted Areas		Restricted Areas	
<b>TITO</b>	<b>In flows</b>	<b>Out flows</b>	<b>In flows</b>	<b>Out flows</b>
Single Terminal Gaming Machines, Automated Table Games, Electronic Table Games and other table games	<i>ie. Insertion of cash or a valid ticket into a Single Terminal Gaming Machine, Automated Table Game, Electronic Table Game or other table game</i>  Maximum cash or credits in of \$5,999	<i>ie. Generate/purchase ticket by "collecting credits"</i>  Maximum \$500 ticket (over \$500 reverts to Attendant handpay).	<i>ie. Insertion of cash or a valid ticket into a Single Terminal Gaming Machine, Automated Table Game, Electronic Table Game or other table game</i>  Maximum cash or credits in of \$5,999	<i>ie. Generate/purchase ticket by "collecting credits"</i>  Maximum \$5,999 ticket (over \$5,999 reverts to Attendant handpay)
Kiosk	<i>ie. Insert cash to purchase tickets</i>  Maximum cash \$500, converting to tickets	<i>ie insert ticket to redeem for cash</i>  Ticket ≤\$500 converting to cash, in \$20 notes only	<i>ie. Insert cash to purchase tickets</i>  Maximum cash \$1,000, converting to tickets	<i>ie Insert ticket to redeem for cash</i>  Ticket ≤\$1,000 converting to cash in any denomination
Cash Desk	<i>ie. Purchase of tickets for cash</i>  Unlimited cash, converting to tickets (each ≤ \$5,999)  Single or multiple ticket values in excess of \$500 will require presentation of suitable ID which will be recorded in Cashier log	<i>ie. Presentation of ticket for redemption for cash</i>  Ticket converting to cash;  Single or multiple ticket values in excess of \$500 will require presentation of suitable ID which will be recorded in Cashier log	<i>ie. Purchase of tickets for cash</i>  Unlimited cash, converting to tickets (each ≤ \$5,999)	<i>ie. Presentation of ticket for redemption for cash</i>  Tickets converting to cash
<b>Loyalty Card</b>	<b>In flows</b>	<b>Out flows</b>	<b>In flows</b>	<b>Out flows</b>
Single Terminal Gaming Machines, Automated Table Games, Electronic Table Games and other table games	<i>i.e. transfer of stored cash equivalent credits from card onto a Single Terminal Gaming Machine, Automated Table Game, Electronic Table Game or other table game</i>  Maximum \$5,999 cash equivalent credits transferred from card	<i>i.e. 'Collecting' credits and transferring back to card</i>  Maximum \$5,999 credits transferred to card by player	<i>i.e. transfer of cash equivalent credits from card onto a Single Terminal Gaming Machine, Automated Table Game, Electronic Table Game or other table game</i>  Unlimited cash equivalent credits transferred from card	<i>i.e. 'Collecting' credits and transferring back to card</i>  Unlimited cash equivalent credits transferred to card by player
Kiosk	<i>i.e. transfer cash onto card</i>  Maximum cash \$5,999 transferring to card	<i>i.e. exchange credits for cash</i>  Card based credits ≤\$5,999 converting to cash, in \$20 notes only	<i>i.e. transfer cash onto card</i>  Maximum cash \$5,999 transferring to card	<i>i.e. exchange credits for cash</i>  Card based cash equivalent credits ≤ \$5,999 converting to cash in any denomination.

	Non-Restricted Areas		Restricted Areas	
Cash Desk	<i>i.e. transfer cash onto card</i>  Unlimited cash transferring to card.	<i>i.e. exchange credits for cash</i>  Unlimited card based credits converting to cash.	<i>i.e. transfer cash onto card</i>  Unlimited cash transferring to card.	<i>i.e. exchange credits for cash</i>  Unlimited card based credits converting to cash.
<b>White Card</b>	<b>In flows</b>	<b>Out flows</b>	<b>In flows</b>	<b>Out flows</b>
Single Terminal Gaming Machines, Automated Table Games, Electronic Table Game and other table games	<i>i.e. transfer of stored cash equivalent credits from card onto a Single Terminal Gaming Machine, Automated Table Game, Electronic Table Game or other table game</i> Maximum \$5,999 cash equivalent credits transferred from card	<i>i.e. 'Collecting' credits and transferring back to card</i>  Maximum \$5,999 credits transferred to card by player	<i>i.e. transfer of stored cash equivalent credits from card onto a Single Terminal Gaming Machine, Automated Table Game, Electronic Table Game or other table game</i>  Maximum \$5,999 cash equivalent credits transferred from card	<i>i.e. 'Collecting' credits and transferring back to card</i>  Maximum \$5,999 credits transferred to card by player
Kiosk	<i>i.e. transfer cash onto card</i>  Maximum cash \$500 transferring to card	<i>i.e. exchange credits for cash</i>  Card based credits ≤\$500 converting to cash, in \$20 notes only	<i>i.e. transfer cash onto card</i>  Maximum cash \$500 transferring to card	<i>i.e. exchange credits for cash</i>  Card based credits ≤\$500 converting to cash, in any denomination
Cash Desk	<i>i.e. transfer cash onto card</i>  Unlimited cash transferring to card; value in excess of \$500 will require presentation of suitable ID which will be recorded in Cashier log	<i>i.e. exchange credits for cash</i>  Value in excess of \$500 will require presentation of suitable ID which will be recorded in Cashier log	<i>i.e. transfer cash onto card</i>  Unlimited cash transferring to card; value in excess of \$500 will require presentation of suitable ID which will be recorded in Cashier log	<i>i.e. exchange credits for cash</i>  Value in excess of \$500 will require presentation of suitable ID which will be recorded in Cashier log

Note: the references to 'Maximum \$5,999' have been set by reference to the definition of '**Occasional Transaction**' in the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 and the applicable threshold value set pursuant to the regulations under Anti-Money Laundering and Countering Financing of Terrorism Act 2009. Accordingly, these references will be automatically adjusted in the event that the amount in that definition or the applicable threshold changes, for alignment with the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 and the regulations made under that Act.

The Secretary may, with the written consent of SKYCITY, adjust the ticket thresholds and denominations in this Schedule 13 to take account of circumstances that exist from time to time.

Nothing precludes the TITO or cashless technology being used interchangeably between different game types.

# Minimum Technical Requirements for Cashless Technology

of the

**Gambling Act (Casino Gambling Equipment)  
Minimum Standard 2004**

## Cashless Technology – Minimum Technical Requirements

### 1. Introduction

This minimum equipment standard only applies to gambling equipment that may be operated at the Auckland Casino and has been created to give effect to the New Zealand International Convention Centre Project and Licensing Agreement between the Crown and SKYCITY Entertainment Group Limited.

This minimum standard must be read in conjunction with the Gambling Act (Casino Gambling Equipment) Minimum Standard, subject to the NZICC Act (if enacted). Unless specifically amended or excluded by this minimum standard, but subject to clause 7.2 and its schedules of the New Zealand International Convention Centre Project and Licensing Agreement between the Crown and SKYCITY Entertainment Group Limited and the NZICC Act (if enacted), the requirements of the Gambling Act (Casino Gambling Equipment) Minimum Standard and any future amendments apply.

### 2. Interpretation

**Agreement** means the contract signed between the Crown and SKYCITY Entertainment Group Limited titled the New Zealand International Convention Centre Project and Licensing Agreement.

Cashless means the use of account based cards or printed tickets for conducting gambling and associated transactions.

Ticket means any ticket used or capable of being used in a casino in the conduct of gambling on a gaming machine or other gaming device in the place of money;

**Loyalty Card** means a card used in a loyalty scheme where all transactions involving the use of such a card are recorded against a player's account.

**Non-Restricted Area** is an area where gambling is permitted but outside of a restricted area.

**NS10** means the Australian/New Zealand Gaming Machine Standard Revision 10.0

**Restricted Area** has the same meaning as given in the Agreement.

**White Card** means a card issued solely for the purposes of cashless credit transactions and where all transactions involving the use of such a card are, at a minimum, recorded against a unique alpha numeric card account ID.

### 3. Cashless Limits and Expiry

3.1.1 These limits in dollar values may only be set, or changed, by either a down-loadable parameter from the CEMS or by accessing the logic area of the gaming machine or other relevant device.

3.1.2 Tickets, once printed, are redeemable at gaming machines and kiosks for a period of 20 days but are otherwise redeemable at the cashier for a period of 12 months.

3.1.3 White Cards, once issued, are functional at gaming machines and kiosks for a period of 20 days but credits on White Cards are otherwise redeemable at the cashier for a period of 12 months.

3.1.4 The maximum credit limit for a White Card is \$5,999.

#### 3.2 Non-Restricted Areas

3.2.1 A Kiosk can for equivalent cash in any one transaction:

- a. issue single or multiple tickets up to a maximum combined ticket value of \$500;

- b. transfer equivalent credits to a Loyalty Card up to a maximum value of \$5,999;
  - c. transfer equivalent credits to a White Card up to a maximum of \$500;
  - d. cash out in cash with no greater than a \$20 denomination a single Ticket with a value of up to a maximum of \$500;
  - e. cash out in cash with no greater than a \$20 denomination equivalent Loyalty Card credits up to a maximum of \$5,999; and
  - f. cash out in cash with no greater than a \$20 denomination equivalent White Card credits up to a maximum of \$500.
- 3.2.2 A gaming machine, electronic table game or table game redemption device can for equivalent cash in any one transaction:
- a. either by ticket acceptance or a card, transfer/accept cash equivalent credits for play up to a maximum of \$5,999;
  - b. print or issue a single ticket up to a maximum of \$500 with credit balances greater than \$500 requiring a hand pay; and
  - c. transfer any credits to a Loyalty Card or White Card up to a maximum of \$5,999 with credit balances greater than \$5,999 requiring a hand pay.

### **3.3 Restricted Area**

- 3.3.1 A Kiosk can for equivalent cash in any one transaction:
- a. issue a single or multiple tickets up to a maximum combined ticket value of \$1,000;
  - b. transfer equivalent credits to a Loyalty Card up to a maximum value of \$5,999;
  - c. transfer equivalent credits to a White Card up to a maximum of \$500;
  - d. cash out in cash a single Ticket with a value of up to a maximum of \$1,000 in any denomination;
  - e. cash out in cash equivalent Loyalty Card credits up to a maximum of \$5,999 in any denomination; and
  - f. cash out in cash equivalent White Card credits up to a maximum of \$500 in any denomination.
- 3.3.2 A gaming machine, electronic table game or table game redemption device can for equivalent cash in any one transaction:
- a. either by ticket acceptance or White Card, transfer/accept cash equivalent credits for play up to a maximum of \$5,999;
  - b. by Loyalty Card transfer/accept unlimited cash equivalent credits;
  - c. print or issue a single ticket up to a maximum of \$5,999 with credit balances greater than \$5,999 requiring a hand pay;
  - d. transfer any credits to a White Card up to a maximum of \$5,999 with credit balances greater than \$5,999 requiring a hand pay; and
  - e. transfer unlimited credits to a Loyalty Card.

## **4. Cashless Account Based System**

- 4.1.1 A cashless account based system may utilise either:
- a. Loyalty cards; or
  - b. White cards.

- 4.1.2 This minimum standard incorporates the following document: “GLI-16 Cashless System in Casinos Version 2.1”.
- 4.1.3 The use of “GLI-16 Cashless System in Casinos Version 2.1” as incorporated standards must be read as consistent with the technical requirements and terminology defined in the Gambling Act (Casino Gambling Equipment) Minimum Standard.
- 4.1.4 The use of a White Card shall not preclude a customer from using the casino’s voluntary pre-commitment system.
- 4.1.5 Section 2.5.3 of GLI-16 Cashless System in Casinos Version 2.1 is amended by including before the full stop “or any system controller kiosk”.

**5. Kiosks**

- 5.1.1 This minimum standard incorporates the following document: “GLI-20 Kiosks Version 1.5”.
- 5.1.2 The use of “GLI-20 Kiosks Version 1.5” as incorporated standards must be read as consistent with the technical requirements and terminology defined in Gambling Act (Casino Gambling Equipment) Minimum Standard.

**6. EGM TITO and Cashless Requirements**

**6.1 Master Meters**

- 6.1.1 Table 3.1: Master Meters in section 3.3.16 of NS10 is amended to include the following:

METER	Definition	UNITS
MONEY IN	total value in dollars of coins, and or tickets and or banknotes inserted to register credits on the player’s credit meter together with transfers to the machine to register credits on the player’s credit meter	[\$.]
TICKETS IN	total of all tickets accepted, if applicable	[\$.]
TICKETS OUT	total of all tickets issued, if applicable	[\$.]

**6.2 Self Audit Error Formula**

- 6.2.1 The calculation in section 3.3.17 of NS10 is amended to include “+Tickets IN” after the words “Cashless IN” and amended to include “+ Tickets OUT” after the words “Cashless OUT”.

**6.3 Credit Acceptance**

- 6.3.1 The following requirements are to be read in conjunction with part 3.6 of NS 10:

“Ticket In Acceptance Conditions

Acceptance of cash for crediting to the credit meter may be by ticket in accordance with set limits.

Acceptance of tickets for crediting to the credit meter must only be possible when the gaming machine is enabled for play and the CEMS or Cash Control System is online/operational in order to validate the ticket. Other states such as fault conditions, and audit mode must cause the ticket to be rejected.

Each valid ticket inserted must register the actual dollar/cents value or a number of credits on the player’s credit meter. If registered directly as credits, the conversion rate must be clearly stated or be easily discernible from the gaming machine.

### Ticket Validation

Ticket validation must be electronically based and be so designed as to ensure that each ticket inserted and accepted as valid by the gaming machine is added to the credit meter and that it updates all appropriate meters.

Each ticket must only be able to be validated once.

### Invalid Tickets

The software must be capable of recognising and rejecting invalid tickets, including tickets that have already been paid.

A gaming machine accepting printed tickets as a form of credit acceptance must maintain an electronic record of the following details for the last thirty five tickets accepted and provide access to these details via Audit Mode functionality:

- a. the date the ticket was accepted in the prescribed format;
- b. the time the ticket was accepted in the prescribed format;
- c. the value of the ticket in numbers;
- d. the gambling device validation number;
- e. the transaction record no. from the Host system (if supported); and
- f. the type of ticket.”

## **6.4 Credit Redemption Conditions**

6.4.1 The following requirement is to be read in conjunction with section 3.7.1 of NS10:

“Credits or winnings may be paid by the machine by printing a ticket or by secure credit transfer to a cashless account based card in accordance with set limits.”

## **6.5 Cash Ticket Information Required**

6.5.1 The following requirements are added to the end of section 3.7.14 of NS 10:

- a. “bar code or any machine readable code representing the validation number;
- b. indication of an expiration date from the date of issue, or date and time the ticket will expire (configurable to be in line with internal controls);
- c. casino name/site identifier”; and
- d. have printed on them in legible type the name and current 0800 telephone number of the Problem Gambling Helpline.”

## **6.6 Audit Mode Access**

6.6.1 Section 3.10.3 of NS10 is replaced to read as follows:

“The gaming machine must not be playable while in Test mode or Audit mode. If coins or notes, tickets, or account based cards are inserted they must be rejected (except during coin, ticket, account based card, or banknote acceptor testing). The software must return to the state immediately preceding entering Test or Audit mode when the mode is exited.”

## **6.7 Last Play Information Required**

6.7.1 Subparagraph (f) of section 3.12.4 of NS 10 is amended to include the word “tickets” after banknotes.

## **6.8 Gaming Machine Faults**

- 6.8.1 Subparagraph (a) of section 3.16.3 of NS 10 is amended to include the word “ticket” after “coin”.
- 6.8.2 Section 3.16.3 of NS10 is further amended to include the following requirement:
- “(e) if the gaming machine was printing a ticket, the EGM must where possible cease printing the ticket and print “VOID” on the remainder of the current ticket and print another ticket with the word “VOID” repeated. The ticket must be flagged as void by the system.”

## **6.9 Illegal Gaming in Demonstration Mode**

- 6.9.1 Section 3.18.27 of NS10 is amended to include after subparagraph (c):
- “(d) Not allow tickets or cashless credits to be entered into the gaming machine (i.e. lockout) except in accordance with approved test procedures.”

## **6.10 Gaming Machine Tournaments (Supplementary Section)**

- 6.10.1 “Cards used for cashless gaming must not be able to be used to facilitate the transfer of credits to or from an EGM in tournament mode.”

## **7. Banknote and Ticket Acceptance Specifications**

- 7.1.1 The title of Part 5 of NS 10 is amended to include the words “and Ticket” after the word “Banknote”.
- 7.1.2 The words “and ticket” are added to each reference to “banknote” in Part 5 of NS 10 except for the following section references: 5.1.17, 5.2.4, 5.3.13, 5.3.14, 5.13.15 and 5.13.17.

### **7.2 Master Meters**

- 7.2.1 The following requirements are added to section 5.3.13 of NS10:
- “(f) total monetary value of tickets accepted (tickets in);
- (g) total monetary value of tickets issued (tickets out).”

### **7.3 Gaming Machine Audit Mode Banknote Information**

- 7.3.1 The following requirements are added after section 5.3.17:
- “5.3.17a A gaming machine with a banknote acceptor enabled to take tickets must be capable of displaying the following ticket specific information in Audit/Employee mode:
- a) the ticket specific Master Meter information specified in the Section 5.3.13 Master Meters;
- b) the value of the last 35 tickets in and the last 35 tickets out (with time stamps) accessed via Audit Mode;
- c) last game replay records must show the total of money or the number of credits added, by insertion of tickets between the completion of the previous game and the completion of the game being displayed. These amounts must be displayed separately and indicated as separate amounts to the total ‘money in’.”

### **7.4 Banknote Acceptor**

- 7.4.1 The words “and ticket” are added after each reference to “banknote” in sections 6.2.30 to 6.2.44.

## **7.5 Coin, Banknote and Ticket Validation**

- 7.5.1 The words “and ticket” are added after each reference to “banknote”, “bill” or “note” in sections 6.3.42 to 6.3.50.

## **8. Ticket Validation Systems used in Ticket-In Ticket-Out Gaming Machines**

### **8.1 Introduction**

- 8.1.1 A ticket validation system may be entirely integrated into an approved CEMS or be part of a Cash Control System. The system must be capable of recording all ticket in and ticket out transactions and associated data for reconciliation purposes from all relevant gambling devices.

### **8.2 Invalid Ticket Notification**

- 8.2.1 The validation system or CEMS must have the ability to identify these occurrences and reject the ticket from a gaming machine or electronic table game, and prevent it from being redeemed at a kiosk, table game redemption device or cashier terminal:
- a. Serial number cannot be found on file (stale date, forgery, etc.);
  - b. Ticket has already been paid; or
  - c. Amount of ticket differs from amount on file.

### **8.3 Reporting Requirements and Ticket Reconciliation**

- 8.3.1 All Ticket In and Ticket Out transactions will be validated by a CEMS or Cash Control System. A record will be kept of all transactions and associated information.
- 8.3.2 At a minimum, a system must be able to report on:
- a. Tickets Issued,
  - b. Tickets Redeemed,
  - c. Tickets Outstanding,
  - d. Change in Cash Desk Liability,
  - e. Where a ticket was issued or redeemed,
  - f. Date and time a ticket was issued or redeemed,
  - g. Any player account data associated with a transaction.

### **8.4 Database and Validation Component Security**

- 8.4.1 The following requirements apply for database and validation component security:
- a. Once the validation information is stored in the database, the data may not be altered in any way.
  - b. The validation system database must be encrypted or password protected and should possess a non-alterable user audit trail to detect unauthorized access.
  - c. Further, the normal operation of any device that holds ticket information shall not have any options or method that may compromise ticket information.
  - d. Any device that holds ticket information in its memory shall not allow removing of the information unless it has first transferred that information to the database or other secured component(s) of the validation system.

## **8.5 Kiosk and Cashier Validation Terminals**

8.5.1 The following requirements apply to kiosk and cashier validation terminals

- a. All validation terminals shall be user and password controlled. A cashiering terminal shall allow:
  - i. The bar code to be scanned via an optical reader or equivalent, and
  - ii. Allow the manual input of the ticket validation number.

## **8.6 Validation Receipt Information**

8.6.1 The following requirements apply for any validation receipt information:

- a. The validation receipt, at a minimum, shall contain the following printed information:
- b. Machine number/s;
- c. Validation number/s;
- d. Date and Time paid;
- e. Amount/s;
- f. Total Number of Tickets;
- g. Total amount to be paid;
- h. Cashier Identifier;
- i. Place for Cashier and Player to sign to acknowledge payment (this will not be required if payment is through a kiosk).

## **Schedule 14A Minimum Operating Standards**

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The SKYCITY Auckland Cashiering Minimum Operating Standard is amended by inserting the following paragraphs:

“In non-restricted areas, the issuance or redemption of single or multiple ticket values in excess of \$500 requires the presentation of suitable ID which will be recorded and linked to the transaction. A non-restricted area is an area other than a restricted area as defined in the New Zealand International Convention Centre Project and Licensing Agreement.

In restricted and non-restricted areas, the transfer of credits to or from a White Card in excess of \$500 requires the presentation of suitable ID which will be recorded and linked to the transaction.”

For the purposes of these Minimum Operating Standards, suitable ID includes a Premier Loyalty Card or any singular document referenced in the New Zealand AML/CFT Identity Verification Code of Practice 2011 or its future equivalent.

## **Schedule 15 Description of Land and Future Development Unit**

## Schedule 15 Description of Land and Future Development Unit

Land including Future Development Unit ('FDU') <b>Version 9</b>								
Street Address	Unique Identifier	Lot	DP	Area	Estate	Part of site in FDU*		
Corner Wellesley Street & Nelson Street 109 Hobson Street & 117 Hobson Street	NA127D/191 NA17B/648 NA65/33	Lot 2 Lot 2 Lot 2	198988 60273 1086	2183m <sup>2</sup> 379m <sup>2</sup> 304m <sup>2</sup>	Fee Simple Fee Simple Fee Simple	Yes		
83 Wellesley Street	NA343/182	-	14489	372m <sup>2</sup>	Fee Simple	Yes		
87 Wellesley Street	NA77/220	Lot 2 Allotment 12 Section 23	1507	253m <sup>2</sup>	Fee Simple	Yes		
91 Wellesley Street	NA88C/600	Lot 4 Allotment 12 Section 23	-	263m <sup>2</sup>	Fee Simple	Yes		
89 Wellesley Street	NA67C/827	Part Allotment 12 Section 23	-	238m <sup>2</sup>	Fee Simple	Yes		
Unit A, 85 Wellesley Street	NA127B/972	Lot 1 DP195519	198585	265m <sup>2</sup>	Stratum in Freehold	Yes		
Unit B 85 Wellesley Street	NA127B/973		198585		Stratum in Freehold	Yes		
Unit C, 85 Wellesley Street	NA127B/974		198585		Stratum in Freehold	Yes		
Unit D, 85 Wellesley Street	NA127B/975		198585		Stratum in Freehold	Yes		
Unit E, 85 Wellesley Street	NA127B/976		198585		Stratum in Freehold	Yes		
Unit 1A, 85 Wellesley Street	NA127B/977		198585		Stratum in Freehold	Yes		
Unit 1B, 85 Wellesley Street	NA127B/978		198585		Stratum in Freehold	Yes		
Unit 1C, 85 Wellesley Street	NA127B/979		198585		Stratum in Freehold	Yes		
Unit 1D, 85 Wellesley Street	NA127B/980		198585		Stratum in Freehold	Yes		
Unit 2A, 85 Wellesley Street	NA127B/985		198585		Stratum in Freehold	Yes		
Unit 2B, 85 Wellesley Street	NA127B/986		198585		Stratum in Freehold	Yes		
Unit 2C, 85 Wellesley Street	NA127B/987		198585		Stratum in Freehold	Yes		
Unit 2D, 85 Wellesley Street	NA127B/988		198585		Stratum in Freehold	Yes		
Unit 3A, 85 Wellesley Street	NA127B/993		198585		Stratum in Freehold	Yes		
Unit 1E, 85 Wellesley Street	NA127B/981		198585		Stratum in Freehold	Yes		
Unit 1F, 85 Wellesley Street	NA127B/982		198585		Stratum in Freehold	Yes		
Unit 1G 85 Wellesley Street	NA127B/983		198585		Stratum in Freehold	Yes		
Unit 2E, 85 Wellesley Street	NA127B/989		198585		Stratum in Freehold	Yes		
Unit 2H, 85 Wellesley Street	NA127B/992		198585		Stratum in Freehold	Yes		
Unit 1H, 85 Wellesley Street	NA127B/984		198585		Stratum in Freehold	Yes		
Unit 2F, 85 Wellesley Street	NA127B/990		198585		Stratum in Freehold	Yes		
Unit 2G, 85 Wellesley Street	NA127B/991		198585		Stratum in Freehold	Yes		
Unit 3B, 85 Wellesley Street	NA127B/994		198585		Stratum in Freehold	Yes		
Unit 3C, 85 Wellesley Street	NA127B/995		198585		Stratum in Freehold	Yes		
Unit 3D, 85 Wellesley Street	NA127B/996		198585		Stratum in Freehold	Yes		
Unit 3E, 85 Wellesley Street	NA127B/997		198585		Stratum in Freehold	Yes		
Unit A, 79-81 Wellesley Street	NA119A/753		Pt Allotment 11 Sect 23		189495	589m <sup>2</sup> +101m <sup>2</sup>	Stratum in Freehold	Yes
Unit B, 79-81 Wellesley Street	NA119A/754		Auckland City & Lot1 DP		189495		Stratum in Freehold	Yes

Unit C, 79-81 Wellesley Street	NA119A/755	60273	189495		Stratum in Freehold	Yes
Unit D, 79-81 Wellesley Street	NA119A/756		189495		Stratum in Freehold	Yes
Unit E, 79-81 Wellesley Street	NA119A/757		189495		Stratum in Freehold	Yes
Units F, 79-81 Wellesley Street	NA119A/758		189495		Stratum in Freehold	Yes
Units M, 79-81 Wellesley Street	NA119A/765		189495		Stratum in Freehold	Yes
Unit G, 79-81 Wellesley Street	NA119A/759		189495		Stratum in Freehold	Yes
Unit H, 79-81 Wellesley Street	NA119A/760		189495		Stratum in Freehold	Yes
Unit I, 79-81 Wellesley Street	NA119A/761		189495		Stratum in Freehold	Yes
Unit J, 79-81 Wellesley Street	NA119A/762		189495		Stratum in Freehold	Yes
Unit K, 79-81 Wellesley Street	NA119A/763		189495		Stratum in Freehold	Yes
Unit L, 79-81 Wellesley Street	NA119A/764		189495		Stratum in Freehold	Yes
Unit N, 79-81 Wellesley Street	NA119A/766		189495		Stratum in Freehold	Yes
Unit O, 79-81 Wellesley Street	NA119A/767		189495		Stratum in Freehold	Yes
Unit P, 79-81 Wellesley Street	NA119A/768		189495		Stratum in Freehold	Yes
Unit Q, 79-81 Wellesley Street	NA119A/769		189495		Stratum in Freehold	Yes
Unit R, 79-81 Wellesley Street	NA119A/770		189495		Stratum in Freehold	Yes
Unit S, 79-81 Wellesley Street	NA119A/771		189495		Stratum in Freehold	Yes
Unit T, 79-81 Wellesley Street	NA119A/772		189495		Stratum in Freehold	Yes
Unit U, 79-81 Wellesley Street	NA119A/773		189495		Stratum in Freehold	Yes
Unit V, 79-81 Wellesley Street	NA119A/774		189495		Stratum in Freehold	Yes
Unit W, 79-81 Wellesley Street	NA119A/775		189495		Stratum in Freehold	Yes
Unit X, 79-81 Wellesley Street	NA119A/776		189495		Stratum in Freehold	Yes
Unit Y, 79-81 Wellesley Street	NA119A/777		189495		Stratum in Freehold	Yes
Unit Z, 79-81 Wellesley Street	NA119A/778		189495		Stratum in Freehold	Yes
Unit AA, 79-81 Wellesley Street	NA119A/779		189495		Stratum in Freehold	Yes
97-101 Hobson Street	NA839/214	Lot 1	32654	1060m <sup>2</sup>	Fee Simple	
97-101 Hobson Street	NA162/157	Part Allotment 8 Section 23	-	541m <sup>2</sup>	Fee Simple	
103-107 Hobson Street	NA127D/192	Lot 3	198988	1288m <sup>2</sup>	Fee Simple	
50 Nelson Street	NA127D/190	Lot 1	198988	1169m <sup>2</sup>	Fee Simple	
		Lot 1	198988	2457m <sup>2</sup>	Fee Simple	
46-48 Nelson Street	NA95C/235	Lot 1	67298	2071m <sup>2</sup>	Fee Simple	
TVNZ - 93 Hobson Street	NA2034/97	Lot 1	47977	1,034m <sup>2</sup>	Fee Simple	
TVNZ - 91 Hobson Street	NA1874/26		1293	1,012m <sup>2</sup>	Fee Simple	
TVNZ - 85 Hobson Street	NA1041/140	Lot 1	39058	1,029m <sup>2</sup>	Fee Simple	

\*FDU Comprises of 1060m<sup>2</sup> site held for non NZICC future development across the above Wellesley Street frontage, as per the below diagram.



**Land including Future Development Unit ('FDU') Version 10**

Street Address	Unique Identifier	Lot	DP	Area	Estate	Part of site in FDU*
Corner Wellesley Street & Nelson Street 109 Hobson Street & 117 Hobson Street	NA127D/191	Lot 2	198988	2183m <sup>2</sup>	Fee Simple	Yes
	NA17B/648	Lot 2	60273	379m <sup>2</sup>	Fee Simple	
	NA65/33	Lot 2	1086	304m <sup>2</sup>	Fee Simple	
83 Wellesley Street	NA343/182	-	14489	372m <sup>2</sup>	Fee Simple	Yes
87 Wellesley Street	NA77/220	Lot 2 Allotment 12 Section 23	1507	253m <sup>2</sup>	Fee Simple	Yes
91 Wellesley Street	NA88C/600	Lot 4 Allotment 12 Section 23	-	263m <sup>2</sup>	Fee Simple	Yes
89 Wellesley Street	NA67C/827	Part Allotment 12 Section 23	-	238m <sup>2</sup>	Fee Simple	Yes
Unit A, 85 Wellesley Street	NA127B/972	Lot 1 DP195519	198585	265m <sup>2</sup>	Stratum in Freehold	Yes
Unit B 85 Wellesley Street	NA127B/973		198585		Stratum in Freehold	Yes
Unit C, 85 Wellesley Street	NA127B/974		198585		Stratum in Freehold	Yes
Unit D, 85 Wellesley Street	NA127B/975		198585		Stratum in Freehold	Yes
Unit E, 85 Wellesley Street	NA127B/976		198585		Stratum in Freehold	Yes
Unit 1A, 85 Wellesley Street	NA127B/977		198585		Stratum in Freehold	Yes
Unit 1B, 85 Wellesley Street	NA127B/978		198585		Stratum in Freehold	Yes
Unit 1C, 85 Wellesley Street	NA127B/979		198585		Stratum in Freehold	Yes
Unit 1D, 85 Wellesley Street	NA127B/980		198585		Stratum in Freehold	Yes
Unit 2A, 85 Wellesley Street	NA127B/985		198585		Stratum in Freehold	Yes
Unit 2B, 85 Wellesley Street	NA127B/986		198585		Stratum in Freehold	Yes
Unit 2C, 85 Wellesley Street	NA127B/987		198585		Stratum in Freehold	Yes
Unit 2D, 85 Wellesley Street	NA127B/988		198585		Stratum in Freehold	Yes
Unit 3A, 85 Wellesley Street	NA127B/993		198585		Stratum in Freehold	Yes
Unit 1E, 85 Wellesley Street	NA127B/981		198585		Stratum in Freehold	Yes
Unit 1F, 85 Wellesley Street	NA127B/982		198585		Stratum in Freehold	Yes
Unit 1G 85 Wellesley Street	NA127B/983		198585		Stratum in Freehold	Yes
Unit 2E, 85 Wellesley Street	NA127B/989		198585		Stratum in Freehold	Yes
Unit 2H, 85 Wellesley Street	NA127B/992		198585		Stratum in Freehold	Yes
Unit 1H, 85 Wellesley Street	NA127B/984		198585		Stratum in Freehold	Yes
Unit 2F, 85 Wellesley Street	NA127B/990		198585		Stratum in Freehold	Yes
Unit 2G, 85 Wellesley Street	NA127B/991		198585		Stratum in Freehold	Yes
Unit 3B, 85 Wellesley Street	NA127B/994		198585		Stratum in Freehold	Yes
Unit 3C, 85 Wellesley Street	NA127B/995		198585		Stratum in Freehold	Yes
Unit 3D, 85 Wellesley Street	NA127B/996		198585		Stratum in Freehold	Yes
Unit 3E, 85 Wellesley Street	NA127B/997		198585		Stratum in Freehold	Yes
Unit A, 79-81 Wellesley Street	NA119A/753	Pt Allotment 11 Sect 23 Auckland City & Lot1 DP 60273	189495	589m <sup>2</sup> +101m <sup>2</sup>	Stratum in Freehold	Yes
Unit B, 79-81 Wellesley Street	NA119A/754		189495		Stratum in Freehold	Yes
Unit C, 79-81 Wellesley Street	NA119A/755		189495		Stratum in Freehold	Yes
Unit D, 79-81 Wellesley Street	NA119A/756		189495		Stratum in Freehold	Yes
Unit E, 79-81 Wellesley Street	NA119A/757		189495		Stratum in Freehold	Yes
Units F, 79-81 Wellesley Street	NA119A/758		189495		Stratum in Freehold	Yes
Units M, 79-81 Wellesley Street	NA119A/765		189495		Stratum in Freehold	Yes

Unit G, 79-81 Wellesley Street	NA119A/759		189495		Stratum in Freehold	Yes
Unit H, 79-81 Wellesley Street	NA119A/760		189495		Stratum in Freehold	Yes
Unit I, 79-81 Wellesley Street	NA119A/761		189495		Stratum in Freehold	Yes
Unit J, 79-81 Wellesley Street	NA119A/762		189495		Stratum in Freehold	Yes
Unit K, 79-81 Wellesley Street	NA119A/763		189495		Stratum in Freehold	Yes
Unit L, 79-81 Wellesley Street	NA119A/764		189495		Stratum in Freehold	Yes
Unit N, 79-81 Wellesley Street	NA119A/766		189495		Stratum in Freehold	Yes
Unit O, 79-81 Wellesley Street	NA119A/767		189495		Stratum in Freehold	Yes
Unit P, 79-81 Wellesley Street	NA119A/768		189495		Stratum in Freehold	Yes
Unit Q, 79-81 Wellesley Street	NA119A/769		189495		Stratum in Freehold	Yes
Unit R, 79-81 Wellesley Street	NA119A/770		189495		Stratum in Freehold	Yes
Unit S, 79-81 Wellesley Street	NA119A/771		189495		Stratum in Freehold	Yes
Unit T, 79-81 Wellesley Street	NA119A/772		189495		Stratum in Freehold	Yes
Unit U, 79-81 Wellesley Street	NA119A/773		189495		Stratum in Freehold	Yes
Unit V, 79-81 Wellesley Street	NA119A/774		189495		Stratum in Freehold	Yes
Unit W, 79-81 Wellesley Street	NA119A/775		189495		Stratum in Freehold	Yes
Unit X, 79-81 Wellesley Street	NA119A/776		189495		Stratum in Freehold	Yes
Unit Y, 79-81 Wellesley Street	NA119A/777		189495		Stratum in Freehold	Yes
Unit Z, 79-81 Wellesley Street	NA119A/778		189495		Stratum in Freehold	Yes
Unit AA, 79-81 Wellesley Street	NA119A/779		189495		Stratum in Freehold	Yes
97-101 Hobson Street	NA839/214	Lot 1	32654	1060m <sup>2</sup>	Fee Simple	
97-101 Hobson Street	NA162/157	Part Allotment 8 Section 23	-	541m <sup>2</sup>	Fee Simple	
103-107 Hobson Street	NA127D/192	Lot 3	198988	1288m <sup>2</sup>	Fee Simple	
50 Nelson Street	NA127D/190	Lot 1	198988	1169m <sup>2</sup>	Fee Simple	
		Lot 1	198988	2457m <sup>2</sup>	Fee Simple	
46-48 Nelson Street	NA95C/235	Lot 1	67298	2071m <sup>2</sup>	Fee Simple	
TVNZ - 93 Hobson Street	NA2034/97	Lot 1	47977	1,034m <sup>2</sup>	Fee Simple	
<del>TVNZ - 91 Hobson Street</del>	<del>NA1874/26</del>		<del>4293</del>	<del>1,012m<sup>2</sup></del>	<del>Fee Simple</del>	
<del>TVNZ - 85 Hobson Street</del>	<del>NA1041/140</del>	<del>Lot 4</del>	<del>39058</del>	<del>1,029m<sup>2</sup></del>	<del>Fee Simple</del>	

**\*FDU Comprises of 1060m<sup>2</sup> site held for non NZICC future development across the above Wellesley Street frontage, as per the below diagram.**



## Schedule 16 Operating Standards

# **Schedule 16: Operating Standards**

to

**New Zealand International Convention Centre Project  
and Licensing Agreement**

Between

**Her Majesty the Queen in Right of New Zealand acting  
by and through the Minister for Economic Development**

and

**SKYCITY Entertainment Group Limited**

# Operating Standards

## Background

- A This document is a schedule to, and forms part of, the terms and conditions of the New Zealand International Convention Centre Project and Licensing Agreement ('**Agreement**') entered into between Her Majesty the Queen in Right of New Zealand acting by and through the Minister for Economic Development and SKYCITY Entertainment Group Limited ('**SKYCITY**') on or about July 2013 and under which SKYCITY agreed to design and build the NZICC and to then operate the NZICC in accordance with these Operating Standards on the condition that SKYCITY obtained the benefit of the Regulatory Concessions.
- B While the Crown has not made any contractual commitment to provide funding to assist SKYCITY to successfully operate the NZICC, as part of the 2013 Budget, the Crown announced the Internationally Focused Growth Package which includes \$34 million over 4 years to be appropriated to Tourism New Zealand for the purpose of attracting international business events, including conferences, conventions and exhibitions.
- C This Schedule identifies:
- the Desired Outcomes for the NZICC;
  - SKYCITY's operational obligations with respect to the NZICC;
  - the key performance indicators and measurement and reporting requirements;
  - management and engagement processes that the parties will adopt with respect to SKYCITY's operation of the NZICC; and
  - the consequences, including Non-Compliance Payments, that may occur if SKYCITY fails to operate the NZICC in accordance with its obligations in this Schedule.

## 1 Definitions

1.1 Except where the context otherwise requires, all expressions used in this Schedule that are defined in the Agreement shall have the same meaning as defined in the Agreement.

1.2 In this Schedule, as the context requires, the following terms have the following meanings:

**'Additional Instance Assessment period'** means, for a Contravention, the period of assessment identified in Appendix B (Operational Obligations).

**'Annual Business Plan'** means the annual plan for the operation and management of the NZICC.

**'Approved Signage'** means signage agreed between the parties regarding style, shape, colour, and all other details of all internal and external Signage.

**'Asset Management Plan'** means a multi-year plan including facility development, repairs and maintenance, enhancements in operating systems and equipment, and a repairs and maintenance budget.

**'Authority'** means any local or territorial authority, government, or other authority, having jurisdiction, power or Approval, or authority over, or in respect of, the NZICC, the Building Works, or the Land.

**'Brand Guidelines'** means the guidelines for use of the Intellectual Property set out in Schedule 2 (Brand Guidelines) of the Agreement.

**'Building Works'** means the construction works required to complete the NZICC.

**'Building Works Contractor'** means the contractor engaged by SKYCITY from time to time to construct the NZICC.

**'Business Day'** means a day of the week other than:

- a Saturday, Sunday, Waitangi Day, Good Friday, Easter Monday, Anzac Day, the Sovereign's Birthday, Auckland Anniversary Day, Wellington Anniversary Day, and Labour Day;
- b any other day identified by legislation as a public holiday to be observed throughout New Zealand; and
- c a day in the period commencing with 25 December and ending with 2 January in the following year.

**'Compensation Claim'** means a claim for compensation made by SKYCITY under clause 22.11 of the Agreement (Consequences of Termination of Agreement).

**'Completion'** means there is proper and effective completion of the Building Works in accordance with the Agreement and all Approvals have been obtained from the Authorities so that the NZICC can be occupied and used for its intended purpose as an international standard convention centre.

**'Completion Date'** means the date on which Completion of the NZICC occurs.

**'Contravention'** means a breach of the Operating Standards or a breach of clause 12 (Operation and Maintenance of the NZICC) or clause 13 (Intellectual Property) of the Agreement.

**'Crown'** means Her Majesty the Queen in Right of New Zealand acting by and through the Minister for Economic Development, but where the context expressly specifies, 'Crown' means any other part of the Crown and any Government Entity.

**'Crown Liaison'** means the person appointed from time to time by the Crown to liaise with the SKYCITY Liaison regarding the operation of the NZICC, pursuant to paragraph 6 of this Schedule.

**'Desired Outcomes'** are those set out in Appendix A (Desired Outcomes).

**'Disputes Panel'** has the meaning set out in clause 24 of the Agreement (Dispute Resolution).

**'Event'** means an event that is, or is proposed to be, held at the NZICC.

**'Fern Device Mark'** means the logo set out in Schedule 5 to the Agreement (Fern Device Mark).

**'Fundamental Operating Standards Default'** has the meaning given to that term in paragraph 11.4 (Remedies) below.

**'Future Development Unit'** means the rectangular shaped area of approximately 1030m<sup>2</sup> adjacent to the Land referred to in the KordaMentha Report and identified for a potential hotel development as described in the Agreement.

**'Government Entity'** means any:

- a Crown Entity;
- b Crown-owned company or subsidiary; or
- c body whose obligations under the Agreement are unconditionally and irrevocably guaranteed by the Crown,

and also includes the Gambling Commission.

**'Intellectual Property'** means all trade marks, copyright, domain names, statutory protection, and other intellectual property rights in, and goodwill in or associated with, the name New Zealand International Convention Centre, the acronym NZICC, the Logos, and the Trade Mark Applications as detailed in the Agreement. The Intellectual Property does not include the Fern Device Mark in isolation.

**'Key Performance Indicator'** means the key performance indicators identified in Appendix C (Key Performance Indicators) of this Schedule.

**'KordaMentha'** means the Auckland office of the advisory firm that at the date of the Agreement carries on business under the name KordaMentha.

**'KordaMentha Report'** means the report prepared by KordaMentha dated 10 May 2013 and commissioned by the parties to independently assess:

- a the present economic value of the costs and benefits of the Regulatory Concessions to SKYCITY; and
- b the present economic value of the costs to SKYCITY of building the NZICC,

in order to establish that the former are reasonable having regard to the latter and the parties' respective risks and returns.

**'Land'** means the land described and comprised in the legal descriptions contained in Schedule 15 to the Agreement (Description of Land and Future Development Unit) but does not include the Future Development Unit land described in that Schedule and if NZICC Design Option 10 applies, does not include the NZICC Design Option 9 Properties.

**'Laws'** means all legislation, regulations, orders-in-council, and any instrument issued by a Minister or any part of the Crown (as defined in section 2 of the Public Finance Act 1989) and any by-laws of any local authority.

**'Logos'** means the logos set out in Schedule 4 to the Agreement (Logos and Trademark Applications).

**'Licence'** means the licence to use the Intellectual Property granted under clause 13.1 of the Agreement (Intellectual Property).

**'Major Event'** means any event declared as a Major Event under section 7 of the Major Events Management Act 2007.

**'Material Issue'** means any issue in relation to the NZICC that:

- a could reasonably be expected to cause public controversy; or
- b that could reasonably be expected to materially and adversely affect the reputation or brand of the NZICC; and
- c in relation to the operation of the NZICC, SKYCITY becomes aware which could reasonably be expected to materially adversely affect the achievement of the Operational Obligations or Key Performance Indicators; or
- d in relation to the operation of the NZICC, SKYCITY becomes aware which could reasonably be expected to materially adversely affect SKYCITY's ability to operate the NZICC in a manner that promotes the achievement of the Desired Outcomes.

**'Measurement and Reporting Requirements'** means the measurement and reporting requirements identified in Appendix D (Measurement and reporting) and paragraphs 2.3h, 6.5, 12.4, and 13.1 to 13.3 of this Schedule.

**'Non-Compliance Payments'** has the meaning given to that term in paragraph 10 (Consequences of Contraventions) below as adjusted in accordance with paragraph 10.3.

**'NZICC'** means the building and fitout to be constructed by SKYCITY on the Land as the New Zealand International Convention Centre, in accordance with the terms of the Agreement.

**'Objectives'** means the Crown's objectives in entering into the Agreement which include:

- a having a convention centre which is capable of hosting 3,500 delegates, which is unique in style to New Zealand, and which is designed and constructed in accordance with contemporary international design standards, and operated in accordance with operational standards generally accepted in relation to international convention centres;
- b significantly increasing international tourism revenues from additional spending from greater numbers of business delegates and accompanying persons coming to New Zealand, especially in the shoulder and off-peak seasons, such revenue being calculated to generate benefits to the New Zealand economy as a whole in the vicinity of \$90 million in 2013 dollars;
- c enhancing GDP through investments arising from business and professional connections made between visiting delegates and New Zealand firms or individuals;
- d New Zealand being seen as an attractive business events destination because of the quality of its convention infrastructure; and
- e having an efficiently and professionally operated convention centre.

**'Occasional Transaction'** has the meaning set out in the Anti-Money Laundering and Countering Financing of Terrorism Act 2009.

**'Operating Standards'** means the provisions of this Schedule 16 including its appendices.

**'Operating Standards Default'** has the meaning given to that term in paragraph 11.1 (Contraventions and Material Issues) below.

**'Operational Obligations'** means the operational obligations identified in Appendix B (Operational Obligations) of this Schedule.

**'Performance Issue'** has the meaning given to that term in paragraph 9.1 (Contraventions and Material Issues) below.

**'Permitted Uses'** means the permitted uses of the Intellectual Property as set out in clause 13.8 of the Agreement (Intellectual Property).

**'Planned Review'** has the meaning given to that term in paragraph 12.1 (Review of Operating Standards) below.

**'Producers Price Index'** means the Producers Price Index (all inputs) published by Statistics New Zealand, or the most nearly comparable index if that index ceases to exist or be published.

**'Review Meetings'** means the meetings referred to in paragraph 6.6 (Meetings and engagement) below.

**'Royalty'** means the royalty payable by SKYCITY to the Crown pursuant to paragraph 14.18 as adjusted in accordance with paragraph 14.21.

**'Security Interest':**

- a in the case of personal property has the meaning ascribed to that term under section 17 of the Personal Property Securities Act 1999 but excludes reservations of ownership by suppliers in the ordinary course of business and lessor's rights under finance leases, operating leases and leases of personal property; and
- b in the case of real property means a mortgage securing financing provided to or guaranteed by the registered proprietor of the real property or other registered memorandum of encumbrance containing a power of sale in favour of the person having the benefit of the encumbrance.

**'Severity Classification Tables'** means the severity classification tables for performance issues annexed as Appendix E (Severity Classification Tables).

**'Signage'** means the physical signs or signage incorporating any Intellectual Property for use in, or affixed to, the exterior or interior of the NZICC.

**'SKYCITY Group'** means SKYCITY Entertainment Group Limited and each of its wholly owned subsidiaries.

**'SKYCITY Liaison'** means the person appointed from time to time by SKYCITY to liaise with the Crown Liaison regarding the operation of the NZICC, pursuant to paragraph 6 of this Schedule.

**'Term'** means the period commencing on the date of execution of this Agreement up to the earlier of:

- a the date of termination of this Agreement; or
- b 30 June 2048 (but, if any obligation to operate the NZICC under clause 12 (Operation and Maintenance of NZICC) of the Agreement and the right to use the Intellectual Property under clause 13 (Intellectual Property) of the Agreement is extended under

clause 15.5 (Reinstatement) of the Agreement or clause 23.7 (Force Majeure) of the Agreement, such later date as is determined under those clauses).

**'Trade Mark Applications'** means the trade mark applications set out in Schedule 4 (Logos and Trade Mark Applications) of the Agreement.

**'Website'** means the official website that promotes the NZICC, as outlined in clause 13.13 to 13.18 (Intellectual Property) of the Agreement.

- 1.3 In interpreting the phrase 'taken as a whole':
- a In paragraphs 2.3f, and 11.4c, the phrase 'taken as a whole' shall be interpreted as requiring the materiality of the relevant information to be considered in the context of all the currently available information in relation to the operations of the NZICC; and
  - b In paragraph 2.1, the phrase 'taken as a whole' shall be interpreted as seeking to establish a threshold at which the operational pattern of the NZICC has been such that a reasonable person would conclude that SKYCITY either is not committed to performing the relevant obligations specified in paragraph 2.1 or does not have the ability or skills to perform the relevant obligations in paragraph 2.1.
- 1.4 To the extent that there is any inconsistency between the Operating Standards and the Agreement, the Operating Standards shall prevail.
- 1.5 Notwithstanding any other provision of this Schedule, the obligations of SKYCITY shall only apply during the Term.

## **2 Overview of obligations**

- 2.1 SKYCITY must:
- a operate the New Zealand International Convention Centre in a manner that when taken as a whole is in accordance with standards that are generally accepted in relation to international convention centres;
  - b operate the New Zealand International Convention Centre at all times in a manner that promotes the achievement of the Desired Outcomes; and
  - c operate the New Zealand International Convention Centre in a manner that when taken as a whole does not frustrate the realisation or achievement of the Objectives.

In assessing whether SKYCITY is in breach of paragraphs 2.1b or 2.1c, the comparative benchmark shall be that of a reasonable international convention centre operator having an obligation of the kind referred to in paragraph 2.2.

- 2.2 The Crown acknowledges that SKYCITY is a commercial enterprise with an obligation to seek to maximise the economic return to its shareholders, including through the operation and maintenance of the NZICC and that the achievement of the Desired Outcomes and the Objectives is only partly within the control of SKYCITY.
- 2.3 SKYCITY will, in accordance with the Agreement and the terms of this Schedule:
- a perform or comply with, as the case may be, all Operational Obligations;

- b satisfy all Key Performance Indicators;
- c measure its performance of, and compliance with, the Operational Obligations and satisfaction of the Key Performance Indicators;
- d openly and diligently report to the Crown regarding its performance of, and compliance with, the Operational Obligations and satisfaction of the Key Performance Indicators;
- e pay to the Crown the Non-Compliance Payments associated with non-compliance with its obligations identified, or referred to, in this Schedule;
- f not provide the Crown with any materially false or materially misleading information in relation to the actual operating performance of the NZICC taken as a whole;
- g from Completion own all the plant, equipment and software (collectively '**resources**') necessary to operate the NZICC, or where it does not own the resources, have contracts for the supply of such resources on commercial 'arm's length' terms, and no Security Interest may exist in respect of any of such resources; and
- h provide the Crown with access to its documents, accounts, records and other information (and the Crown will be entitled to retain copies thereof):
  - i as may be necessary (acting reasonably) in order for the Crown to be satisfied that SKYCITY is complying with its obligations under the Agreement and the Operating Standards in respect of the NZICC;
  - ii as may be necessary (acting reasonably) to enable calculation and verification of any Compensation Claim; and
  - iii following a Default, as may be necessary (acting reasonably) to enable the Crown to exercise its rights under the Agreement.

2.4 The Crown and SKYCITY will, in accordance with the Agreement and the terms of this Schedule:

- a meet with each other to discuss matters concerning the operation of the NZICC and the performance of, or compliance with, the Operational Obligations; and
- b from time to time, review and amend by agreement the Operational Obligations, Key Performance Indicators, and Non-Compliance Payments.

### **3 Operational Obligations**

3.1 SKYCITY must at all times throughout the Term operate the NZICC in accordance with the Agreement and:

- a perform the Operational Obligations;
- b comply with the Operational Obligations; and
- c not suffer or permit any breach of the Operational Obligations.

3.2 SKYCITY is entirely responsible for all its costs of operation and management of the NZICC, including all its costs of producing the Annual Business Plan.

- 3.3 Where any other member of the SKYCITY Group is or becomes the operator of the NZICC pursuant to clause 16.3 of the Agreement, references to SKYCITY in this Schedule shall be deemed to be a reference to that other member of the SKYCITY Group but without prejudice to the rights of the Crown under clause 16.3 of the Agreement to hold SKYCITY liable for the performance (or non-performance) of these obligations.

#### **4 Key Performance Indicators**

- 4.1 SKYCITY must, each year during the Term, satisfy the Key Performance Indicators through its operation of the NZICC. The Key Performance Indicators shall be measured on an annual basis.
- 4.2 SKYCITY's obligation to meet the Key Performance Indicators shall be subject to transition-in arrangements identified in Appendix C (Key Performance Indicators).

#### **5 Measurement and reporting**

- 5.1 SKYCITY must measure its:
- a operation of the NZICC;
  - b performance of, and compliance with, the Operational Obligations; and
  - c satisfaction of the Key Performance Indicators,
- in accordance with the Measurement and Reporting Requirements.
- 5.2 SKYCITY must report to the Crown regarding its:
- a operation of the NZICC;
  - b performance of, and compliance with, the Operational Obligations; and
  - c satisfaction of the Key Performance Indicators,
- in accordance with the Measurement and Reporting Requirements.
- 5.3 The parties recognise that the identity of potential users of the NZICC may be highly commercially sensitive information of SKYCITY and useful to competing convention centre operators. Accordingly, notwithstanding any provisions to the contrary in these Operating Standards or the Agreement (but subject to the ability of SKYCITY to raise issues of suitability under paragraph 7.1a), SKYCITY shall not be required at any time to provide to the Crown information that identifies a user or potential user of the NZICC prior to the user or potential user being contractually bound to use the NZICC and the relevant deposit being paid.

## **6 Meetings and engagement**

- 6.1 In their engagement with each other in relation to the Operating Standards, the Crown and SKYCITY will abide by the relationship principles set out in clause 5 of the Agreement (Relationship Principles).
- 6.2 SKYCITY will designate a SKYCITY Liaison and will notify the Crown of its designation within a period of two months following execution of the Agreement.
- 6.3 The Crown will designate a Crown Liaison and will notify SKYCITY of its designation within a period of two months following execution of the Agreement.
- 6.4 SKYCITY must produce, and provide to the Crown via the SKYCITY Liaison, a pre-opening marketing plan by 30 September 2014.
- 6.5 By 31 August each year SKYCITY must prepare a detailed report for the Crown on its performance against the Annual Business Plan for the year that ended on 30 June that year.
- 6.6 The Crown Liaison and the SKYCITY Liaison shall meet for Review Meetings:
- a at least four times per year during the Term, to discuss SKYCITY's and the NZICC's progress against the then current Annual Business Plan;
  - b within four weeks following the release of the report prepared in accordance with paragraph 6.5; and
  - c in June each year during the Term, to discuss the Annual Business Plan for the NZICC for the coming year.
- 6.7 Once the parties have met to discuss the report prepared in accordance with paragraph 6.5, the parties will agree to any necessary additional topics which may be incorporated into the following year's Annual Business Plan.
- 6.8 In relation to the Annual Business Plan the Crown has the right to have its views seriously considered by SKYCITY but does not have a right of approval in relation to the Annual Business Plan.
- 6.9 Meetings held under paragraphs 6 or 9 may be held in person, by telephone, or video conference.

## **7 Cancellation of Events**

- 7.1 Where the Crown Liaison learns of an Event enquiry:
- a by being notified by the SKYCITY Liaison of an Event enquiry in respect of which SKYCITY has doubts as to its suitability (in accordance with the Event Appropriateness Guidelines section of the Booking Management section of Appendix B (Operational Obligations)); or
  - b from a source other than from the SKYCITY Liaison, and notifies the SKYCITY Liaison that the Crown Liaison has a concern,

SKYCITY will not accept any booking for that Event without the Crown's approval, such approval not to be unreasonably withheld or delayed.

- 7.2 Subject to paragraph 7.3, the Crown may, at any time, require SKYCITY to cancel any booking at the NZICC, unless such a cancellation would be impracticable from an operational perspective.
- 7.3 The Crown will only be entitled to exercise the right given in paragraph 7.2 in circumstances where it reasonably believes that the hosting of the relevant Event would be materially prejudicial to the international relations or to national security interests of New Zealand.
- 7.4 The Crown will pay to SKYCITY the costs of any such cancellation of an Event unless no reasonable operator of an international standard convention centre operating to the standard required by paragraph 2.1 of this Schedule, would have accepted such a booking.
- 7.5 Where the Crown requires SKYCITY to cancel an Event booking, SKYCITY must use reasonable commercial endeavours to mitigate the costs that it has incurred as a result of such cancellation of the Event.

## **8 Crown Events at the NZICC**

- 8.1 Subject to availability of the NZICC facilities on each occasion, the Crown or any other Government Entity will be entitled to use of the NZICC facilities and will notify SKYCITY not less than six months prior to the occasion in order for SKYCITY to check such availability.
- 8.2 Except as otherwise agreed, use of the NZICC must be provided to the Crown or any other Government Entity:
- a free of charge for venue hire only, subject to a total annual aggregate value to the Crown (including any other Government Entity) equivalent to the venue hire standard rate for the entire NZICC facilities for 4 days; and
  - b where paragraph 8.2a applies, at the Crown or Government Entity's cost for all operational costs attributable specifically to the Crown or other Government Entity's use other than venue hire (including, by way of example only, audio visual, staging, catering and security costs),

and except as set out in this paragraph 8, the use of the NZICC by the Crown or any other Government Entity will be provided on SKYCITY's normal commercial and contractual terms and will reflect the level of use of the NZICC by the Crown and other Government Entities, and the level of other business referred directly by the Crown to the NZICC.

## **9 Contraventions and Material Issues**

- 9.1 SKYCITY must notify the Crown of any:
- a Contraventions; and
  - b Material Issues,

within a reasonable time having regard to the nature and severity of the Contravention or Material Issue. Contraventions and Material Issues are each a '**Performance Issue**'.

- 9.2 The Crown Liaison shall notify the SKYCITY Liaison if the Crown considers that a Performance Issue has arisen.

- 9.3 Each notification of a Performance Issue shall be in writing and shall set out in reasonable detail, having regard to the circumstances, the nature of the Performance Issue and in respect of a Contravention, the following information:
- a If the Contravention is capable of remedy:
    - i the remedy (or remedies) and outcome (or outcomes) ('remedies' and 'outcomes' in this clause being '**resolutions**') that the notifying party wishes to be achieved in relation to the Contravention; and
    - ii the timeframe within which the notifying party wishes the above resolution to be implemented; or
  - b That the notifying party considers that the Contravention is incapable of remedy.
- 9.4 Where the Contravention is notified by the SKYCITY Liaison under paragraph 9.1, or within a period of 15 Business Days following the Crown notifying the SKYCITY Liaison of a Contravention under paragraph 9.2, SKYCITY may also provide to the Crown Liaison any further information SKYCITY wishes the Crown to consider in deciding whether or not to treat the Contravention as one in respect of which a Non-Compliance Payment should apply, including:
- a whether SKYCITY has complied with its reporting requirements to the Crown in relation to the Contravention;
  - b the severity of the Contravention;
  - c SKYCITY's proposed mitigation of the Contravention;
  - d the level to which SKYCITY had control over the Contravention;
  - e the culpability of SKYCITY in the Contravention;
  - f whether the Contravention is a repeat of an earlier Contravention;
  - g whether the Contravention has been remedied or otherwise dealt with;
  - h the compliance processes SKYCITY has in place to deal with the Contravention;
  - i SKYCITY's overall responsiveness in relation to the Contravention; and
  - j SKYCITY's view on whether a Non-Compliance Payment should apply in respect of the Contravention.
- 9.5 The Crown Liaison and the SKYCITY Liaison shall meet as soon as reasonably practicable after receipt of a written notification under either paragraph 9.1 or 9.2 to discuss the Performance Issue and the proposed resolution and will each use their reasonable commercial endeavours to agree to a resolution of that matter.
- 9.6 Within 10 Business Days of the above meeting, either party may refer any of the following matters to the Disputes Panel for a determination:
- a if the parties cannot agree as to whether or not any matter constitutes a Performance Issue; or
  - b if either party disputes that the Contravention is incapable of being remedied; or

- c if the Crown Liaison and the SKYCITY Liaison are unable to agree on the action required for the resolution of any Performance Issue referred to them.
- 9.7 The Crown Liaison or the SKYCITY Liaison will document the resolution agreed for each Performance Issue and SKYCITY shall carry out such agreed resolution.
- 9.8 Within 20 Business Days of the meeting in paragraph 9.5, the Crown will make a decision (acting reasonably), and notify SKYCITY, as to whether any Non-Compliance Payment is required to be made by SKYCITY, having regard to the information provided by SKYCITY under paragraphs 9.3 and 9.4 and any other representations made by SKYCITY in respect of the Contravention. The amount of any such Non-Compliance Payment required by the Crown will be calculated in accordance with paragraph 10.1 below (read together with the Severity Classification Tables).
- 9.9 If SKYCITY disputes the decision of the Crown under paragraph 9.8 as to whether any Non-Compliance Payment is required to be made by SKYCITY, having regard to the information provided by SKYCITY or the Crown under paragraphs 9.3 and 9.4, it may within 10 Business Days refer the matter to the Disputes Panel for a determination.

## 10 Consequences of Contraventions

- 10.1 Subject to paragraph 10.2 below, the following table (read together with the Severity Classification Tables) identifies the consequences of those Contraventions in respect of which the Crown has decided a Non-Compliance Payment is required to be made by SKYCITY and such decision has not been overturned by the Disputes Panel under paragraph 9.9. The parties agree that there may be financial consequences as a result of the failure to comply and that the Non-Compliance Payments provided for by these Operating Standards following completion of the process referred to in paragraphs 9.4 to 9.9 reflect their view of fair and reasonable consequences of SKYCITY's failure to comply with the Operating Standards, having regard to the parties' recognition of the severity classification of each such Contravention. The parties' agreed fair and reasonable severity classification applicable to each Contravention is set out in the Severity Classification Tables:

Severity	Non-Compliance Payments
1	SKYCITY must pay to the Crown Non-Compliance Payments of \$35,000
2	SKYCITY must pay to the Crown Non-Compliance Payments of \$10,000
3	SKYCITY must pay to the Crown Non-Compliance Payments of \$3,000
4	No Non-Compliance Payment payable

- 10.2 The following terms apply to the payment of Non-Compliance Payments:
- a The amounts specified above as Non-Compliance Payments are payable by SKYCITY to the Crown within 30 days of the Crown notifying SKYCITY pursuant to paragraph 9.8 that such Non-Compliance Payment is due, unless SKYCITY disputes

under paragraph 9.9 that such Non-Compliance Payment is payable, in which case such Non-Compliance Payment will be payable by SKYCITY within 10 days of the dispute being resolved in the Crown's favour (if that occurs).

- b Non-Compliance Payments are payable to and recoverable by the Crown as a debt due. Interest in respect of each unpaid Non-Compliance Payment shall accrue in accordance with clause 25.10 of the Agreement from the date for payment referred to in paragraph 10.2a above.
- c Non-Compliance Payments are calculated on an issue-by-issue basis. Therefore, if SKYCITY contravenes any one or more of its obligations under this Schedule one or more times, then SKYCITY is liable to pay a Non-Compliance Payment with respect to each such Contravention to the extent and in accordance with the tables set out in paragraph 10.1 above and Appendix E (Severity Classification Tables).

10.3 The Non-Compliance Payments have been agreed as of the date of the Agreement and shall be automatically inflated annually by movements in the Producers Price Index (all inputs). The commencing reference point for those calculations shall be the index as published at the end of the first quarter immediately after the Completion Date. The first adjustment to the Non-Compliance Payments will be made by reference to the Producers Price Index as at the following 30<sup>th</sup> of June, and shall be applied to the Non-Compliance Payments in respect of the following year. By way of example, if the Completion Date is 30 December 2017, then the Non-Compliance Payments set out in paragraph 10.1 shall apply from the date of the Agreement through to 30 June 2018. The Non-Compliance Payments for the year ended 30 June 2019 will be adjusted by the movement in the Producers Price Index (all inputs) from 31 December 2017 to 30 June 2018, with subsequent adjustments occurring in the same fashion.

## 11 Operating Standards Defaults and Fundamental Operating Standards Defaults

11.1 If:

- a SKYCITY fails to carry out the agreed resolution in relation to a Contravention within the timeframe specified in the agreed resolution, or, if no timeframe is specified, within 30 Business Days; or
- b the Contravention is incapable of remedy (as agreed by the parties or determined by the Disputes Panel),

then SKYCITY is deemed to be in default ('**Operating Standards Default**').

11.2 If there is disagreement as to whether SKYCITY has carried out or has implemented any agreed resolution of a Performance Issue within the timeframe specified in the agreed resolution (or if no timeframe is specified, then within 30 Business Days of the date of the agreed resolution), then within 10 Business Days either party may refer the matter to the Disputes Panel for a determination.

11.3 If an unremedied Contravention or a Contravention incapable of remedy has become an Operating Standards Default the Crown is entitled to treat the Operating Standards Default as either:

- a a Specific Performance Event; or

- b an Injunctive Event; or
- c a Damages Event. Where compensation is awarded to the Crown in relation to a Damages Event arising from an Operating Standards Default, any Non-Compliance Payment made by SKYCITY in respect of the underlying Contravention shall be deducted from the compensation payable to the Crown; or
- d a further Contravention.

11.4 If SKYCITY has:

- a persistently operated the NZICC in a manner that is inconsistent with paragraph 2.1 of this Schedule or operated the NZICC in a manner that is manifestly inconsistent with paragraph 2.1a of this Schedule; or
- b failed to comply with a Court order in respect of a Specific Performance Event or an Injunctive Event; or
- c provided the Crown with materially false or materially misleading information in relation to the actual operating performance of the NZICC taken as a whole, with the intent of misleading the Crown; or
- d in the case of SKYCITY, an event described in any of paragraphs a, b, ci, cii, d, or e of the definition of Termination Event has occurred; or
- e failed to cancel an Event under paragraph 7.2 following a direction from the Crown, unless such a cancellation would be impracticable from an operational perspective,

(each a '**Fundamental Operating Standards Default**'), the Crown may give written notice of the Fundamental Operating Standards Default (the '**FOSD Notice**') to SKYCITY.

11.5 In determining whether or not SKYCITY has contravened paragraph 11.4a or 11.4e it shall not be sufficient that the Crown establishes a single Contravention unless the Contravention is of such significance or magnitude that a reasonable person would consider it appropriate to invoke the remedies available to the Crown for a Fundamental Operating Standards Default, but nor is it necessary for the Crown to establish breaches of each of paragraphs 2.1a, 2.1b, and 2.1c rather the intention of paragraph 11.4a is to establish a threshold at which the operational pattern of the NZICC has been such that a reasonable person would conclude that SKYCITY either is not committed to performing the obligations in paragraph 2.1 or does not have the ability or skills to perform the obligations in paragraph 2.1.

11.6 The FOSD Notice must specify:

- a the reason or reasons why the Crown considers a Fundamental Operating Standards Default has occurred; and
- b if the Fundamental Operating Standards Default is capable of remedy:
  - i the remedy (or remedies) and outcome (or outcomes) ('remedies' and 'outcomes' in this clause being '**resolutions**') that the Crown, acting reasonably, wishes to be achieved in relation to the Fundamental Operating Standards Default; and
  - ii the timeframe within which the Crown, acting reasonably, wishes the above resolution to be implemented, having regard to the nature and severity of the

Fundamental Operating Standards Default and with such timeframe providing SKYCITY with sufficient time to remedy the Fundamental Operating Standards Default, it being acknowledged that such a timeframe may require a period of up to 12 months for effective resolution; or

- c that the Crown considers that the Fundamental Operating Standards Default is incapable of remedy. In doing so the Crown shall give effect to the principle that SKYCITY should be provided with sufficient opportunity to address the issue that gave rise to the Fundamental Operating Standards Default, unless a reasonable person would conclude that it is not possible for SKYCITY to do so.
- 11.7 SKYCITY shall have 30 Business Days to respond to the FOSD Notice with information (including information as set out in paragraph 9.4) for consideration by the Crown.
- 11.8 Where an FOSD Notice has been given the SKYCITY Liaison and Crown Liaison shall meet as soon as reasonably practicable after delivery of the FOSD Notice and receipt of the further information (if any) from SKYCITY pursuant to paragraph 11.7, to discuss the alleged Fundamental Operating Standards Default and the proposed resolution and will each use their best efforts to agree to a resolution of that matter.
- 11.9 Within 30 Business Days of the above meeting, either party may refer any of the following matters to the High Court in accordance with clause 24.27 of the Agreement for a decision:
- a if SKYCITY does not agree that a Fundamental Operating Standards Default has occurred;
  - b if SKYCITY disputes that the Fundamental Operating Standards Default is incapable of being remedied; or
  - c if the parties are at their meeting unable to agree on a resolution to, or timeframe for resolution of, the Fundamental Operating Standards Default.
- 11.10 If:
- a SKYCITY fails to carry out a resolution that has been agreed or determined in relation to a Fundamental Operating Standards Default within the timeframe specified in the agreed resolution or the High Court decision (or if no timeframe is specified in the agreed resolution or that decision, then within 18 months); or
  - b the parties agree (or the High Court has ruled) that the Fundamental Operating Standards Default is incapable of being remedied,
- the Crown may give notice to SKYCITY (an '**FOSD Final Notice**') stating which of the remedies specified in paragraph 11.11 the Crown selects in relation to the Fundamental Operating Standards Default, provided that doing so would be a remedy proportionate to the materiality of the Fundamental Operating Standards Default, having regard to the financial and other consequences to SKYCITY as a result of the exercise by the Crown of such remedy and also SKYCITY's obligation to operate the NZICC in a manner that promotes the achievement of the Desired Outcomes.
- 11.11 Unless, within 20 Business Days of SKYCITY's receipt of an FOSD Final Notice, SKYCITY serves on the Crown an order from a Court of competent jurisdiction preventing the Crown from exercising its remedies under paragraph 11, the Crown shall be entitled to treat the unremedied Fundamental Operating Standards Default as:

- a a Crown Lease Event; and/or
  - b an IP Licence Suspension Event, but only if the Crown also exercises its rights under paragraph 11.11a; and/or
  - c a Specific Performance Event; and/or
  - d an Injunctive Event; and/or
  - e a Damages Event; and/or
  - f a Crown Option Event, if the Fundamental Operating Standards Default is pursuant to paragraphs 11.4c or 11.4d; and/or
  - g a Termination Event, if and to the extent the Fundamental Operating Standards Default also constitutes a Termination Event.
- 11.12 Should a Crown Lease Event be triggered pursuant to paragraph 11.11a, any subsequent appointment or reappointment of an operator of the NZICC will be in accordance with the Government Procurement Rules applicable as at that date.
- 11.13 The parties agree that the remedies of the Crown under these Operating Standards, the Agreement, or at law in relation to:
- a a Contravention (which has not also become an Operating Standards Default), are limited to the payment by SKYCITY of the relevant Non-Compliance Payment, if any; and
  - b an Operating Standards Default (which has not also become a Fundamental Operating Standards Default), are limited to the remedies set out in paragraph 11.3; and
  - c a Fundamental Operating Standards Default, are limited to the remedies set out in paragraph 11.11.
- 11.14 The parties agree that all other remedies of the Crown whether under these Operating Standards, the Agreement, or at law in relation to a Contravention are excluded except that where a Contravention is also a Default or breach under the Agreement, any other remedy provided for by the Agreement in respect of that Contravention is also available. For the avoidance of doubt, the provisions of clauses 18.1 to 18.9 of the Agreement also apply to the exercise by the Crown of the remedies referred to in these Operating Standards.
- 11.15 Notwithstanding clauses 18.1 and 18.2 of the Agreement (Overriding principles of breach and consequences), but subject to clauses 16.3 (Assignment) and 24.1 (Dispute Resolution) of the Agreement, the parties declare and agree that these Operating Standards are not intended to confer any rights on any person other than SKYCITY and the Crown, and nothing in these Operating Standards gives rise to any right on the part of any other person to enforce any aspect of these Operating Standards.
- 11.16 Notwithstanding anything else in these Operating Standards, nothing precludes a party from seeking urgent interim relief in the nature of injunctive, interlocutory, or declaratory relief from any Court.

## 12 Review or audits of Operating Standards

- 12.1 The Crown and SKYCITY will undertake a comprehensive review of Operating Standards:
- a on the first anniversary of the Completion Date; and
  - b on each subsequent anniversary of the Completion Date, where such anniversary is a multiple of five years, i.e. the fifth anniversary, tenth anniversary, fifteenth anniversary, twentieth anniversary, twenty-fifth anniversary or thirtieth anniversary.
- (and each such review is a **‘Planned Review’**).
- 12.2 Each Planned Review will occur at a time and a place to be agreed by the parties or, failing agreement, 30 days after the relevant anniversary date at the Crown’s nominated Head Office in Wellington. At each Planned Review the Crown and SKYCITY will discuss and consider:
- a the performance of SKYCITY measured against the Operating Standards and SKYCITY’s obligation to operate the NZICC in a manner that promotes the achievement of the Desired Outcomes;
  - b potential improvements or variations to the Operational Obligations, Key Performance Indicators, and Non-Compliance Payments, including adding new Operational Obligations, Key Performance Indicators, Measurement and Reporting Requirements, or Non-Compliance Payments. Any agreed improvements or variations as agreed between the parties shall be implemented in accordance with paragraph 13 (Variation of Operating Standards);
  - c the success of the relationship based upon the Crown’s level of satisfaction with SKYCITY’s responsiveness to the Crown’s requests and requirements;
  - d the success of the relationship based upon SKYCITY’s level of satisfaction with the Crown’s responsiveness to SKYCITY’s requests and requirements;
  - e the respective goals and objectives of the Crown and SKYCITY and how well they were met during the period of the Term prior to the review;
  - f the respective goals and objectives of the Crown and SKYCITY and how they will be met for the remaining period of the Term;
  - g any other matter the Crown and SKYCITY may agree to review; and
  - h any variations to these Operating Standards or other actions that may be appropriate to implement agreed changes.
- 12.3 If the Crown has reasonable cause to believe that SKYCITY has committed a Contravention, then the Crown shall be entitled to review or audit SKYCITY’s compliance with these Operating Standards or any particular aspect of them, including the compliance of SKYCITY’s subcontractors, but the reviews or audits will not be conducted so frequently as to impede materially the operational efficiency of the NZICC. The Crown will provide at least 10 Business Days’ notice to the SKYCITY Liaison of any such review. The Crown will pay its own costs of and incidental to such reviews or audits.
- 12.4 SKYCITY must co-operate with the Crown in relation to all reviews and audits and provide a prompt and sufficient response within 10 Business Days to all of the Crown’s enquiries and other requests for information, which the Crown may reasonably make at any time in relation

to any aspect of these Operating Standards or the performance of SKYCITY's obligations under this Schedule.

### **13 Variation of Operating Standards**

- 13.1 Either the Crown or SKYCITY may, at any time, request changes or variations to this Schedule by submitting a written request to the other describing the nature of the change requested (a '**Variation Request**'). The party submitting the Variation Request will provide all such information and assistance as is reasonably required to enable the other party to consider and deal with the request.
- 13.2 The SKYCITY Liaison will deliver and submit to the Crown's Liaison within 10 Business Days, or such other period of time as is reasonably acceptable to the Crown and SKYCITY, after receiving a Variation Request from the Crown or together with each Variation Request submitted by the SKYCITY Liaison, a written impact report that sets out in detail the following matters to the extent that SKYCITY is reasonably able to do so based on the information provided in, or with, the relevant Variation Request:
- a any impact which implementation of the new or varied requirements or obligations may have on the ability of SKYCITY to operate the NZICC in a manner that promotes the achievement of the Desired Outcomes or the Operational Obligations under this Schedule;
  - b any impact which implementation of the new or varied requirements or obligations may have on the economics of operating the NZICC; and
  - c any other information which may be relevant to the Crown's consideration of the Variation Request.
- 13.3 SKYCITY and the Crown shall ensure that their respective responses to Variation Requests or questions concerning Variation Requests are fair, reasonable, and accurate.
- 13.4 Within 10 Business Days of the Crown receiving an impact report from SKYCITY the parties shall meet to discuss, and seek to agree, the relevant Variation Request. Neither SKYCITY nor the Crown may decline any Variation Request submitted by the other party to implement an improvement or variation which has been agreed by the parties at a Planned Review. If agreement to the Variation Request is not reached by the parties, then the change requested by such Variation Request shall not be made.

### **14 Intellectual Property**

#### **Licence and term of licence**

- 14.1 On and from the date of signing the Agreement, the Crown grants to SKYCITY an exclusive, worldwide licence to use the Intellectual Property on, and in connection with, the NZICC and, the Crown will grant to SKYCITY authority, pursuant to the NZICC Act (if enacted), to use the name New Zealand International Convention Centre and the acronym NZICC, subject to the terms of the Agreement ('**the Licence**').
- 14.2 The Licence granted under paragraph 14.1 includes the right to use the Fern Device Mark as part of the Logos but not to use the Fern Device Mark in isolation. The Crown has been

granted an exclusive licence to use the Fern Device Mark as part of the Logos, including the ability to sub-license such rights.

- 14.3 The Licence granted under paragraph 14.1 continues in force throughout the Term, unless the Agreement is terminated earlier or the licence is suspended pursuant to clause 18.16g of the Agreement.
- 14.4 The exclusive Licence granted to SKYCITY under paragraph 14.1 does not restrict the Crown's right to make use of the Intellectual Property except on convention centres other than the NZICC.

#### **Right to sub-license**

- 14.5 SKYCITY may sub-license its right to use the Intellectual Property to any other wholly-owned subsidiary of SKYCITY for the Permitted Uses.
- 14.6 SKYCITY may sub-license its right to use the Intellectual Property for any of the Permitted Uses to third parties that SKYCITY contracts with where:
- a the sub-licence is necessary for that third party to perform or give effect to its contract with SKYCITY;
  - b the sub-licence is on the same terms as the licence granted to SKYCITY under the Agreement, including the requirement that the third party must adhere to the Brand Guidelines; and
  - c SKYCITY has provided details of any such sub-licences to the Crown.
- 14.7 Except as expressly permitted in paragraphs 14.5 and 14.6, SKYCITY may not sub-license its right to use the Intellectual Property without the prior written consent of the Crown.

#### **Signage**

- 14.8 SKYCITY must meet all costs associated with:
- a the design, creation, and supply of the Signage;
  - b the attachment, erection, and removal of the Signage; and
  - c the repair and maintenance of the Signage.
- 14.9 Should any Approved Signage need to be changed due to changes the Crown makes to the Brand Guidelines or Intellectual Property, the Crown will bear the cost of such Signage changes, except for changes required to Signage that is more than 10 years old, in which case SKYCITY bears the cost.

#### **Website**

- 14.10 The Crown will select, obtain and maintain throughout the Term, at its cost, the registration of a suitable domain name address for the Website, and hereby grants SKYCITY an exclusive licence to use such domain name throughout the Term.

## **Maintenance and ownership of Intellectual Property**

- 14.11 The Crown will seek to obtain, and maintain, trade mark registrations for the name of the NZICC (including any relevant variations thereof) and any logos that may be used in connection with the NZICC (including the Logos) that it deems appropriate in the Crown's absolute discretion, in New Zealand and any relevant key markets overseas, and such trade mark applications will be filed in the name of the Crown.
- 14.12 SKYCITY will meet the costs of filing, registering, and maintaining the trade mark applications under paragraph 14.11 in New Zealand, and in the overseas jurisdictions selected by the Crown under paragraph 14.11, unless SKYCITY does not agree that protection is required in any specific overseas jurisdictions, in which case the Crown will bear the costs of protection in such jurisdictions should the Crown decide to pursue such applications.
- 14.13 If new trade mark applications are required (in the absolute discretion of the Crown) to cover any changes made to the Intellectual Property by the Crown, SKYCITY will bear the cost of such to the extent it is obligated to under paragraph 14.12, unless such trade mark applications are filed less than 10 years since the trade mark application(s) relating to the Intellectual Property that was changed was filed.
- 14.14 SKYCITY acknowledges and the Crown warrants that ownership of the Intellectual Property (including the Trade Mark Applications) is, and at all times will remain, during the Term exclusively with the Crown and SKYCITY acknowledges that all goodwill associated with the Intellectual Property remains with the Crown and SKYCITY will not at any time dispute or challenge, or assist any other person to dispute or challenge, the Crown's exclusive ownership of the Intellectual Property.
- 14.15 SKYCITY may not grant any Security Interest in the Intellectual Property.

## **Change of Intellectual Property**

- 14.16 If the Crown wishes to alter, amend, or change any of the Intellectual Property, it will provide SKYCITY with 40 Business Days' written notice of the same, and will consult with SKYCITY about a transition plan and timetable for effecting the changes to the Intellectual Property on Signage and other marketing materials. Subject to paragraphs 14.9 and 14.13, the costs of any such change in Intellectual Property will be borne by SKYCITY provided that SKYCITY has consented to the transition plan and timetable.
- 14.17 SKYCITY may not alter, amend, or change any of the Intellectual Property without the prior written consent of the Crown (such consent being at the Crown's absolute discretion), including the name of the NZICC. If SKYCITY does wish to alter, amend, or change any of the Intellectual Property, it will advise the Crown of the same, including reasons for such a request. The Crown will consider such request and will advise, in its sole discretion and notwithstanding clause 5.1 of the Agreement (Relationship Principles), SKYCITY if it agrees to such a change. SKYCITY will bear the costs of alteration, amendment to, or change to any of the Intellectual Property agreed to by the Crown under this paragraph, including any trade mark applications or Signage required for the revised branding.

## **Royalties**

- 14.18 Subject to paragraph 14.19, from the Completion Date until the end of the Term SKYCITY will pay the Crown an annual royalty of \$50,000 in arrear (**'the Royalty'**), for the use of the

Intellectual Property. The first Royalty payment will be due on the 30<sup>th</sup> of June immediately following Completion. In respect of the periods from Completion to the following 30 June, and from the last 30 June during the Term to the last day of the Term, the Royalty will be prorated on a daily basis.

- 14.19 No liability to pay the Royalty will arise under paragraph 14.18 in respect of any period of suspension of the licence granted under paragraph 14.1 or any period after termination of that licence.
- 14.20 Any portion of the Royalty that SKYCITY has not paid by the relevant due date for payment is a debt due to, and recoverable by, the Crown.
- 14.21 The Royalty has been agreed as of the date of the Agreement and shall be automatically inflated annually by movements in the Producers Price Index (all inputs). The commencing reference point for those calculations shall be the index as published at the end of the first quarter immediately after the Completion Date. The first adjustment to the Royalty will be made by reference to the Producers Price Index as at the following 30<sup>th</sup> of June, and shall be applied to the Royalty in respect of the following year. By way of example, if the Completion Date is 30 December 2017, the reference point will be as at 31 December 2017. The Royalty for the year to 30 June 2018 will be approximately \$25,000.00 (i.e. 50% of \$50,000.00 for the half year). The Royalty payable on 30 June 2019 will be \$50,000.00 adjusted by the movement in the Producers Price Index from 31 December 2017 to 30 June 2018, with subsequent adjustments occurring in the same fashion.

#### **Infringement of the Intellectual Property**

- 14.22 Each party will promptly inform the other party if it becomes aware of any infringement, or potential infringement, of any of the Intellectual Property by any person.
- 14.23 The parties will consult to decide the best way to respond to any infringement, or potential infringement, of any of the Intellectual Property.
- 14.24 If the parties cannot agree, the Crown will have the right, but not the obligation, to take action against any relevant third party.
- 14.25 SKYCITY will give all reasonable assistance to facilitate any proceedings by the Crown, and the costs for enforcement of the Intellectual Property will be borne by the Crown.

#### **Third party infringement**

- 14.26 If either party receives any warning letter or other notice of infringement, or a legal suit or other action is brought against either party, alleging infringement of third party rights arising from the use of the Intellectual Property, that party will promptly provide full details to the other party, and the parties will discuss the best way to respond.
- 14.27 If agreement cannot be reached between the parties, the party that is identified as the alleged infringer in the letter or notice, or the defendant (or potential defendant) in a law suit or judicial proceeding, will have the right, but not the obligation, to defend such suit (or allegations) and will have the right to settle with such third party. However, the Crown's written consent (such consent being at the Crown's absolute discretion) must be obtained if any action or proposed settlement by SKYCITY concerns the validity or enforceability of the Intellectual Property, or may affect any liability or rights of the Crown in relation to the Intellectual Property.

## Appendix A      **Desired Outcomes**

The Crown's '**Desired Outcomes**' from facilitating the construction of the NZICC are:

- a    Attracting to New Zealand international business events that are larger and attract higher numbers of international participants.
- b    Adding to New Zealand's economy through:
  - i     additional employment opportunities associated with the NZICC;
  - ii    increased participant expenditure in Auckland and throughout New Zealand;
  - iii   building connections (business and other) between New Zealanders and people from other countries; and
  - iv    capitalising on the launch of the NZICC to enhance awareness for Auckland and New Zealand as an attractive business events destination,

in the case of a and b, over and above the position in 2013.

- c    The NZICC providing a participant experience consistent with that of an international convention centre and which is proactively responsive to the needs of participants.
- d    The NZICC being regarded by Aucklanders and New Zealanders as a unique space that caters for business events, sports events, cultural events and other activities.
- e    The NZICC having a management team that is regarded as a co-operative leader in the meetings, conventions and incentives sector in New Zealand and is engaged and active in the international business events industry.
- f    The NZICC providing a healthy, safe and secure working environment for all participants, employees and contractors, and the community.

## Appendix B Operational Obligations

### 1 Overview of SKYCITY's Operational Obligations

SKYCITY's Operational Obligations are divided into the following areas set out in this Appendix B:

- General operating responsibilities
- Booking management
- Pre-Opening Marketing Plan
- Annual Business Plan
- Intellectual Property
- Website
- Uniforms
- Signage
- SKYCITY branding

The tables in the following sections of this Appendix B set out the minimum standards that SKYCITY must achieve in relation to each of the Operational Obligations.

### 2 General operating responsibilities

Obligation name	Details of obligation	Additional Instance Assessment period
<b>Paragraph 2.1</b>	SKYCITY must operate, maintain and manage the NZICC throughout the Term as a convention centre which targets, inter alia, international conventions and exhibitions in a manner that is consistent with the obligations of SKYCITY under paragraph 2.1 of these Operating Standards.	Annual
<b>Achieve Annual Business Plan</b>	SKYCITY must operate, maintain and manage the NZICC throughout the Term as a convention centre which targets, inter alia, international conventions and exhibitions using reasonable commercial endeavours to achieve the Annual Business Plan.	Annual
<b>Operate as NZICC</b>	SKYCITY must operate, maintain and manage the NZICC throughout the Term as a convention centre which targets, inter alia, international conventions and exhibitions: <ul style="list-style-type: none"> <li>▪ under the name 'New Zealand International Convention Centre'; and</li> </ul>	Ongoing (or by exception)

Obligation name	Details of obligation	Additional Instance Assessment period
	<ul style="list-style-type: none"> <li>▪ using the Intellectual Property in accordance with the terms of the Licence as set out in the Agreement, for so long as SKYCITY is entitled to the benefit of the Licence.</li> </ul>	
<b>Car parking</b>	SKYCITY must ensure that at least 400 car parks at the NZICC are available for casual use by the public (including NZICC users) in a manner which will meet the needs of NZICC attendees (for example by way of sufficient dedicated parking area(s)) within the 400 car parks to meet the pre-booked requirements of participants when an Event is being held, such car parking to be on terms consistent with prevailing commercial practice in the Auckland central business district.	Ongoing
<b>Non-convention use</b>	In addition to hosting international conventions and exhibitions, SKYCITY may allow the NZICC to be used for New Zealand conventions, conferences, meetings and hui, exhibitions, business and trade events, civic events, health and education events, service organisation and charitable events, sports events, musical, theatrical and entertainment events, gala events, festivals, consumer expos, weddings, funerals and tangi, and cultural events. In addition, SKYCITY may allow the NZICC to be used for any other activities that SKYCITY, in consultation with the Crown, reasonably considers to be appropriate to be hosted at the NZICC in accordance with the NZICC booking policy.	Annual
<b>Repairs and maintenance</b>	SKYCITY must carry out normal repairs and maintenance and incidental enhancements to the NZICC in accordance with the Asset Management Plan of the NZICC.	Annual
<b>Tourism co-operation</b>	In order to maximise the leveraging of the funding available to Tourism New Zealand for support and expand New Zealand's focus on international business events, including conference, conventions and exhibitions, the management of the NZICC will meet at least every six months with the management of Tourism New Zealand and the management of Auckland Tourism, Events and Economic Development to explore synergies and joint marketing approaches and targets.	Annual
<b>Advisory board</b>	The NZICC will establish an International Client/Industry Advisory Board whose purpose will be to provide advice and recommendations on market trends, marketing strategies that respond to these trends, build relationships and loyalty	Annual

Obligation name	Details of obligation	Additional Instance Assessment period
	for Auckland and New Zealand.	
<b>Industry Participation</b>	<p>SKYCITY must become a member of and active participant in:</p> <ul style="list-style-type: none"> <li>▪ the International Association of Congress Centres (AIPC)</li> <li>▪ the International Congress and Convention Association (ICCA)</li> </ul>	Annual
<b>Communication Protocol</b>	<p>SKYCITY and the Crown will agree on a communication protocol governing the manner in which the parties communicate with each other and make any significant public statement in respect of the operation of the NZICC, and SKYCITY and the Crown must at all times comply with such communication protocol taking into account any legal requirements applicable to each party (including any Cabinet conventions applicable to the Crown). The communication protocol will be reviewed from time to time and amended as agreed by the parties.</p>	Annual
<b>No Misleading Information</b>	<p>SKYCITY may not provide the Crown with any materially false or materially misleading information in relation to the actual operating performance of the NZICC taken as a whole.</p>	Ongoing

### 3 Booking management

Obligation name	Details of obligation	Additional Instance Assessment period
<b>Booking policy</b>	<p>The NZICC must balance the objectives of driving international delegates/conferences and maximising operating revenue and return.</p> <p>SKYCITY must at all times throughout the Term follow the NZICC booking policy, which will guide the operator and sales team to secure the optimal international business over national or local events (except where varied by agreement between the Crown Liaison and the SKYCITY Liaison).</p> <p>The NZICC booking policy is:</p>	Annual

Obligation name	Details of obligation	Additional Instance Assessment period
	<ul style="list-style-type: none"> <li>▪ <b>Priority 1:</b> <i>International association/corporate/trade Events and exhibitions of 1500 or more participants:</i> Can be booked at any time</li> <li>▪ <b>Priority 2:</b> <i>International association/corporate/trade Events and exhibitions of 1000 – 1500 participants and national Events of 1500 or more participants:</i> Can be booked up to 4 years prior to the event</li> <li>▪ <b>Priority 3:</b> <i>National Events of 500-1000 participants:</i> Can be booked up to 2 years prior to the Event</li> <li>▪ <b>Priority 4:</b> <i>Meetings less than 500 and major exhibitions utilising over 50% of the exhibition space:</i> Can be booked up to 18 months prior to the Event (special consideration to major recurring Events)</li> <li>▪ <b>Priority 5:</b> <i>Meetings, banquets and special Events:</i> Can be booked up to 1 year prior to the Event</li> </ul> <p>However within the tentative hold or contract period prior to the Event, SKYCITY may monitor and increase or release space having regard to the attendance figures for the forecasted participant levels. This needs to be done in conjunction with the client including the PCO/Association. Should numbers of delegates not be materialising as forecast, space can be released for sale to other international or national Events in order to maximise utilisation.</p>	
<b>Event Appropriateness Guidelines</b>	<ul style="list-style-type: none"> <li>▪ In considering the acceptance of bookings for Events to be held at the NZICC, SKYCITY must use good judgement in considering first the type and style of Events that are best suited to the NZICC and secondly Events that would not reasonably be expected to be materially prejudicial to international relations or to national security interests of New Zealand and would not reasonably be expected to materially affect the reputation or brand of the NZICC.</li> <li>▪ Where SKYCITY has any doubt as to the suitability of an Event (including where the NZICC brand, or New Zealand’s international relations, could reasonably be expected to materially and adversely be affected by the subject matter or any sponsor of the Event) the SKYCITY Liaison may consult with the Crown Liaison as soon as practicable, in advance of confirming the</li> </ul>	Ongoing

Obligation name	Details of obligation	Additional Instance Assessment period
	<p>business, to seek the Crown's approval to such Event.</p> <ul style="list-style-type: none"> <li>▪ Prior to any Review Meetings the SKYCITY Liaison will circulate in confidence to the Crown Liaison a list of the Events and users that have been contracted and in respect of which a deposit has been paid, together with a list of the enquiries received in the previous period (but not including in respect of those enquiries information relating to the identity of the users or potential users of the NZICC).</li> </ul>	

#### 4 Pre-Opening Marketing Plan and Annual Business Plan

Obligation name	Details of obligation	Additional Instance Assessment period
<b>Pre-Opening Marketing Plan</b>	SKYCITY must produce, and provide to the Crown via the SKYCITY Liaison, a pre-opening marketing plan by 30 September 2014.	By exception
<b>Produce Annual Business Plans</b>	SKYCITY must produce, and provide to the Crown via the SKYCITY Liaison, an Annual Business Plan by 30 June each year during the Term, with the first Annual Business Plan to be produced by SKYCITY prior to the first full financial year of operation of the NZICC.	Annual
<b>Key content of Annual Business Plan</b>	<p>SKYCITY must ensure that each Annual Business Plan includes the following information:</p> <ul style="list-style-type: none"> <li>a the priority 1 and priority 2 Events booked;</li> <li>b the revenue to be achieved; and</li> <li>c the target numbers for the number of people employed at the NZICC for that year, the numbers of Events (including conventions) booked at the NZICC for that year, and the target numbers for Events (including conventions) at the NZICC for the following 3 years.</li> </ul>	Annual
<b>Other content of Annual Business</b>	SKYCITY must ensure that each Annual Business Plan includes, except as otherwise agreed in writing by the	Annual

Obligation name	Details of obligation	Additional Instance Assessment period
Plan	<p>Crown, in relation to the following annual period:</p> <ul style="list-style-type: none"> <li>▪ <b>Marketing Plan:</b> including situational analysis, SWOT, competitive analysis, sales tactics, marketing/promotional plan targeting key markets and priority Events (international, national, regional and local, including campaigns run jointly with other agencies or centres). Prior to finalising the Marketing Plan, SKYCITY will consult with the Auckland Tourism Events and Economic Development and Tourism New Zealand (or any equivalent entity that is applicable at the time during the Term) to ensure an integrated market approach and branding for the NZICC which targets business Events and complements that of the Auckland Tourism Events and Economic Development.</li> <li>▪ <b>Customer Satisfaction Plan:</b> including results of satisfaction surveys and summary reports of how concerns from participants are being addressed.</li> <li>▪ <b>Financial Plan:</b> including projected numbers of Events (by type), revenues, costs, facility utilization by area.</li> <li>▪ <b>Human Resources Plan:</b> including staff organisational chart, planned staffing levels, reviews of personnel policies, good employers policies, annual employee engagement surveys and reports on employee turnover and time spent on staff training.</li> <li>▪ <b>Asset Management Plan:</b> a multi-year plan including facility development, repairs and maintenance, enhancements in operating systems and equipment, and a repairs and maintenance budget.</li> <li>▪ <b>Risk Management and Safety Plan:</b> including identification of key risks to the successful operation of the NZICC and a risk management strategy for those risks, strategies for reducing work accidents, emergency procedures, training programmes and security programmes.</li> <li>▪ <b>Corporate Social Responsibility Plan:</b> including philosophy and tactical activities to engage with the community. This plan may be included as part of the then-current SKYCITY Corporate Social Responsibility Plan.</li> </ul>	

## 5 Intellectual property

Obligation name	Details of obligation	Additional Instance Assessment period
<b>Permitted Use of IP</b>	<p>SKYCITY may use the Intellectual Property only for the following Permitted Uses and at all times in accordance with the terms of the Agreement:</p> <ul style="list-style-type: none"> <li>▪ marketing the NZICC both in New Zealand and overseas from the date that the Agreement is signed; and</li> <li>▪ operating the NZICC in accordance with the Operating Standards.</li> </ul>	Ongoing (or by exception)
<b>Positive treatment of IP</b>	<p>SKYCITY must not use, nor permit any other person to use, the Intellectual Property in any manner that would:</p> <ul style="list-style-type: none"> <li>▪ bring disrepute to the Crown or to the Government of New Zealand;</li> <li>▪ have a negative impact on the goodwill of the Intellectual Property; or</li> <li>▪ have a negative impact on the reputation or standing of the NZICC.</li> </ul>	Ongoing (or by exception)
<b>Brand Guidelines</b>	<p>The Intellectual Property may only be used (whether by SKYCITY, subsidiaries of SKYCITY under clause 13.5 of the Agreement, or contractors of SKYCITY under clause 13.6 of the Agreement) in accordance with the Brand Guidelines outlined in Schedule 2 of the Agreement, or any modifications to such Brand Guidelines which the Crown has notified to SKYCITY from time to time.</p>	Ongoing (or by exception)
<b>Marketing materials</b>	<ul style="list-style-type: none"> <li>▪ SKYCITY will ensure that all marketing materials (including letterhead and business cards) for the NZICC are consistent with the Brand Guidelines and prominently display the Intellectual Property.</li> <li>▪ All marketing materials must have a distinct 'look and feel' from SKYCITY's own marketing materials.</li> <li>▪ SKYCITY must consult with, and gain approval from, the Crown on the initial design of the marketing materials for the NZICC, and SKYCITY must not make use of marketing materials that vary in a material way from the initial approved design without the Crown's prior approval, such</li> </ul>	Ongoing (or by exception)

Obligation name	Details of obligation	Additional Instance Assessment period
	<p>approval not to be unreasonably withheld or delayed.</p> <ul style="list-style-type: none"> <li>SKYCITY must provide samples of marketing materials to the Crown at the quarterly meetings required pursuant to paragraph 6.6 of this Schedule.</li> </ul>	
<b>NZICC acronym</b>	<p>The acronym NZICC should only be used in marketing materials for the NZICC in situations where the full name for the NZICC has already been used earlier in the materials and the acronym is more practicable for subsequent references due to word constraints or styling. If in doubt, the full name of the New Zealand International Convention Centre should be used.</p>	Ongoing (or by exception)

## 6 Website

Obligation name	Details of obligation	Additional Instance Assessment period
<b>Website implementation and maintenance</b>	<ul style="list-style-type: none"> <li>SKYCITY will, at no cost to the Crown, design, develop, create, launch, host, and maintain the Website on the Internet accessible to the public at the domain name selected, obtained and maintained by the Crown in accordance with the Agreement, and will ensure the Website meets all specifications advised to SKYCITY by the Crown from time to time (acting reasonably) and is fully operational and accessible to the public at least 3 years prior to the Completion Date and thereafter on an ongoing basis throughout the Term.</li> <li>The Website must be designed, developed, and hosted to a good industry standard (including security standards) that is current from time to time for websites that promote international convention centres.</li> </ul>	Ongoing (or by exception)
<b>Website look and feel</b>	<ul style="list-style-type: none"> <li>The Website must promote New Zealand as a whole and Auckland as well as the NZICC and must not have the same 'look and feel' as any other SKYCITY website (namely www.skycity.co.nz) or any other website operated or controlled by SKYCITY.</li> <li>SKYCITY may not alter the 'look and feel' of the Website</li> </ul>	Ongoing (or by exception)

Obligation name	Details of obligation	Additional Instance Assessment period
	at any time without the Crown's prior consent.	
<b>Website launch</b>	<ul style="list-style-type: none"> <li>▪ SKYCITY will provide the Crown via the SKYCITY Liaison with a mock-up of the Website for the Crown's review and approval no later than 7 Business Days before the Website is publicly launched.</li> <li>▪ SKYCITY must not launch the Website without the Crown's consent.</li> </ul>	By exception
<b>Website redirect</b>	The Website must not automatically redirect any visitor of the Website to any other website, including any SKYCITY branded website.	Ongoing (or by exception)
<b>Website advertising</b>	SKYCITY must permit third parties to advertise, on the Website, services reasonably related to the NZICC and its operation, on a reasonable commercial basis. SKYCITY may also receive from such third parties agreed click through commissions relating to those advertisements.	Ongoing

## 7 Uniforms

Obligation name	Details of obligation	Additional Instance Assessment period
<b>Uniforms</b>	<ul style="list-style-type: none"> <li>▪ SKYCITY must ensure the Intellectual Property is displayed on all uniforms of participant facing staff.</li> <li>▪ SKYCITY will consult with, and obtain the approval of, the Crown on the style, placement and extent of branding that contains the Intellectual Property on such uniforms.</li> <li>▪ SKYCITY must ensure that such uniforms do not display SKYCITY or any third party branding without the Crown's prior approval except in the NZICC car park (which will be integrated with the SKYCITY car park).</li> <li>▪ The Crown acknowledges that from time to time, circumstances will arise that: <ul style="list-style-type: none"> <li>– will result in SKYCITY uniforms or branded apparel being worn in the NZICC by attendees or participants in an Event, for example SKYCITY employees at a SKYCITY function hosted in the NZICC or SKYCITY cheerleaders promoting sporting events or teams at the NZICC,</li> <li>– will require support staff and contractors to be on the NZICC premises temporarily (other than in the NZICC car park as noted above) wearing SKYCITY uniforms.</li> </ul> </li> </ul>	Ongoing (or by exception)

## 8 Signage

Obligation name	Details of obligation	Additional Instance Assessment period
<b>Signage development</b>	<ul style="list-style-type: none"> <li>▪ The parties will work together to develop the extent, style, shape, colour, and all other details of all internal and external Signage.</li> <li>▪ The Signage must prominently display the Logos and will be subject to final approval by the Crown prior to erection.</li> </ul>	Ongoing (or by exception)
<b>Signage affixal</b>	SKYCITY must affix on or in the NZICC the Signage agreed between the parties under the Agreement by the Completion Date.	Ongoing

Obligation name	Details of obligation	Additional Instance Assessment period
<b>Other signage</b>	<p>Except for Approved Signage and any directional signage (for example indicating the location of SKYCITY facilities) approved by the Crown acting reasonably, no signs or structures or images bearing the name of any company, entity, or person, are permitted to appear on or in the NZICC or Land except with the prior written consent of the Crown except:</p> <ul style="list-style-type: none"> <li>▪ during construction of the NZICC, the Building Works Contractor and other contractors undertaking any Building Works may display their branding or logos on the Land or the NZICC; and</li> <li>▪ after Completion of the NZICC, in connection with particular Events, temporary signage and branding relevant to such particular Event and/or its sponsor will be permitted.</li> </ul>	Ongoing (or by exception)
<b>FDU signage</b>	<p>SKYCITY must:</p> <ul style="list-style-type: none"> <li>▪ ensure that at all times the Future Development Unit and any building on the Future Development Unit remains free of any signage that incorporates combinations of the words 'New Zealand International Convention Centre', 'International and Convention', 'New Zealand and Convention', 'Convention and Centre' or 'New Zealand and Convention', without the prior approval of the Crown; and</li> <li>▪ ensure that at all times the Future Development Unit does not display signage that would adversely affect the reputation or brand of the NZICC, it being acknowledged and agreed that the appearance of the SKYCITY name and SKYCITY branding would not of itself adversely affect the reputation or brand of the NZICC but is still subject to prior approval by the Crown, not to be unreasonably withheld or delayed.</li> </ul>	Ongoing (or by exception)
<b>Signage maintenance</b>	<p>SKYCITY must:</p> <ul style="list-style-type: none"> <li>▪ maintain the internal and external Signage in good working order, repair, and condition; and</li> <li>▪ comply with all applicable Laws relating to the Signage.</li> </ul>	Ongoing
<b>Major Events</b>	<p>If any event at the NZICC is deemed to be a Major Event requiring clean ground status, SKYCITY will bear the costs of:</p> <ul style="list-style-type: none"> <li>▪ the removal or temporary obscuring of the Signage (if, and to the extent, that removal or temporary obscuring of the</li> </ul>	Ongoing (or by exception)

Obligation name	Details of obligation	Additional Instance Assessment period
	<p>Signage is required by the Major Events Management Act 2007);</p> <ul style="list-style-type: none"> <li>▪ the repair and maintenance required as a result of the removal or temporary obscuring of the Signage; and</li> <li>▪ the re-fixing of the Signage.</li> </ul>	

## 9 SKYCITY branding

Obligation name	Details of obligation	Additional Instance Assessment period
<b>SKYCITY brand</b>	<ul style="list-style-type: none"> <li>▪ Except as permitted under the Agreement and as set out below, SKYCITY must not use its (or any of its wholly owned subsidiaries other than New Zealand International Convention Centre Limited) name, branding, or logo in, on, or directly in connection with the NZICC, any of the Intellectual Property, or on any marketing or other material the principal purpose of which is to promote the NZICC (both in New Zealand and overseas).</li> <li>▪ SKYCITY may refer in marketing materials for the NZICC to services (other than gambling) that it provides (e.g. its hotel and restaurant services on the Website), but only if the reference to such SKYCITY services is one of a number of such service providers promoted.</li> <li>▪ SKYCITY may include information regarding the NZICC, including use of the Intellectual Property, on any of SKYCITY's own websites provided that no SKYCITY website may promote gambling on the same website page as there is reference to the NZICC or use of the Intellectual Property.</li> <li>▪ SKYCITY may during promotional activities run by SKYCITY, allow the distribution of NZICC marketing materials, provided such NZICC marketing materials are separate from, and have a distinct look and feel from, materials promoting SKYCITY and/or its facilities.</li> <li>▪ SKYCITY may refer to the NZICC, including use of the Intellectual Property, in its whole of group financial reporting, including material prepared for the benefit of investors or potential investors and other material that refers to the operations of the SKYCITY Group, including on its websites.</li> </ul>	Ongoing (or by exception)

## Appendix C Key Performance Indicators

SKYCITY must, each year during the Term, satisfy the following Key Performance Indicators (KPIs) through its operation of the NZICC.

The Key Performance Indicators shall be measured on an annual basis unless stated otherwise.

Key Performance Indicator	Transition-in arrangement
NZICC must meet or exceed the priority 1 and 2 Events set out in the Annual Business Plan other than as a result of cancellation required by the Crown.	This KPI applies from the third anniversary of the Completion Date.
NZICC must achieve a level of utilisation measured as a percentage of rentable space occupied during a year greater than or equal to the average for international convention centres in Australia, where such benchmark is available.	Except where an earlier date is agreed between the parties, this KPI applies from the fifth anniversary of the Completion Date.
NZICC must in relation to its users, achieve customer satisfaction survey scores in the upper quartile of the scale of each survey methodology used (with each such survey methodology to be acceptable to the Crown, acting reasonably).	This KPI applies from the second anniversary of the Completion Date.
NZICC must achieve 'Gold Standard' of the AIPC Quality Standards Programme.	This KPI applies from the third anniversary of the Completion Date.
NZICC must achieve a failure rate of less than 5 per cent in relation to the agreed service standards required for the provision of event hosting services as contracted between SKYCITY and its clients including Professional Conference Organisers/Associations, with a failure being considered to have occurred only where SKYCITY makes a compensation payment to a client under a contract between SKYCITY and the client.	<ul style="list-style-type: none"> <li>▪ All venue contracts for Events include agreed service standards from the date that SKYCITY begins taking Event bookings.</li> <li>▪ The remainder of this KPI applies from the first anniversary of the Completion Date.</li> </ul>
SKYCITY must repeat the AIPC Quality Standards Programme audit process at least once every 5 years and maintain 'Gold Standard' or any equivalent replacement standard at all times.	This KPI applies from the third anniversary of the Completion Date.
There have been no occasions on which SKYCITY has failed to report any Material Issues to the Crown Liaison in accordance with paragraph 9.1.	This KPI applies from the Completion Date.
SKYCITY has in place robust processes intended to prevent any breach of New Zealand law and appropriately address non-compliance issues in the operation or functioning of the NZICC.	This KPI applies from the Completion Date.
In the event of any breach of the law, SKYCITY has taken appropriate steps to prevent further occurrences.	This KPI applies from the Completion Date.

## **Appendix D      Measurement and reporting**

### **1      Overview of Measurement and Reporting Requirements**

- 1.1      The Crown's Measurement and Reporting Requirements are divided into the following three categories, as further described in this Appendix D:
- a      General NZICC Reporting;
  - b      Measurement and Reporting regarding operational performance; and
  - c      Measurement and Reporting regarding the Desired Outcomes.

### **2      General NZICC Reporting**

- 2.1      SKYCITY will provide to the Crown via the SKYCITY Liaison and publish information on the performance of the NZICC twice annually when SKYCITY (or its ultimate parent company) publishes its company results. The areas of performance to be included in this report will be as set out in paragraph 4 of this Appendix D.
- 2.2      SKYCITY must throughout the Term:
- a      in accordance with generally accepted accounting practice, prepare financial statements for the NZICC and its operations
  - b      provide the Crown with copies of the financial statements prepared in accordance with paragraph a within three months of every half year and full year financial reporting period of SKYCITY; and
  - c      provide the Crown on a confidential basis upon request following a Default with:
    - i      lists of all material items of plant and equipment that are used in connection with the NZICC owned by SKYCITY or any member of the SKYCITY Group;
    - ii     depreciation schedules in respect of plant and equipment referred to in sub-paragraph i; and
    - iii    copies of all material standalone contracts for the provision of plant, goods, services, or software to or in connection with the NZICC.
- 2.3      SKYCITY must report to the Crown via the SKYCITY Liaison four times a year regarding marketing activity against marketing budget for the NZICC, together with plans for the development of marketing materials, collateral, and a communication plan.

### **3      Measurement and Reporting regarding operational performance**

- 3.1      SKYCITY shall ensure that NZICC's management provides to the Crown, no less frequently than six-monthly and at such other times as the Crown may reasonably request to assist the Crown to respond to any questions in Parliament, in any Select Committee hearing or any other questions which the Crown is required by law to answer, a report containing comprehensive and accurate information concerning:
- a      SKYCITY's performance of, and compliance with, the Operational Obligations; and

b satisfaction of the Key Performance Indicators.

3.2 Without limiting the generality of the foregoing, each such report must report against the measures identified in the following table. The parties acknowledge and agree that the release of the information referred to in the table (and the information contained in the Annual Business Plan and pre-opening marketing plan) would be likely to cause commercial prejudice to SKYCITY. Accordingly, the Crown will keep confidential and not disclose or release that information unless:

- a that information is published by SKYCITY; or
- b SKYCITY consents to the release of the information; or
- c the Crown is required to do so by law; or
- d a recommendation to release that information is made by an Ombudsman under section 30(d) of the Official Information Act 1982.

Item #	Report content / measures
1.	Operational Obligations properly performed during the reporting period
2.	Operational Obligations breached during the reporting period, together with details of the breach, actions taken to remedy, and current status as at the expiry of the reporting period
3.	Operational Obligations complied with during the reporting period
4.	Operational Obligations not complied with during the reporting period, together with details of the non-compliance, actions taken to remedy, and current status as at the expiry of the reporting period
5.	Key Performance Indicators satisfied in the reporting period, together with supporting information
6.	Key Performance Indicators not satisfied in the reporting period, together with information regarding the nature and extent

3.3 In addition, each such report must include the information identified in the following table which will be kept commercial in confidence:

Item #	Report content / measures
1.	Forecast of Events for the following 36 months broken down by the following categories: <ul style="list-style-type: none"> <li>▪ International Association Conferences</li> <li>▪ National/Regional Association Conference (including Australia and New Zealand)</li> <li>▪ International Corporate Conference/Incentive Events</li> <li>▪ National Corporate Conferences/Incentive Events</li> <li>▪ Exhibitions (trade and consumer)</li> <li>▪ Meetings, Banquets, Special Events (typically local)</li> </ul>
2.	Projected total occupancy levels by Event type as listed above

Item #	Report content / measures
3.	Number of Events for the following 12 months being held for the first time in New Zealand (and highlight those Events that would have been unable to meet in New Zealand without the NZICC due to size or complexity of the Event)

#### 4 Measurement and Reporting regarding Desired Outcomes

- 4.1 SKYCITY will provide to the Crown such information as SKYCITY holds and the Crown reasonably requests that is useful to the Crown in measuring the success of the NZICC in promoting the achievement of the Desired Outcomes on an ongoing basis. In making requests for information, the Crown will act reasonably.
- 4.2 In any event, SKYCITY shall ensure that NZICC's management provides to the Crown via the SKYCITY Liaison, no less frequently than six-monthly, a report containing information relevant to the performance of the NZICC including with respect to SKYCITY's obligation to operate the NZICC in a manner that promotes the achievement of the Desired Outcomes.
- 4.3 Without limiting the generality of the foregoing, each such report must report against the measures identified in the following table, which information may be publicly released by the Crown:

Item #	Report content / measures
1.	Number of Events held in the previous 6 months, broken down by the following categories: <ul style="list-style-type: none"> <li>▪ International Association Conferences</li> <li>▪ National/Regional Association Conference (including Australia and New Zealand)</li> <li>▪ International Corporate Conference/Incentive Events</li> <li>▪ National Corporate Conferences/Incentive Events</li> <li>▪ Exhibitions (trade and consumer)</li> <li>▪ Meetings, Banquets, Special Events (typically local)</li> </ul>
2.	Percentage of total occupancy levels by event type as listed above
3.	Duration of Events held in the previous six months, broken down by the following categories: <ul style="list-style-type: none"> <li>▪ Part day</li> <li>▪ One day</li> <li>▪ Two day</li> <li>▪ Three day</li> <li>▪ Greater than three days.</li> </ul>
4.	Participant numbers by country of origin for Events held in the previous six months.
5.	Origin of business (e.g. headquarters of the association responsible for the Event booking).
6.	Number of Events in the previous six months being held for the first time in New Zealand (and highlight those Events that would have been unable to meet in New Zealand without the NZICC due to size or complexity of the Event).

Item #	Report content / measures
7.	The total numbers of people employed in the NZICC, broken down by the following categories: <ul style="list-style-type: none"> <li>▪ Numbers of full-time staff</li> <li>▪ Numbers of casual staff (actual and FTE)</li> <li>▪ The total salary bill for the NZICC operations including contractors.</li> </ul>
8.	Customer Satisfaction Survey(s) (using methodologies approved by the Crown): including sales service, Event planning, venue, technical services/audio visual, food and beverage, Event services, cleanliness, floor staff and quotation and pricing.  The survey(s) will also enable the performance of the NZICC to be benchmarked against other international-standard convention centres.
9.	Periodic consultation will be undertaken to establish Aucklanders' views about the value of the NZICC.
10.	An annual survey (using methodologies approved by the Crown) will be undertaken amongst other members of the meetings, conventions and incentives sector will measure NZICC management's reputation in the industry
11.	Measurement of the adherence to the following international-level operating standards: <ul style="list-style-type: none"> <li>▪ Meeting, or reporting on the progress towards meeting the requirements for membership of the International Association of Congress Centres (AIPC) or any alternative benchmark mutually agreed between SKYCITY and the Crown as the most appropriate at the time</li> <li>▪ Completing AIPC Quality Standards programme(s) (approved by the Crown) and successfully undergoing an independent audit against those relevant and approved standards</li> <li>▪ Attaining, or reporting on the progress towards attaining a recognised and auditable quality management system standard (such as ISO 9001:2008)</li> <li>▪ Attaining, or reporting on the progress towards attaining a recognised and auditable environment management system standard (such as ISO 140001)</li> </ul> Undertaking annual independent assessments of work, health and safety and related practices to ensure the NZICC is achieving industry best practice standards

4.4 SKYCITY will provide all assistance reasonably requested by the Crown to collect information, or prepare reports, regarding the following matters:

Item #	Report content / measures
1.	Participant expenditure, broken down by: <ul style="list-style-type: none"> <li>▪ Event related expenditure per participant</li> <li>▪ Expenditure on ancillary items connected with attendance at the Event (e.g. flights, accommodation, meals)</li> <li>▪ Other expenditure by participants while in New Zealand (compared to the average expenditure report in the Convention Delegate Survey of the Ministry of Business Innovation and Employment)</li> </ul>
2.	Value of business and other connections made, as reported by a sample of participants

## Appendix E Severity Classification Tables

### 1 Overview of Severity Classification Tables

The tables below identify ‘**Contraventions**’ of the Operating Standards. Particular obligations are identified by the ‘Obligation name’ assigned to such obligations in Appendix B (Operational Obligations).

### 2 General Contraventions

- 2.1 Non-Compliance Payments apply irrespective of whether the Contravention can be or is remedied if the Crown has so determined that a Non-Compliance Payment is due, subject to the determination of any dispute referred by SKYCITY to the Disputes Panel in accordance with paragraph 9.9.
- 2.2 For the purpose of paragraph 10 (Consequences of Contraventions) of this Schedule, severity classifications for the following Contraventions shall be determined in accordance with the following table:

Contravention	Severity classification		
	First instance	Second instance	Each further instance
<b><u>KPIs, Desired Outcomes, and Measurement and Reporting Requirements</u></b>			
Failure to satisfy a particular Key Performance Indicator (except to the extent provided in the transition-in arrangements for that Key Performance Indicator)	4	3	2
Failure to implement agreed resolution for failure to satisfy a particular Key Performance Indicator	3	2	1
Failure to report a Contravention (voluntary disclosure of failure to report Contravention by SKYCITY)	4	4	4
Failure to report a Contravention (Crown discovery of Contravention)	3	2	2
Failure to satisfy any of the other Measurement and Reporting Requirements	4	3	3
<b><u>General operating responsibilities</u></b>			
Contravention of ‘Achieve Annual	4	4	4

<b>Business Plan</b> ' obligation			
Failure to implement agreed resolution for Contravention of ' <b>Achieve Annual Business Plan</b> ' obligation	3	2	2
Failure to implement agreed resolution for Contravention of ' <b>Car parking</b> ' obligation	2	2	1
Failure to comply with ' <b>Paragraph 2.1b or 2.1c</b> ' obligation	3	2	1
Failure to implement agreed resolution for Contravention of ' <b>Paragraph 2.1b or 2.1c</b> ' obligation	1	1	1
Failure to implement agreed resolution for Contravention of ' <b>Non-convention use</b> ' obligation	4	3	3
Contravention of ' <b>Repairs and maintenance</b> ' obligation	2	2	1
Contravention of ' <b>Tourism co-operation</b> ' obligation	4	4	4
Failure to implement agreed resolution for Contravention of ' <b>Tourism co-operation</b> ' obligation	3	3	3
Contravention of ' <b>Advisory board</b> ' obligation	4	4	4
Failure to implement agreed resolution for Contravention of ' <b>Advisory board</b> ' obligation	4	4	3
Contravention of ' <b>Industry Participation</b> ' obligation	3	3	3
Contravention of ' <b>Communication Protocol</b> ' obligation	4	4	4
Contravention of ' <b>No Misleading Information</b> ' obligation	1	1	1
<b><u>Booking management</u></b>			
Failure to implement agreed resolution for Contravention of ' <b>Booking policy</b> '	3	2	2

obligation			
<b><u>Website</u></b>			
Contravention of ' <b>Website advertising</b> ' obligation	4	3	2
Failure to implement agreed resolution for Contravention of ' <b>Website advertising</b> ' obligation	2	2	2
<b><u>Uniforms</u></b>			
Contravention of ' <b>Uniforms</b> ' obligation	4	3	2
<b><u>Signage</u></b>			
Contravention of ' <b>Signage development</b> ' obligation	4	4	4
Failure to implement agreed resolution for Contravention of ' <b>Signage development</b> ' obligation	3	3	2
Contravention of ' <b>FDU Signage</b> ' obligation	2	1	1
Failure to implement agreed resolution for ' <b>FDU Signage</b> ' obligation	1	1	1
<b><u>SKYCITY branding</u></b>			
Contravention of ' <b>SKYCITY brand</b> ' obligation	4	3	3
Failure to implement agreed resolution for Contravention of ' <b>SKYCITY brand</b> ' obligation	3	2	2
<b><u>Intellectual property</u></b>			
Contravention of paragraphs 14.1	3	2	1
Contravention of paragraphs 14.2	3	2	1
Contravention of paragraphs 14.3	3	2	1
Contravention of paragraph 14.5	3	2	1
Contravention of paragraph 14.6	3	2	1
Contravention of paragraph 14.7	3	2	1

Contravention of paragraph 14.8	3	2	1
Contravention of paragraph 14.14	3	2	1
Contravention of paragraph 14.15	3	2	1
Contravention of paragraph 14.17	3	2	1
Contravention of paragraph 14.22	3	2	1
Contravention of paragraph 14.23	3	2	1
Contravention of paragraph 14.25	3	2	1
Contravention of paragraph 14.26	3	2	1
Contravention of paragraph 14.27	3	2	1
Contravention of paragraph 14.28	3	2	1
Failure to implement agreed resolution for Contravention of a paragraph 14 obligation (Intellectual Property)	3	2	1

- 2.3 A Contravention is deemed to have occurred for a second or further instance in the following circumstances, respectively:
- a A second instance of that Contravention is deemed to have occurred if that Contravention has already occurred once, and then that Contravention occurs again.
  - b A further instance of that Contravention is deemed to have occurred if a second or further instance of that Contravention has already occurred, and then that Contravention occurs again.
- 2.4 For the purposes of paragraph 2.3 above, a Contravention 'occurs again' in the following circumstances:
- a If the obligation to which that Contravention relates has an Additional Instance Assessment Period more frequent than annual (including matters that are measured on an 'ongoing' or 'by exception' basis), that Contravention happens during the same or during the immediately subsequent annual period as the most recent previous occurrence of that Contravention.
  - b If the obligation to which that Contravention relates has an annual (or less frequent than annual) Additional Instance Assessment Period, that Contravention happens during the next annual period following the most recent previous occurrence of that Contravention.
  - c If neither of sub-paragraph a or b above applies, that Contravention has occurred and then happens on any other occasion.

- 2.5 For the purposes of paragraph 2.4 above, the first ‘annual period’ commences on the date of the Agreement and each subsequent ‘annual period’ commences on each anniversary of the Agreement.
- 2.6 Where it is established and agreed between the parties that a Contravention has occurred and SKYCITY is in the process of implementing an agreed remedy for that Contravention within a reasonable period of time, it is agreed that if that Contravention occurs again during the period agreed for resolution, a further instance will not be deemed to have occurred and no additional Non-Compliance Payment will be due.
- 2.7 Where a Contravention is unremedied following an agreed resolution (and is therefore a Contravention for that reason) and it also amounts to a second or further instance of a Contravention, any Non-Compliance Payment due will be calculated by reference to the severity classification allocated:
- a to the second or further instance of such Contravention; or
  - b to the failure to implement an agreed resolution of such Contravention,
- whichever is the higher, but SKYCITY will not be required to pay a Non-Compliance Payment for both.

### 3 Specific or one-off Contraventions

- 3.1 For the purpose of paragraph 10 (Consequences of Contraventions) of this Schedule, severity classifications for the following Contraventions shall be determined in accordance with the following table:

Contravention	Severity classification
<b><u>General operating responsibilities</u></b>	
Contravention of ‘ <b>Car parking</b> ’ obligation	3
Failure to comply with paragraph 7.1 obligation	3
Failure to comply with paragraph 7.2 obligation	1
Failure to comply with paragraph 8 obligation	3
Contravention of ‘ <b>Non-convention use</b> ’ obligation	2
<b><u>Booking management</u></b>	
Contravention of ‘ <b>Booking policy</b> ’ obligation	3
Contravention of ‘ <b>Event appropriateness</b> ’ obligation	2
<b><u>Pre-Opening Marketing Plan and Annual Business Plan</u></b>	
Contravention of ‘ <b>Pre-Opening Marketing Plan</b> ’ or ‘ <b>Produce</b> ’	3

<b>Annual Business Plans</b> ' obligation	
Contravention of ' <b>Key content of Annual Business Plan</b> ' or ' <b>Other content of Annual Business Plan</b> ' obligation	3
<b><u>Intellectual property</u></b>	
Contravention of ' <b>Permitted Use of IP</b> ' obligation	3
Contravention of ' <b>Positive treatment of IP</b> ' obligation	2
Contravention of ' <b>Brand Guidelines</b> ' obligation	3
Contravention of ' <b>Marketing materials</b> ' obligation	3
Contravention of ' <b>NZICC acronym</b> ' obligation	3
<b><u>Website</u></b>	
Contravention of ' <b>Website implementation and maintenance</b> ' obligation	2
Contravention of ' <b>Website look and feel</b> ' obligation	3
Contravention of ' <b>Website launch</b> ' obligation	1
Contravention of ' <b>Website redirect</b> ' obligation	2
<b><u>Signage</u></b>	
Contravention of ' <b>Signage affixal</b> ' obligation	1
Contravention of ' <b>Other signage</b> ' obligation	2
Contravention of ' <b>Signage maintenance</b> ' obligation	2

## Schedule 17 Design Documentation Guidelines

# Design Documentation Guidelines

## Preface

The New Zealand Construction Industry Council (NZCIC) is the peak industry body for the building and construction industry in New Zealand. It exists to provide a pan-industry perspective to central government on key issues affecting the majority of interests in the building industry.

The council was formally established in 2003 and emerged from an informal association of organisations that previously operated under the name of the Construction Liaison Group.

The council draws its membership from most of the major trade associations, professional institutes, training organisations, and research bodies that operate in the industry.

Issues of interest to the council include building legislation; training, education, licensing, and registration for building practitioners, the New Zealand Building Code; research and development, including that of standards; value-based procurement; industry sustainability; and issues associated with both urban design and structural design.

The council began development of these design documentation guidelines in 2002 following growing concerns about the impact (and limited understanding) of poor documentation on the building industry in New Zealand. These concerns have also been confirmed by studies undertaken in other countries. The guidelines have been the subject of wide industry consultation, as well as an international search on best practice. They have been comprehensively trialled by practitioners in a variety of disciplines to ensure their practical application.

The NZCIC is grateful for the considerable time and effort generously contributed by the individuals of the working party and their organisations.

The industry has an obligation to the clients who contract their services to ensure that they know what they have commissioned and what can be expected for the fees charged. Transparency and fair play are seen as important to the industry, especially in the tendering and procurement phases.

These design documentation guidelines are recommended for use in all building projects, and are an important component in the overall tendering and procurement process. They are part of a suite of guidelines and best practice for the industry as well as for client groups and decision makers. Suggestions for their improvement as a result of their use are always welcome.

**New Zealand Construction Industry Council**

# Design Documentation Guidelines

## Endorsement

“The BIA notes the development of the NZCIC guidelines and commends them to the attention of all concerned with activities leading to the construction of buildings. The guidelines will prove a useful reference guide, especially for those who seek to communicate the elements involved in the documentation of building designs. Comprehensive documentation and understanding of the roles of the various disciplines involved can only improve the chances that a building, when constructed, will comply with the New Zealand Building Code.

The quality of a building as built will depend not only on the quality of the documentation, but on whole chain of activities from initial planning to handover. Guidelines outlining each step in the design and documentation process will go a long way to effecting improvement in the end result. It must be remembered that the design and construction of a successful building requires the successful integration of a range of inputs in addition to good documentation. People with know-how, experience, and the ability to deal with situations, the management of risk, adequate financing and resources, and an appropriate concept are all essential ingredients.”

**New Zealand Building Industry Authority**

# Design Documentation Guidelines

## Preamble

### Introduction

The ultimate aim for all involved in designing and constructing buildings should be to enhance the quality of our built environment.

The design is one part of this process, and these guidelines will set a benchmark to which all parties involved in a project can refer. Careful identification of client brief and needs, together with advice by consultants to the clients on the most advantageous outcomes, are important ancillary functions that should be linked to these guidelines. The commentary below provides background on the development of the guidelines and outlines how the guidelines may be used.

The guidelines are intended as general checklists and benchmarks to define the design process for 'building' projects, as distinguished from civil works, industrial processes, and infrastructure projects. They are not intended to provide a definitive solution to the design process and should not be regarded as a replacement for detailed briefs, carefully developed in open consultation between client and service providers. They will need to be updated from time to time to reflect best industry practice.

The guidelines are intended to be tailored to the appropriate level of project complexity and service agreed with the client; the tick boxes can be used to define the service and directly relate it to the design process.

### Background

The quality of design documentation is critical to the success of any building project.

Buildings today are very complex in all facets, including form, structure, services, and cladding. Building elements are much more tightly designed than in the past. This has resulted in a situation where 'standard' building details often do not apply to a large portion of a project.

The time frame for delivering projects has also reduced significantly in recent years. All stages of the programme have reduced, from the design phase through to the completion of the project, putting increased pressure on all players. Due to increased complexities, there are now more disciplines involved in the planning, design, and construction of buildings. Greater levels of expertise are required.

Design documents provide the critical ties between all parties in a building project. However, there has been a lack of definition of design documentation that all parties can rely on.

### Who has created the guidelines?

The document has been drafted by a working party endorsed by the New Zealand Construction Industry Council (NZCIC) – formerly the Construction Liaison Group. The working party has consulted widely to ensure that the guidelines are workable and will benefit the entire building industry, especially with representatives from the following organisations (alphabetically):

- ACENZ (Association of Consulting Engineers of New Zealand)
- HERA (Heavy Engineering Research Association)
- IPENZ (Institution of Professional Engineers New Zealand)

- NZBSF (New Zealand Building Subcontractors Federation)
- NZIA (New Zealand Institute of Architects)
- NZIOB (New Zealand Institute of Building)
- NZIQS (New Zealand Institute of Quantity Surveyors)
- PCNZ (Property Council of New Zealand)
- PMI (Project Management Institute)
- RMBF (Registered Master Builders Federation)

The guidelines have been co-ordinated in process and terminology to be consistent for all participants in the building industry. The Guidelines have strong support from the professional bodies listed above, and there is a shared intent that the Guidelines become an industry wide best practice document.

## **What is the purpose of the guidelines?**

The purpose of the Guidelines is to:

- define clearly design responsibilities from the outset and communicate these to all parties involved in the project;
- define the scope of design service with the client and communicate this to all parties to the design process;
- provide a 'level playing field' in achieving appropriate remuneration for the standard of design service required; and
- provide a quality assurance reference for users.

## **How are the guidelines used?**

The guidelines outline the design process that all building projects go through irrespective of the procurement methodology or programme. The guidelines differentiate the design process and deliverables into the following five phases:

- concept design
- preliminary design
- developed design
- detailed design
- construction design

A brief description of each phase is provided at the end of this preamble.

Design is an evolutionary process, developing from a set of client driven objectives. Within each of the stages there can often be substantial changes. Ideally however, the fundamental elements of the previous stage should not be overturned.

These guidelines address the design process up to where there are design documents a contractor can directly 'build' from. As such, they do not cover the physical construction or commissioning phases of a project.

The guidelines can be used to define the responsibilities of the various parties throughout the design process (tick-boxes have been provided for easy definition of scope). The level of service provided by a 'designer' could be curtailed at any of the stages. The parties completing the design process will need to carry out the remaining steps in a co-ordinated manner to achieve an effective design.

The document has separate guidelines for the primary design disciplines of architecture, structure, HVAC services, fire protection, hydraulic services, fire engineering, electrical services, and electrical ancillary services. The input from other specialist 'designers', such as geotechnical, acoustic, vertical transportation, and wind consultants, will need to be effectively co-ordinated with the design team. Separate guidelines have not been created for these specialist consultants.

### **How important is co-ordination in the design process?**

The thorough co-ordination of design documents between disciplines is considered to be the single most important issue confronting the industry. The guidelines emphasise the need for a relatively formal co-ordination of the information each discipline provides at the completion of each design phase.

To assist the design practitioner, sample co-ordination checklists have been put together. The sample co-ordination checklists have been developed on the basis of the architect having the primary role of design co-ordination, as this has traditionally been the case for most building projects. However, the role of primary design co-ordination may be undertaken by the principal consultant or any party commissioned to do so. It must be emphasised that all design disciplines have a responsibility for design co-ordination.

The sample co-ordination checklists are generic and are not exhaustive. Therefore design teams are encouraged to develop appropriate co-ordination checklists to suit the needs of each project.

### **Can the Guidelines be used to define the level of service required from design consultants?**

The guidelines can be used to define the level of design services. However, the services provided by design consultants on building projects often extend beyond the design process. Design consultants' services may include management and administration tasks, for example, design management, preparation of conditions of contract, tender evaluation/negotiations, resource and building consent applications, and construction monitoring or observation. Therefore, the guidelines can only be used to define a part of the service provided by design consultants

### **What is the Impact of the procurement methodology on design documentation?**

The input of the designers into the construction procurement methodology and construction is important in the quest for better buildings. Therefore, the appropriate design consultants should be involved in this process.

The determination of construction contract procurement and conditions of contract, methodology of pricing or tendering, and execution of those contracts should be defined at an early stage of the design process, so that the documentation can be arranged accordingly.

### **How do the guidelines relate to the management of the design process?**

Design management may be undertaken by any of the design consultants: client, project manager, contractor, or specialist design manager. Because of the varied nature of how project teams are structured, the task of design management is not addressed in these guidelines. However, the following comments are provided:

- Design management may overlap with some of the design processes listed in the guidelines and include the direction of consultants, the chairing and minuting of regular project meetings, administration of the design delivery programme, and managing information flow to and from the client.

- Responsibility for the design management role needs to be confirmed and formalised at the start of the project and the scope of this role either included in the consultant’s service or defined separately.

### How do statutory body applications or contractual requirements co-ordinate with this document?

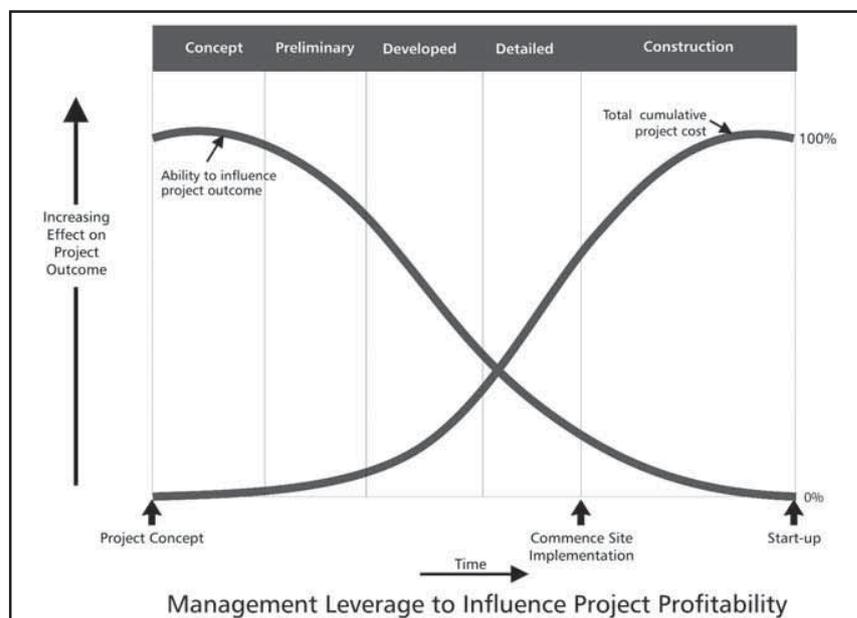
The level of design documentation required for resource consents, building consents, tenders, contract agreements, etc. varies widely between projects, and will need to be separately defined to suit a specific project programme. Therefore, the guidelines do not directly address these consent and contract matters. However, there are commentaries on these issues in the guidelines.

### Who controls and sets out the building dimensions in the drawings?

A key to a successful project is good control and ‘set-out’ of building dimensions in the documentation. For building projects the architect generally has responsibility for dimensions. However, on some projects (often light industrial type or specialist buildings) the engineer acts as principal consultant, taking responsibility for dimensions. Therefore, in the concept design phase it is necessary to define who is responsible for dimensions. The dimensional control and ‘set out’ is only defined in the architectural guidelines to cover the majority of the projects. Therefore, on the projects where the engineer is responsible for dimensions, the relevant architectural tasks need to be copied over.

### When should ‘value management’ design reviews take place in the design process?

‘Value management’ (VM) reviews at the appropriate stage(s) of the design process may assist in achieving successful projects. However, reviews undertaken too late can be ineffective and adversely impact on programme and costs. The sketch below graphically illustrates the opportunity of early reviews. Generally VM reviews should be carried out at the end of the concept and/or preliminary design stages, when the design has been co-ordinated between the design disciplines and there is a consistent basis for a cost estimate. The necessary revisions that are identified as part of the VM review can then be input to the start of the next design phase.



## **Why include safety in design guidelines?**

Considering safety upfront during the design process can have a positive impact on the safety of the construction process. Efficiencies can be gained through fewer injuries and less down time and through better communication and coordination, resulting in a more effective and efficient design and building programme.

Designers should aim to:

- identify the significant and unusual health and safety hazards relevant to the design, and consider how the building may be safely constructed and maintained;
- consider the risk from those hazards that may arise as a result of the design;
- if possible, alter the design to avoid the risk or, where this is not reasonably practicable, follow the remainder of the hierarchy of risk control process.

Designers should be aware of the hierarchy of risk control – eliminate, isolate, minimise – that underpins the modern approach to health and safety management.

The contractor is normally responsible for managing health and safety risks during the construction of a project.

## **Summary**

Good design documentation is a critical key to successful projects. These guidelines provide a basis for defining the scope and responsibilities of the design team creating the documentation.

# Design Documentation Guidelines –

## Appendix

### Description of the design phases:

- i. **Concept design** generally involves the application of a design 'idea' to the practical provision of a facility. It represents a phase where sufficient design concepts are developed for the client to be able to establish the feasibility of the project, the development potential of a site, or to be able to select a particular conceptual approach that the client wishes to pursue. The concept design phase may be used to define or verify the brief and may often involve the testing of different approaches/options. During this phase, ideas (concepts) are developed through open interaction by the team of the key elements of the project.

At the end of this phase, the basic building blocks of the project are defined in general terms and co-ordinated between the design disciplines.

Concept and preliminary design phases are often combined on less complex projects.
- ii. **Preliminary design** generally involves the further refinement of the preferred concept to facilitate testing it against inputs from the team, including cost estimates and regulatory approval. This may provide sufficient information for the communication of the design to a third party for marketing or consultation purposes.

During this phase the project concepts are developed into firm schemes, where the relationship and sizes of spaces and facilities are defined and co-ordinated between the design disciplines. However, resolution of individual details that do not impact on the key elements is generally left for the next design phase. At the end of this phase, the project should be clearly defined.
- iii. **Developed design** is the phase where the scope of each component in the design is clearly defined and co-ordinated. This may involve production of detailed information, including sketch details of all significant componentry and their interrelationships. The developed design phase is where the individual technical experts prepare the necessary documentation to define the scope of all building elements. Major input is required by all designers.

The completion of the developed design is a critical point in a project. The scope of the project is fully defined. As a result, cost estimates can be prepared on an elemental basis. Developed design generally provides sufficient information for the client/user to clearly understand the aesthetics and functionality of the building, internal spaces, and facilities.

On some projects the developed design documentation is issued for building consent and/or 'Guaranteed Maximum Price' (GMP) tender. Co-ordination between the design disciplines is therefore critically important at the end of this stage.
- iv. **Detailed design** generally provides a level of documentation that clearly defines the design, specification and extent of all building elements. The design should be comprehensively co-ordinated with other disciplines. However, the documents produced in this phase may not directly be able to be 'built' from. Changes to anything but detail at this stage are very disruptive and expensive and often result in further problems as, by now, the project has become very complex and it is hard to identify all the ramifications of changes. Detailed design is the phase most commonly used to obtain a tender for the construction of the works.
- v. **Construction design** is where the requirements defined in detailed design documents are integrated with changes that may occur during the tender and contract process and with construction requirements such as site conditions, proprietary and performance design elements, erection requirements, and fabricated shop drawings to create drawings that can be directly 'built' from. (Note: shop drawings are produced during this stage.)

# Design Documentation Guidelines

## Architecture

### Concept Design Phase

Design Process	Deliverables	Commentary
<p><b>Inputs:</b></p> <ul style="list-style-type: none"> <li>• Client brief, including budget and time schedule. <input type="checkbox"/></li> <li>• Client advice in respect to structure of design process. <input type="checkbox"/></li> <li>• Data Collection including: <input type="checkbox"/> <ul style="list-style-type: none"> <li>– topographical survey. <input type="checkbox"/></li> <li>– existing structures and services. <input type="checkbox"/></li> <li>– certificate of title. <input type="checkbox"/></li> <li>– other legal Information. <input type="checkbox"/></li> <li>– geotechnical information. <input type="checkbox"/></li> <li>– as-built measure of existing structures where additions or alterations are involved. <input type="checkbox"/></li> <li>– engineering reports on existing structures. <input type="checkbox"/></li> <li>– district plan rules and objectives including any existing resource consent, LIM and PIM. <input type="checkbox"/></li> <li>– other design constraints. <input type="checkbox"/></li> </ul> </li> </ul> <p><b>Tasks:</b></p> <ul style="list-style-type: none"> <li>• Attend regular design phase meetings with relevant parties. <input type="checkbox"/></li> <li>• Inspect site and prepare site analysis. <input type="checkbox"/></li> <li>• Prepare schedule of accommodation. Agree with client. Distribute. <input type="checkbox"/></li> <li>• Prepare document register. <input type="checkbox"/></li> <li>• Inspect the site and prepare site analysis diagrams. <input type="checkbox"/></li> </ul>	<ul style="list-style-type: none"> <li>• Agreed design brief and schedule of accommodation. <input type="checkbox"/></li> <li>• Report on existing facilities and engineering systems if applicable. <input type="checkbox"/></li> <li>• Options studies report. <input type="checkbox"/></li> <li>• Conceptual drawings including: <input type="checkbox"/> <ul style="list-style-type: none"> <li>– overall site plan. <input type="checkbox"/></li> <li>– floor plans. <input type="checkbox"/></li> <li>– elevations. <input type="checkbox"/></li> <li>– sketches. <input type="checkbox"/></li> <li>– sections (indicative sufficient to illustrate overall concept.). <input type="checkbox"/></li> </ul> </li> <li>• Model. <input type="checkbox"/></li> <li>• Preliminary cost estimate (prepared by quantity surveyor). <input type="checkbox"/></li> <li>• Concept schedule of materials and finishes. <input type="checkbox"/></li> </ul>	<ol style="list-style-type: none"> <li>1. Confirm conditions of engagement at outset of commission.</li> <li>2. Note that the preparation of brief is not part of architect's standard service.</li> <li>3. Agree roles and responsibilities for all participants in building procurement process particularly responsibility for obtaining resource consents.</li> <li>4. Agree with client the requirements and programme for client information and approvals.</li> <li>5. Costing may be only on square metre rate basis – quantity surveyor should provide concept cost plan to accompany deliverables.</li> <li>6. Concept and preliminary design phases may be combined.</li> <li>7. The approved design may be submitted for a PIM at this stage to identify resource consent issues and to obtain existing conditions/services information.</li> <li>8. Agree the scale of drawing deliverables for each phase according to project type.</li> <li>9. Dimensioning and co-ordination is often the responsibility of the architect but this will vary with commission.</li> <li>10. Advise client on the advantages in maintaining consultant advice at every stage, and the risks incurred where this is not commissioned.</li> </ol>

# Design Documentation Guidelines

## Architecture

### Concept Design Phase continued

Design Process	Deliverables	Commentary
<ul style="list-style-type: none"> <li>• Discuss and agree with client the additional separate or sub-consultants that are to be retained and by whom, i.e., geotechnical consultant, surveyor, planning consultant, civil, structural, fire, services and acoustic engineers; quantity surveyors, interior designer, landscape architect, specialised project management services, health and safety consultant, others. <input type="checkbox"/></li> <li>• Select and recommend to client appointment of other consultants or sub-consultants: confirm fees. <input type="checkbox"/></li> <li>• Identify responsibility for dimensional control. <input type="checkbox"/></li> <li>• Identify responsibility for design coordination. <input type="checkbox"/></li> <li>• Identify responsibility for design management. <input type="checkbox"/></li> <li>• Investigate district plan requirements, analyse, review with client. <input type="checkbox"/></li> <li>• Prepare formal/functional diagrams, develop viable options, review with client. <input type="checkbox"/></li> <li>• Analyse brief against design constraints. <input type="checkbox"/></li> <li>• Prepare concept design. <input type="checkbox"/></li> <li>• Study siting options and climatic influences; develop massing models; evaluate relationships to site context. <input type="checkbox"/></li> <li>• Test massing options against preferred functional arrangement and brief; review with client. Select model. <input type="checkbox"/></li> <li>• Evaluate provisional concepts for accommodation of systems with structural engineer and building services engineer. <input type="checkbox"/></li> </ul>		<ol style="list-style-type: none"> <li>11. If a partial service is commissioned, confirm whether the deliverables for the commissioned phase are affected.</li> <li>12. Confirm with the client whether design management services are included in the design commission, or whether another party will manage the design process.</li> <li>13. It may be necessary to obtain from the services engineer a schedule of notional requirements.</li> <li>14. Refer to separate co-ordination checklist documents.</li> </ol>

# Design Documentation Guidelines

# Architecture

## Concept Design Phase continued

Design Process	Deliverables	Commentary
<ul style="list-style-type: none"> <li>• Evaluate provisional concepts for accommodation of parking and traffic requirements. <input type="checkbox"/></li> <li>• Prepare architecture concept drawings. <input type="checkbox"/></li> <li>• Prepare feasibility report. <input type="checkbox"/></li> <li>• Prepare concept schedule of internal and external materials and finishes, confirm with client, distribute to quantity surveyor. <input type="checkbox"/></li> <li>• Check disabled access requirements. <input type="checkbox"/></li> <li>• Check concept against planning and survey requirements. <input type="checkbox"/></li> <li>• Review concepts for significant health and safety risks relevant to the design. <input type="checkbox"/></li> <li>• Review scheme with territorial authority planners. <input type="checkbox"/></li> <li>• Liaise with quantity surveyor to prepare concept design cost estimate. <input type="checkbox"/></li> <li>• Check concept design for conformity with fire and egress requirements. <input type="checkbox"/></li> <li>• Establish provisional beam depths, duct crossovers, and floor-to-floor heights. <input type="checkbox"/></li> <li>• Establish energy conservation design criteria. <input type="checkbox"/></li> <li>• Prepare energy study. <input type="checkbox"/></li> <li>• Determine if environmental studies are required if so, prepare and submit. <input type="checkbox"/></li> <li>• Co-ordinate all design information between disciplines. <input type="checkbox"/></li> </ul>		

# Design Documentation Guidelines

# Architecture

## Preliminary Design Phase

Design Process	Deliverables	Commentary
<p><b>Inputs:</b></p> <ul style="list-style-type: none"> <li>• Client approval of concept design. <input type="checkbox"/></li> <li>• Approved concept cost plan. <input type="checkbox"/></li> <li>• Confirmed site topographical, geotech and legal surveys. <input type="checkbox"/></li> <li>• Confirmed district plan analysis and development rules. <input type="checkbox"/></li> <li>• Concept civil and structural engineering constraints. <input type="checkbox"/></li> <li>• Concept services engineering and infrastructural constraints. <input type="checkbox"/></li> <li>• Concept fire engineering. <input type="checkbox"/></li> <li>• Concept environmental studies. <input type="checkbox"/></li> <li>• Concept acoustic advice. <input type="checkbox"/></li> <li>• Project time schedule. <input type="checkbox"/></li> </ul> <p><b>Tasks:</b></p> <ul style="list-style-type: none"> <li>• Attend regular design phase meetings with relevant parties. <input type="checkbox"/></li> <li>• Revise preliminary design brief from concept design including all up-to-date information; confirm with client. <input type="checkbox"/></li> <li>• Update document register. <input type="checkbox"/></li> <li>• Develop list of questions affecting Preliminary Design pertinent to each external discipline; circulate. <input type="checkbox"/></li> </ul>	<p><b>Drawings:</b></p> <ul style="list-style-type: none"> <li>• Overall site plan. <input type="checkbox"/></li> <li>• Floor plans. <input type="checkbox"/></li> <li>• Elevations. <input type="checkbox"/></li> <li>• Sections. <input type="checkbox"/></li> <li>• Sketches/perspectives exterior. <input type="checkbox"/></li> <li>• Sketches/perspectives interior. <input type="checkbox"/></li> <li>• Model(s). <input type="checkbox"/></li> <li>• Materials and finishes presentation. <input type="checkbox"/></li> <li>• Other defined marketing material. <input type="checkbox"/></li> </ul> <p><b>Specifications:</b></p> <ul style="list-style-type: none"> <li>• Preliminary schedule of internal and external materials and finishes. <input type="checkbox"/></li> </ul> <p><b>Reports:</b></p> <ul style="list-style-type: none"> <li>• Updated design brief, schedule of accommodation and project time schedule. <input type="checkbox"/></li> <li>• Schedule of areas (net and gross as applicable). <input type="checkbox"/></li> <li>• Design features (options) report (with recommended option to take to developed design). <input type="checkbox"/></li> </ul>	<ol style="list-style-type: none"> <li>1. Consultation with territorial authority is recommended on key aspects of the design that may be considered outside the 'Acceptable Solution' regime, and unusual/contentious issues.</li> <li>2. Cost estimates at this stage generally cannot be on a full elemental basis, as secondary elements are not well defined, but ensure independent professional cost advice is provided to the client.</li> <li>3. Contribution to value management sessions may be required.</li> <li>4. Preliminary design may provide a level of documentation appropriate for a resource consent application for less complex projects.</li> <li>5. It may be relevant to review structural engineer's preliminary report and effect on external façade systems, including deflections, seismic impact, and weathering implications.</li> </ol>

# Design Documentation Guidelines

## Architecture

### Preliminary Design Phase continued

Design Process	Deliverables	Commentary
<ul style="list-style-type: none"> <li>• Review preliminary design for significant or unusual health and safety risks the design may present during construction and maintenance. <input type="checkbox"/></li> <li>• Prepare preliminary design work time schedule. <input type="checkbox"/></li> <li>• Review town planning analysis and implications. <input type="checkbox"/></li> <li>• Establish primary reference grids and dimensions <input type="checkbox"/></li> <li>• Evaluate provisional concepts for accommodation of structural systems with structural engineer. <input type="checkbox"/></li> <li>• Evaluate provisional concepts for accommodation of services systems with building services engineer. <input type="checkbox"/></li> <li>• Revise schedule of internal and external materials and finishes; evaluate lifecycle durability and maintenance implications; confirm with client and submit to quantity surveyor. <input type="checkbox"/></li> <li>• Confirm compliance with fire and egress requirements. <input type="checkbox"/></li> <li>• Confirm compliance with disabled access requirements. <input type="checkbox"/></li> <li>• Confirm compliance with sanitary facilities code. <input type="checkbox"/></li> <li>• Confirm compliance with development rules. <input type="checkbox"/></li> <li>• Confirm revisions; request updated cost plan from quantity surveyor. <input type="checkbox"/></li> <li>• Establish provisional lift shaft sizes, air duct sizes, raised floor requirements, plant room sizes/mechanical requirements, and egress requirements. <input type="checkbox"/></li> </ul>	<ul style="list-style-type: none"> <li>• Outline of elements not covered in preliminary design. <input type="checkbox"/></li> <li>• Define assumed construction methodology governing design. <input type="checkbox"/></li> <li>• Highlight 'significant' or unusual buildability and health and safety issues. <input type="checkbox"/></li> <li>• Highlight 'special' project risks. <input type="checkbox"/></li> <li>• Report on façade options and weathering issues. <input type="checkbox"/></li> </ul>	

# Design Documentation Guidelines

## Architecture

### Preliminary Design Phase continued

Design Process	Deliverables	Commentary
<ul style="list-style-type: none"> <li data-bbox="136 488 775 517">• Prepare architectural preliminary design drawings. <input type="checkbox"/></li> <li data-bbox="136 536 775 593">• Determine if specific town planning studies are required, prepare, and submit. <input type="checkbox"/></li> <li data-bbox="136 612 775 670">• Review with town planner and territorial authority personnel for advice/comment. <input type="checkbox"/></li> <li data-bbox="136 689 775 746">• Review design with client's marketing/real estate advisors, including plan for presentation materials. <input type="checkbox"/></li> <li data-bbox="136 766 775 794">• Co-ordinate all design information between disciplines. <input type="checkbox"/></li> </ul>		

# Design Documentation Guidelines

## Architecture

### Developed Design Phase

Design Process	Deliverables	Commentary
<p><b>Inputs:</b></p> <ul style="list-style-type: none"> <li>• Client approval of preliminary design. <input type="checkbox"/></li> <li>• Client approval of preliminary cost plan. <input type="checkbox"/></li> <li>• Client approval of feasibility report. <input type="checkbox"/></li> <li>• Reviewed and revised preliminary design. <input type="checkbox"/></li> <li>• District plan analysis. <input type="checkbox"/></li> <li>• Preliminary civil/structural engineering. <input type="checkbox"/></li> <li>• Preliminary services engineering and infrastructural constraints. <input type="checkbox"/></li> <li>• Preliminary fire engineering. <input type="checkbox"/></li> <li>• Preliminary environmental studies. <input type="checkbox"/></li> <li>• Preliminary acoustic advice. <input type="checkbox"/></li> <li>• Preliminary drawing register. <input type="checkbox"/></li> <li>• Current project programme. <input type="checkbox"/></li> </ul> <p><b>Tasks:</b></p> <ul style="list-style-type: none"> <li>• Attend regular design phase meetings with relevant parties. <input type="checkbox"/></li> <li>• Update developed design brief; confirm with client. Distribute. <input type="checkbox"/></li> <li>• Update document register. <input type="checkbox"/></li> <li>• Review each sub-consultant's and other consultant's schematics to architectural, verify match. <input type="checkbox"/></li> </ul>	<p><b>Drawings:</b></p> <ul style="list-style-type: none"> <li>• Overall site plan including parking/landscaping. <input type="checkbox"/></li> <li>• Floor plans (dimensioned). <input type="checkbox"/></li> <li>• Elevations (confirmed floor-to-floor heights); sections. <input type="checkbox"/></li> <li>• Sketches of critical and typical details. <input type="checkbox"/></li> <li>• Perspective. <input type="checkbox"/></li> <li>• Typical reflected ceiling plans. <input type="checkbox"/></li> </ul> <p><b>Specifications:</b></p> <ul style="list-style-type: none"> <li>• Developed schedule of internal and external materials and finishes. <input type="checkbox"/></li> </ul> <p><b>Reports:</b></p> <ul style="list-style-type: none"> <li>• Updated design brief, schedule of accommodation and project programme. <input type="checkbox"/></li> <li>• Revised schedule of areas (net and gross as applicable). <input type="checkbox"/></li> <li>• Updated design features (options) report (with recommended option to take to detailed design), including serviceability issues. <input type="checkbox"/></li> <li>• Outline of elements not covered in developed design. <input type="checkbox"/></li> <li>• Define assumed construction methodology governing design. <input type="checkbox"/></li> <li>• Highlight significant or unusual buildability and health and safety issues. <input type="checkbox"/></li> <li>• Highlight weathering/façade issues. <input type="checkbox"/></li> </ul>	<ol style="list-style-type: none"> <li>1. Cost estimates at this stage can be produced by quantity surveyor on elemental basis, with secondary elements estimated on typical details.</li> <li>2. Developed design generally provides the minimum level of documentation to clearly define the scope of all architectural elements.</li> <li>3. Developed design generally provides the minimum level of documentation appropriate for a resource consent application for complex projects.</li> <li>4. Refer to separate co-ordination checklist documents.</li> </ol>

# Design Documentation Guidelines

## Architecture

### Developed Design Phase continued

Design Process	Deliverables	Commentary
<ul style="list-style-type: none"> <li>• Verify that all questions from the preliminary design brief relating to engineering disciplines have been resolved. <input type="checkbox"/></li> <li>• Verify significant or unusual health and safety issues have been addressed in the design. <input type="checkbox"/></li> <li>• Confirm any revisions to preliminary cost plan. <input type="checkbox"/></li> <li>• Confirm primary reference grids datum, and dimensions. <input type="checkbox"/></li> <li>• Check preliminary internal and external finishes schedule; revise if necessary. Distribute. <input type="checkbox"/></li> <li>• Prepare architectural developed design drawings incorporating amendments into plans, elevations, and sections. Distribute. <input type="checkbox"/></li> <li>• Test structural design against other criteria; including impact on weathering systems, confirm/amend provisional structural system selection. <input type="checkbox"/></li> <li>• Confirm lift shaft dimensions, overrun and pit requirements, plant room sizes, sheave beam requirements, etc. <input type="checkbox"/></li> <li>• Confirm acceptability of access to fireman's lift and fire control panel. <input type="checkbox"/></li> <li>• Confirm final detail requirements for lifts and escalators. <input type="checkbox"/></li> <li>• Confirm typical floor beam depths, maximum duct depth requirements, floor-to-floor heights. <input type="checkbox"/></li> <li>• Prepare options complying with reflectance, heat gain/loss requirements, glass shading co-efficients; ventilation, energy conservation systems, solar shading systems, review with client and building services engineers. Select. <input type="checkbox"/></li> </ul>	<ul style="list-style-type: none"> <li>• Highlight 'special' project risks. <input type="checkbox"/></li> <li>• Material/colour boards. <input type="checkbox"/></li> </ul>	

# Design Documentation Guidelines

## Architecture

### Developed Design Phase continued

Design Process	Deliverables	Commentary
<ul style="list-style-type: none"> <li>• Test mechanical design against other criteria; confirm/amend provisional building services system selections. <input type="checkbox"/></li> </ul>		
<ul style="list-style-type: none"> <li>• Confirm that sanitary fixture count meets statutory requirements. <input type="checkbox"/></li> </ul>		
<ul style="list-style-type: none"> <li>• Establish location and provisional size of electrical sub-station, if required; consult power supply authority. <input type="checkbox"/></li> </ul>		
<ul style="list-style-type: none"> <li>• Prepare/commission energy management study. <input type="checkbox"/></li> </ul>		
<ul style="list-style-type: none"> <li>• Prepare computer floor options study. Review with client. <input type="checkbox"/></li> </ul>		
<ul style="list-style-type: none"> <li>• Prepare options study for building maintenance unit; review with client. <input type="checkbox"/></li> </ul>		
<ul style="list-style-type: none"> <li>• Verify exterior glazing design compatibility with structure and HVAC. <input type="checkbox"/></li> </ul>		
<ul style="list-style-type: none"> <li>• Confirm ceiling module dimensions and advise. <input type="checkbox"/></li> </ul>		
<ul style="list-style-type: none"> <li>• Confirm all service utility entry points, sizes, and requirements. <input type="checkbox"/></li> </ul>		
<ul style="list-style-type: none"> <li>• Confirm fire rating requirements for all building elements. <input type="checkbox"/></li> </ul>		
<ul style="list-style-type: none"> <li>• Confirm compliance with all development rules. <input type="checkbox"/></li> </ul>		
<ul style="list-style-type: none"> <li>• Review all plans elevations and sections, prepare details of typical construction. <input type="checkbox"/></li> </ul>		
<ul style="list-style-type: none"> <li>• Submit developed design to quantity surveyor for review of cost plan. <input type="checkbox"/></li> </ul>		
<ul style="list-style-type: none"> <li>• Review and revise project programme. <input type="checkbox"/></li> </ul>		
<ul style="list-style-type: none"> <li>• Co-ordinate all design information between disciplines. <input type="checkbox"/></li> </ul>		

# Design Documentation Guidelines

## Architecture

### Detailed Design Phase

Design Process	Deliverables	Commentary
<p><b>Inputs:</b></p> <ul style="list-style-type: none"> <li>• Client approval of developed design. <input type="checkbox"/></li> <li>• Client approval of developed cost plan and feasibility analysis. <input type="checkbox"/></li> <li>• Reviewed district plan analysis. <input type="checkbox"/></li> <li>• Review and revise developed design. <input type="checkbox"/></li> <li>• Developed structural engineering. <input type="checkbox"/></li> <li>• Developed services engineering. <input type="checkbox"/></li> <li>• Developed fire engineering. <input type="checkbox"/></li> <li>• Developed environmental studies. <input type="checkbox"/></li> <li>• Developed acoustic advice. <input type="checkbox"/></li> <li>• Current project programme. <input type="checkbox"/></li> </ul> <p><b>Tasks:</b></p> <ul style="list-style-type: none"> <li>• Attend regular design phase meetings with relevant parties. <input type="checkbox"/></li> <li>• Co-ordinate and check each sub-consultant and other consultants' design and drawings with the architectural drawings at regular intervals. <input type="checkbox"/></li> <li>• Update document register. <input type="checkbox"/></li> <li>• Confirm project drawing, CAD, website, and communication standards. <input type="checkbox"/></li> <li>• Consider buildability constraints and implications. <input type="checkbox"/></li> <li>• Highlight significant or unusual health and safety risks that were identified in the design process. <input type="checkbox"/></li> </ul>	<p><b>Drawings:</b></p> <ul style="list-style-type: none"> <li>• Full set of drawings as per drawing register including: <input type="checkbox"/></li> <li>• Site plan including datum, boundary definition and orientation associated earthworks, landscaping and carparking, inground and overhead services, drainage, and all statutory legal title information. <input type="checkbox"/></li> <li>• Key plans to building zoning. <input type="checkbox"/></li> <li>• Floor plans at each level. <input type="checkbox"/></li> <li>• Reflected ceiling plans at each level including coordinated lighting and services fixtures. <input type="checkbox"/></li> <li>• External elevations. <input type="checkbox"/></li> <li>• Interior elevations. <input type="checkbox"/></li> <li>• Cross sections and longitudinal sections. <input type="checkbox"/></li> <li>• Roof plan with falls, gutters, rainwater heads and downpipes. <input type="checkbox"/></li> <li>• Electrical/lighting outlet and switching plan. <input type="checkbox"/></li> <li>• Plumbing layout and schematics. <input type="checkbox"/></li> <li>• Construction details at all typical and atypical locations cross referenced to plans and sections. <input type="checkbox"/></li> <li>• Plans, sections of access stairs, ramps, balustrades, barriers and handrails, including plant access. <input type="checkbox"/></li> <li>• Interior fitout including wall elevations and joinery details. <input type="checkbox"/></li> </ul>	<ol style="list-style-type: none"> <li>1. It is important to understand the means by which a construction contract is to be procured as this will inevitably impact on the format of the documentation produced and the design quality of the construction achieved. It may also be advantageous to the achieved design quality to have input into the prospective contractors/tender list. Consequently, in the detailed design phase, or any phase in which it is intended to procure a tender, the design consultants may need to: <ul style="list-style-type: none"> <li>• determine method of construction contract procurement.</li> <li>• determine form of conditions of construction contract .</li> <li>• prepare contract documents for client and contractor's signatures.</li> <li>• review and prepare documentation for tender with client, including insurance details, method of tender, bond, liquidated damages and tender protocols (where required).</li> <li>• review tenders for compliance with tender documents and respond to technical options offered.</li> </ul> </li> <li>2. Design of secondary architectural elements is sufficiently developed to consult the structural engineer on any specific design required.</li> </ol>

# Design Documentation Guidelines

# Architecture

## Detailed Design Phase continued

Design Process	Deliverables	Commentary
<ul style="list-style-type: none"> <li>• Confirm and respond to revisions to cost plan. <input type="checkbox"/></li> <li>• Review all plans elevations and sections, prepare details of typical and atypical construction. <input type="checkbox"/></li> <li>• Review tolerances established for all surfaces and materials, co-ordinate with specification. <input type="checkbox"/></li> <li>• Fully dimension all elements and datum. <input type="checkbox"/></li> <li>• Request list of 'Builders Work' items from other consultants, incorporate with architectural details. <input type="checkbox"/></li> <li>• Prepare architectural detailed design drawings. <input type="checkbox"/></li> <li>• Determine form of conditions of contract and incorporate into specification. <input type="checkbox"/></li> <li>• Prepare preliminaries and architecture trade sections to specification and co-ordinate trade sections with other sub-consultants or consultants. <input type="checkbox"/></li> <li>• Confirm finishes schedule against specification and schedule of monetary provisions. <input type="checkbox"/></li> <li>• Obtain client agreement on contingency sum allowances. <input type="checkbox"/></li> <li>• Co-ordinate all design information between disciplines as per separate co-ordination checklist. <input type="checkbox"/></li> <li>• Finalise glazing selection in consultation with building services engineer; confirm against requirements of authorities. <input type="checkbox"/></li> <li>• Review provisions for PABX with Telecom and client's real estate advisers. <input type="checkbox"/></li> <li>• Review and confirm security system provisions with client and building services engineer. <input type="checkbox"/></li> </ul>	<p><b>Schedules:</b></p> <ul style="list-style-type: none"> <li>• Schedule of internal and exterior finishes. <input type="checkbox"/></li> <li>• Schedule of internal and external opening joinery. <input type="checkbox"/></li> <li>• Schedule of hardware. <input type="checkbox"/></li> <li>• Schedule of sanitary fittings and tapware. <input type="checkbox"/></li> <li>• Schedule of joinery fittings. <input type="checkbox"/></li> <li>• Schedule of nett sums. <input type="checkbox"/></li> </ul> <p><b>Specifications:</b></p> <ul style="list-style-type: none"> <li>• Building specification including preliminaries and all trade sections. <input type="checkbox"/></li> <li>• Performance specifications for any works involving constructor design. <input type="checkbox"/></li> </ul> <p><b>Contractor Procurement:</b></p> <ul style="list-style-type: none"> <li>• Registration and short listing of contractors. <input type="checkbox"/></li> <li>• Conditions of tender, notices to tenderers and general conditions of contract. <input type="checkbox"/></li> <li>• Contract documents. <input type="checkbox"/></li> </ul>	<ol style="list-style-type: none"> <li>3. Where appropriate carry out discussion with a 'preferred' contractor on construction methodology.</li> <li>4. Design may be sufficient to lodge for building consent part way through this process.</li> <li>5. Detailed design generally provides a level of documentation that clearly defines all architectural elements. Design details should be co-ordinated with other disciplines. However, the documents produced in this phase may not be able to be directly built from.</li> <li>6. Identify in the specification the significant or unusual health and safety risks that were identified in the design.</li> <li>7. Refer to separate co-ordination checklist documents.</li> </ol>

# Design Documentation Guidelines

## Architecture

### Detailed Design Phase continued

Design Process	Deliverables	Commentary
<ul style="list-style-type: none"> <li>• Review and confirm communications and PA system provisions with client and building services engineer. <input type="checkbox"/></li> <li>• Review and confirm cleaning, refuse and waste paper removal system provisions with client and building services engineer <input type="checkbox"/></li> <li>• Confirm if energy management system is to be employed; establish brief. <input type="checkbox"/></li> <li>• Confirm details and compliance of thermal envelope including glazing with code requirements and/or mechanical design with relevant consultants. <input type="checkbox"/></li> <li>• Confirm expansion and control joint details with structural engineer; verify that precast panel design and jointing conforms to thermal and other movement criteria, review impact on weathering. <input type="checkbox"/></li> <li>• Confirm requirements with structural engineer for attaching of cladding systems to edge beams; check details, including fire rating and acoustic requirements. <input type="checkbox"/></li> <li>• Carry out architectural check on architectural drawings as per checklist. <input type="checkbox"/></li> <li>• Submit drawings to quantity surveyor for final adjustment of cost plan. <input type="checkbox"/></li> <li>• Analyse tenders and report recommendations to client. <input type="checkbox"/></li> <li>• Advise client of maintenance and durability responsibilities. <input type="checkbox"/></li> <li>• Obtain client approval and sign off for completed drawings and specification. <input type="checkbox"/></li> </ul>		

# Design Documentation Guidelines

## Architecture

### Construction Design Phase

Design Process	Deliverables	Commentary
<p><b>Inputs:</b></p> <ul style="list-style-type: none"> <li>• Client approval of detailed design incorporating changes resulting from contract agreement process. <input type="checkbox"/></li> <li>• Building consent issues register. <input type="checkbox"/></li> <li>• Construction programme and sequencing. <input type="checkbox"/></li> <li>• Contract documents defined in sufficient detail for sub-trades to produce fabrication documents. <input type="checkbox"/></li> <li>• Craneage or access restrictions defined. <input type="checkbox"/></li> </ul> <p><b>Tasks:</b></p> <ul style="list-style-type: none"> <li>• Attend regular design phase meetings with relevant parties. <input type="checkbox"/></li> <li>• Update document register. <input type="checkbox"/></li> <li>• Prepare architectural construction design drawings incorporating changes agreed as a result of tender process and negotiations. <input type="checkbox"/></li> <li>• Site safety programme issued to all parties. <input type="checkbox"/></li> <li>• Issue shop drawings to consultants for review. <input type="checkbox"/></li> <li>• Coordinate interface between trades and receive, review and coordinate detailed 'shop drawings' for:               <ul style="list-style-type: none"> <li>– windows/façade systems. <input type="checkbox"/></li> <li>– pre-cast elements – wall and flow systems. <input type="checkbox"/></li> <li>– pre-cut timber framing. <input type="checkbox"/></li> <li>– steel shop drawings. <input type="checkbox"/></li> <li>– proprietary items. <input type="checkbox"/></li> <li>– other fabricated items. <input type="checkbox"/></li> </ul> </li> </ul>	<p><b>General:</b></p> <ul style="list-style-type: none"> <li>• Review or supply of technical specifications for contractor designed items or alternative designs. <input type="checkbox"/></li> <li>• Revisions of drawings, details and specifications as required by contract agreement process. <input type="checkbox"/></li> <li>• Revisions of drawings, details and specifications as required by building consent process. <input type="checkbox"/></li> <li>• Revisions of drawings, details and specifications as required by construction process. <input type="checkbox"/></li> </ul> <p><b>Shop Drawings:</b></p> <ul style="list-style-type: none"> <li>• Production of construction/fabrication/shop drawings for selected items. <input type="checkbox"/></li> <li>• Review of construction/fabrication/shop drawings for selected items. <input type="checkbox"/></li> </ul>	<ol style="list-style-type: none"> <li>1. Construction design is perceived as separate from construction phase observation/monitoring or contract administration services.</li> <li>2. At conclusion of construction design, it should be possible to construct the works without further recourse to the design consultant for design information.</li> <li>3. Construction phase services need to be defined in the engagement agreement.</li> <li>4. Refer to separate co-ordination checklist documents.</li> <li>5. The site safety management plan prepared by contractor should be circulated to all parties.</li> <li>6. The supply of supplementary information as required during the construction process occurs in the construction phase.</li> <li>7. Refer to the relevant discipline guidelines for engineering shop drawing requirements.</li> </ol>

# Design Documentation Guidelines

# Architecture

## Construction Design Phase continued

Design Process	Deliverables	Commentary
<ul style="list-style-type: none"> <li>• Prepare shop drawings for:               <ul style="list-style-type: none"> <li>– windows/façade systems. <input type="checkbox"/></li> <li>– pre-cast elements – wall and flow systems. <input type="checkbox"/></li> <li>– pre-cut timber framing. <input type="checkbox"/></li> <li>– as built drainage drawings. <input type="checkbox"/></li> <li>– steel shop drawings. <input type="checkbox"/></li> <li>– proprietary items. <input type="checkbox"/></li> </ul> </li> <li>• Other fabricated items. <input type="checkbox"/></li> <li>• Co-ordinate the design with detailed shop drawings required by other disciplines:               <ul style="list-style-type: none"> <li>– HVAC – duct layout, plant selection and technical data. <input type="checkbox"/></li> <li>– hydraulics – schematics, duct layout, plant selection and technical data. <input type="checkbox"/></li> <li>– fire Protection. <input type="checkbox"/></li> <li>– electrical services including layouts and elevations of MSSB. <input type="checkbox"/></li> <li>– lift and escalators – confirmed shaft sizes, car platform sizes, car interiors, setout. <input type="checkbox"/></li> <li>– security systems. <input type="checkbox"/></li> <li>– schedules for sanitary fittings, hardware. <input type="checkbox"/></li> </ul> </li> <li>• Review performance specifications. <input type="checkbox"/></li> </ul>		

# Design Documentation Guidelines

# Electrical Ancillary Services

Applies to miscellaneous electrical systems including: Data/Communications, Access control, CCTV, MATV, Public Address/Background Music, etc.

## Concept Design Phase

Design Process	Deliverables	Commentary
<p><b>Inputs:</b></p> <ul style="list-style-type: none"> <li>• Client brief and budget. <input type="checkbox"/></li> <li>• Project time schedule. <input type="checkbox"/></li> <li>• Site survey information. <input type="checkbox"/></li> <li>• Project delivery methodology. <input type="checkbox"/></li> </ul> <p><b>Design:</b></p> <ul style="list-style-type: none"> <li>• Confirmation of which services are required. <input type="checkbox"/></li> <li>• Identification of areas of coverage. <input type="checkbox"/></li> <li>• Review of client requirements including reliability and redundancy. <input type="checkbox"/></li> <li>• Establish design criteria and develop functional services brief. <input type="checkbox"/></li> <li>• Establish contacts with communication network providers. <input type="checkbox"/></li> <li>• Risk assessments. <input type="checkbox"/></li> <li>• Review concepts for significant health and safety risks relevant to the design. <input type="checkbox"/></li> </ul>	<p><b>Drawings:</b></p> <p>Sketch drawings (may comprise 'marked-up' architectural drawings), including preliminary equipment room and riser requirements, service entry points, and services routes, including general areas of coverage. <input type="checkbox"/></p> <p><b>Specifications:</b></p> <p>Nil.</p> <p><b>Reports:</b></p> <p>Concept services brief – to establish available system concepts and a broad report investigating available options and recommendations and definition of system requirements and key assumptions including system types. <input type="checkbox"/></p> <p>Design standards to be used. <input type="checkbox"/></p>	<ol style="list-style-type: none"> <li>1. To ascertain client brief and to review/consider applicable options.</li> <li>2. Agree roles and responsibilities.</li> <li>3. Concept and preliminary design phases are often combined on smaller projects.</li> <li>4. Tendering at this stage unlikely to result in 'like for like' bids.</li> <li>5. No co-ordination completed at this stage.</li> <li>6. Costing only on per point basis.</li> </ol>

# Design Documentation Guidelines

# Electrical Ancillary Services

## Preliminary Design Phase

Design Process	Deliverables	Commentary
<p><b>Inputs:</b></p> <ul style="list-style-type: none"> <li>• Client approval of concept services design, including confirmation of systems to be included and budgetary implications. <input type="checkbox"/></li> <li>• Network provider requirements/constraints. <input type="checkbox"/></li> <li>• Client approved architectural layouts. <input type="checkbox"/></li> <li>• Design time schedule. <input type="checkbox"/></li> </ul> <p><b>Design:</b></p> <ul style="list-style-type: none"> <li>• Develop service route requirements, both horizontal and vertical. <input type="checkbox"/></li> <li>• Define interface requirements with other services. <input type="checkbox"/></li> <li>• Develop system architecture. <input type="checkbox"/></li> <li>• Identification of equipment requirements to provide required coverage/functionality. <input type="checkbox"/></li> <li>• Confirm spatial requirements for central and distributed equipment rooms. <input type="checkbox"/></li> <li>• Confirm methods of final distribution to outlets (trunking, floor boxes, etc.). <input type="checkbox"/></li> <li>• Identify specific power requirements (UPS, generator supplies). <input type="checkbox"/></li> <li>• Identification of specific earthing and surge protection requirements. <input type="checkbox"/></li> <li>• Operational descriptions. <input type="checkbox"/></li> <li>• Review preliminary design for significant and unusual health and safety risks the design may present during construction and maintenance. <input type="checkbox"/></li> </ul>	<p><b>Drawings:</b></p> <ul style="list-style-type: none"> <li>• Single line diagram showing system architecture for each service and interconnections with indicative capacities for each node. <input type="checkbox"/></li> <li>• Layout drawings indicating coverage and indicating equipment room locations, risers, and primary service routes. <input type="checkbox"/></li> </ul> <p><b>Specifications:</b></p> <ul style="list-style-type: none"> <li>• Outline specifications. <input type="checkbox"/></li> <li>• Preliminary equipment schedules. <input type="checkbox"/></li> </ul> <p><b>Reports:</b></p> <ul style="list-style-type: none"> <li>• Design features (options) report, with preferred options agreed/defined where possible, to take to developed design. <input type="checkbox"/></li> <li>• Preliminary electrical equipment heat loads. <input type="checkbox"/></li> <li>• Highlight 'significant and unusual' buildability and health and safety issues. <input type="checkbox"/></li> </ul>	<ol style="list-style-type: none"> <li>1. Where applicable discuss options with preferred vendor.</li> <li>2. Cost estimates at this stage generally cannot be on a full elemental basis, as final distribution is not well defined.</li> <li>3. Systems could be priced by vendors at this stage but unlikely to get like for like comparison.</li> </ol>

# Design Documentation Guidelines

# Electrical Ancillary Services

## Developed Design Phase

Design Process	Deliverables	Commentary
<p><b>Inputs:</b></p> <ul style="list-style-type: none"> <li>• Client approval of preliminary design and budgetary implications. <input type="checkbox"/></li> <li>• Client approved architectural, structural, and other services preliminary designs. <input type="checkbox"/></li> </ul> <p><b>Design:</b></p> <ul style="list-style-type: none"> <li>• Co-ordination of spatial requirements, including access for installation and maintenance, with other trades. <input type="checkbox"/></li> <li>• Identification of specific locations for devices (cameras, card readers etc.). <input type="checkbox"/></li> <li>• Identification of primary cabling routes and cabling methodology to all final outlet locations. <input type="checkbox"/></li> <li>• Confirmation of network provider connection details. <input type="checkbox"/></li> <li>• Verify that significant and unusual health and safety issues have been addressed in the design. <input type="checkbox"/></li> </ul>	<p><b>Drawings:</b></p> <ul style="list-style-type: none"> <li>• Single line diagram for each system showing the entire network with cables and major equipment selected, including connections to external networks. <input type="checkbox"/></li> <li>• Updated layout drawings indicating equipment room locations, risers and service routes, including cabling methodology to final outlets (skirting trunking, etc.). <input type="checkbox"/></li> <li>• Layouts indicating locations of devices and major consolidation points. <input type="checkbox"/></li> </ul> <p><b>Specifications:</b></p> <ul style="list-style-type: none"> <li>• Preliminary technical specifications. <input type="checkbox"/></li> <li>• Equipment schedules. <input type="checkbox"/></li> </ul> <p><b>Reports:</b></p> <ul style="list-style-type: none"> <li>• Finalised design features (options) report, including options selected. <input type="checkbox"/></li> <li>• Highlight 'significant and unusual' buildability and health and safety issues. <input type="checkbox"/></li> </ul>	<ol style="list-style-type: none"> <li>1. Cost estimates at this stage can be produced by quantity surveyor on elemental basis, with final elements estimated on typical details.</li> <li>2. Developed design generally provides the minimum level of documentation to clearly define the scope of all elements.</li> </ol>

# Design Documentation Guidelines

# Electrical Ancillary Services

## Detailed Design Phase

Design Process	Deliverables	Commentary
<p><b>Inputs:</b></p> <ul style="list-style-type: none"> <li>• Client approval of the developed design and budgetary implications. <input type="checkbox"/></li> <li>• Final architectural (including furniture), structural, and other services layouts. <input type="checkbox"/></li> </ul> <p><b>Design:</b></p> <ul style="list-style-type: none"> <li>• Patch panel and frame layouts. <input type="checkbox"/></li> <li>• Generic equipment selections. <input type="checkbox"/></li> <li>• Final layouts of devices co-ordinated with architecture/furniture and other services. <input type="checkbox"/></li> <li>• Detailed power and earthing requirements identification. <input type="checkbox"/></li> <li>• Detailed tray routes. <input type="checkbox"/></li> <li>• Interface details with other trades. <input type="checkbox"/></li> <li>• Highlight significant and unusual health and safety risks that were identified through the design process. <input type="checkbox"/></li> </ul>	<p><b>Drawings:</b></p> <ul style="list-style-type: none"> <li>• Completed single line diagram showing all equipment, cables, and consolidation points. All equipment specified. <input type="checkbox"/></li> <li>• Layouts drawings indicating all field devices, and control panels and final outlet locations. <input type="checkbox"/></li> <li>• Equipment room outline layouts. <input type="checkbox"/></li> </ul> <p><b>Specifications:</b></p> <ul style="list-style-type: none"> <li>• Detailed technical specifications. <input type="checkbox"/></li> <li>• Finalised equipment schedules with generic equipment selections. <input type="checkbox"/></li> </ul> <p><b>Reports:</b></p> <ul style="list-style-type: none"> <li>• Power and earthing requirements provided for implementation by electrical engineer. <input type="checkbox"/></li> <li>• Itemisation of works to be done by others. <input type="checkbox"/></li> </ul>	<ol style="list-style-type: none"> <li>1. Detailed design generally provides a level of documentation to clearly define the design of all elements. Design details should be co-ordinated with other disciplines. However, the documents produced in this phase may not directly be able to be 'built' from.</li> <li>2. It may not be practical for designer to complete this phase prior to specific vendor solution being identified.</li> <li>3. Co-ordination. In ceiling zones identified with appropriate clearances from structure and other services. Major penetrations identified. Detailed co-ordination of critical areas.</li> <li>4. Define in the specification the significant and unusual health and safety risks that were identified in the design.</li> </ol>

# Design Documentation Guidelines

# Electrical Ancillary Services

## Construction Design Phase

Design Process	Deliverables	Commentary
<p><b>Inputs:</b></p> <ul style="list-style-type: none"> <li>• For construction design phase, drawings for architectural, interior design, and electrical services. <input type="checkbox"/></li> <li>• Construction time schedule. <input type="checkbox"/></li> <li>• Network provider implementation plans. <input type="checkbox"/></li> </ul> <p><b>Design:</b></p> <ul style="list-style-type: none"> <li>• Final co-ordination with architecture and other services. <input type="checkbox"/></li> <li>• Equipment selection. <input type="checkbox"/></li> <li>• Mounting details for all devices. <input type="checkbox"/></li> <li>• Complete panel, cabinet and frame designs. <input type="checkbox"/></li> <li>• Construction details for tray routes and supports (unless provided by others). <input type="checkbox"/></li> <li>• Seismic bracing. <input type="checkbox"/></li> <li>• Cable labelling philosophy. <input type="checkbox"/></li> <li>• Provisions for access and maintenance. <input type="checkbox"/></li> </ul>	<p><b>Drawings:</b></p> <ul style="list-style-type: none"> <li>• Revise detailed design documentation to incorporate buildability changes suggested by contractor if they impact on the design intent. <input type="checkbox"/></li> <li>• Equipment submissions for 'review'. <input type="checkbox"/></li> <li>• Fabrication drawings for control panels, frames, desks and cabinets. <input type="checkbox"/></li> <li>• Detailed layouts of equipment rooms. <input type="checkbox"/></li> <li>• Detailing of all tray routes and catenary grids including support/hanger details (unless provided by others). <input type="checkbox"/></li> <li>• Seismic bracing details <input type="checkbox"/></li> <li>• Conduit routing and installation details. <input type="checkbox"/></li> <li>• Wiring diagrams and points schedules. <input type="checkbox"/></li> <li>• Specific equipment selections. <input type="checkbox"/></li> <li>• Systems configuration and programming. <input type="checkbox"/></li> </ul> <p><b>Review:</b></p> <ul style="list-style-type: none"> <li>• Review shop/fabrication and layout drawings for compliance with design. <input type="checkbox"/></li> <li>• Review equipment submission. <input type="checkbox"/></li> </ul>	<ol style="list-style-type: none"> <li>1. Normally prepared by the selected vendor/installer.</li> <li>2. Deliverables contain sufficient details for elements to be manufactured/constructed without reference to other documents, i.e., 'the details have co-ordinated the relevant design information across all disciplines and can be built from'.</li> <li>3. Equipment ordered.</li> <li>4. At completion of design as built drawings, manuals, and equipment details produced to indicate final installed systems.</li> <li>5. The contractor is responsible for managing health and safety risks during the construction phase.</li> </ol>

# Design Documentation Guidelines

# Electrical Services

## Concept Design Phase

Design Process	Deliverables	Commentary
<p><b>Inputs:</b></p> <ul style="list-style-type: none"> <li>• Client brief and budget. <input type="checkbox"/></li> <li>• Architectural sketch concept. <input type="checkbox"/></li> <li>• Project time schedule. <input type="checkbox"/></li> <li>• Preliminary fire safety report. <input type="checkbox"/></li> <li>• Site survey information. <input type="checkbox"/></li> <li>• Site and environmental condition constraints. <input type="checkbox"/></li> <li>• Project delivery methodology. <input type="checkbox"/></li> </ul> <p><b>Design:</b></p> <ul style="list-style-type: none"> <li>• Review of client requirements including reliability, redundancy, and efficiency. <input type="checkbox"/></li> <li>• Establish design criteria and develop functional services brief. <input type="checkbox"/></li> <li>• Investigate interface requirements with existing buildings and equipment. <input type="checkbox"/></li> <li>• Establish hazardous area classification if applicable. <input type="checkbox"/></li> <li>• Review preliminary fire safety report. <input type="checkbox"/></li> <li>• Review applicable authority codes and standards. <input type="checkbox"/></li> <li>• Establish contacts with utility companies. <input type="checkbox"/></li> <li>• Total load estimates (W/m<sup>2</sup>). <input type="checkbox"/></li> <li>• Main supply methodology. <input type="checkbox"/></li> <li>• Standby power requirements. <input type="checkbox"/></li> <li>• Main plant space requirements. <input type="checkbox"/></li> <li>• Emergency lighting concept. <input type="checkbox"/></li> <li>• Earthing. <input type="checkbox"/></li> <li>• Review concepts for significant and unusual health and safety risks relevant to the design. <input type="checkbox"/></li> </ul>	<p><b>Drawings:</b></p> <ul style="list-style-type: none"> <li>• Sketch drawings (may comprise 'marked-up' architectural drawings) including preliminary plant room requirements and services routes. <input type="checkbox"/></li> </ul> <p><b>Specifications:</b></p> <ul style="list-style-type: none"> <li>• Nil.</li> </ul> <p><b>Reports:</b></p> <ul style="list-style-type: none"> <li>• Concept services brief – to establish available system concepts and a broad report investigating available options and recommendations, and definition of system requirements and key assumptions. <input type="checkbox"/></li> <li>• Design standards to be used. <input type="checkbox"/></li> </ul>	<ol style="list-style-type: none"> <li>1. To ascertain client brief and to review/consider applicable options.</li> <li>2. Agree roles and responsibilities.</li> <li>3. Concept and preliminary design phases are often combined on smaller projects.</li> <li>4. Tendering at this stage unlikely to result in 'like for like' bids.</li> <li>5. No co-ordination completed at this stage.</li> <li>6. Costing only on per m<sup>2</sup> basis.</li> </ol>

# Design Documentation Guidelines

# Electrical Services

## Preliminary Design Phase

Design Process	Deliverables	Commentary
<p><b>Inputs:</b></p> <ul style="list-style-type: none"> <li>• Client approval of concept services design and budgetary implications. <input type="checkbox"/></li> <li>• Updated fire engineering report. <input type="checkbox"/></li> <li>• Power authority requirements/constraints. <input type="checkbox"/></li> <li>• Client approved architectural, structural, and other services concept designs. <input type="checkbox"/></li> <li>• Design time schedule. <input type="checkbox"/></li> <li>• Preliminary service loadings. <input type="checkbox"/></li> </ul> <p><b>Design:</b></p> <ul style="list-style-type: none"> <li>• Assess supply utility requirements and liaise with local authorities. <input type="checkbox"/></li> <li>• Initial sizing of major plant (transformers, generators, and main switchboards). <input type="checkbox"/></li> <li>• Load estimates based on major plant requirements plus W/m<sup>2</sup> for general areas. <input type="checkbox"/></li> <li>• Identification of major service routes. <input type="checkbox"/></li> <li>• Location and capacity of main load centres. <input type="checkbox"/></li> <li>• General area lighting layouts. <input type="checkbox"/></li> <li>• General area power distribution methodology (use of perimeter trunking, etc.). <input type="checkbox"/></li> <li>• Develop services route requirements, both horizontal and vertical and space co-ordination with other trades. <input type="checkbox"/></li> <li>• Define interface requirements with other services. <input type="checkbox"/></li> <li>• Identification of specific earthing and surge protection requirements. <input type="checkbox"/></li> <li>• Identify any special health and safety risks that may present in construction or design and consider alternative, lower risk, options. <input type="checkbox"/></li> <li>• Review preliminary design for significant and unusual health and safety risks the design may present during construction and maintenance. <input type="checkbox"/></li> </ul>	<p><b>Drawings:</b></p> <ul style="list-style-type: none"> <li>• Single line diagram showing major plant and major distribution (breakers/cables unsized). <input type="checkbox"/></li> <li>• Layout drawings indicating plant room locations, risers and primary service routes. <input type="checkbox"/></li> <li>• Typical area lighting (reflected ceiling plan) and power layouts or schedules. <input type="checkbox"/></li> </ul> <p><b>Specifications:</b></p> <ul style="list-style-type: none"> <li>• Outline specifications. <input type="checkbox"/></li> <li>• Preliminary equipment schedules for major plant. <input type="checkbox"/></li> <li>• Generic lighting/appliance types. <input type="checkbox"/></li> </ul> <p><b>Reports:</b></p> <ul style="list-style-type: none"> <li>• Design features (options) report (with agreed option to take to developed design). <input type="checkbox"/></li> <li>• Preliminary electrical equipment heat loads. <input type="checkbox"/></li> <li>• Energy efficiency analysis. <input type="checkbox"/></li> <li>• Lightning protecting assessment. <input type="checkbox"/></li> <li>• Preliminary building services interface matrix. <input type="checkbox"/></li> <li>• Highlight 'significant and unusual' buildability and health and safety issues. <input type="checkbox"/></li> </ul>	<ol style="list-style-type: none"> <li>1. Cost estimates at this stage generally cannot be on a full elemental basis, as final distribution is not well defined.</li> <li>2. Systems could be priced by vendors at this stage but unlikely to get like for like comparison.</li> </ol>

# Design Documentation Guidelines

# Electrical Services

## Developed Design Phase

Design Process	Deliverables	Commentary
<p><b>Inputs:</b></p> <ul style="list-style-type: none"> <li>• Client approval of preliminary design and budgetary implications. <input type="checkbox"/></li> <li>• Client approved architectural, structural, and other services preliminary designs. <input type="checkbox"/></li> <li>• Service loads. <input type="checkbox"/></li> <li>• Defined escape routes with locations for emergency signage <input type="checkbox"/></li> </ul> <p><b>Design:</b></p> <ul style="list-style-type: none"> <li>• Elemental load assessments (including documentation of constraints). <input type="checkbox"/></li> <li>• Fault level calculations. <input type="checkbox"/></li> <li>• Lighting calculations and layouts. <input type="checkbox"/></li> <li>• Determine number of power outlets on area by area basis. <input type="checkbox"/></li> <li>• Control methodologies. <input type="checkbox"/></li> <li>• Finalise earthing requirements. <input type="checkbox"/></li> <li>• Major plant and services routes, including access for installation and maintenance, co-ordinated with architecture, structure, and other trades. <input type="checkbox"/></li> <li>• Develop and expand the services concepts, selection of typical plant, review of plant room sizes and service space requirements including sizing of mains, sub-mains, and protection. <input type="checkbox"/></li> <li>• Assessment of specific treatment harmonics (internally and externally generated). <input type="checkbox"/></li> <li>• Identify utility connections. <input type="checkbox"/></li> <li>• Verify significant and unusual health and safety issues have been addressed in the design. <input type="checkbox"/></li> </ul>	<p><b>Drawings:</b></p> <ul style="list-style-type: none"> <li>• Single line diagram showing connections to all equipment and boards (breakers and cables sized). <input type="checkbox"/></li> <li>• Layout drawings indicating plant room locations, risers and service routes, and main cable trays. <input type="checkbox"/></li> <li>• Lighting and power layouts. <input type="checkbox"/></li> <li>• Reflected ceiling plans with preliminary co-ordination. <input type="checkbox"/></li> </ul> <p><b>Specifications:</b></p> <ul style="list-style-type: none"> <li>• Preliminary technical specifications. <input type="checkbox"/></li> <li>• Equipment schedules. <input type="checkbox"/></li> </ul> <p><b>Reports:</b></p> <ul style="list-style-type: none"> <li>• Updated design features (options) report, including options selected. <input type="checkbox"/></li> <li>• Supply authority approval submissions. <input type="checkbox"/></li> <li>• Updated energy efficiency review. <input type="checkbox"/></li> <li>• Building services interface matrix. <input type="checkbox"/></li> <li>• Highlight 'significant and unusual' buildability and health and safety issues. <input type="checkbox"/></li> </ul>	<ol style="list-style-type: none"> <li>1. Cost estimates at this stage can be produced by quantity surveyor on elemental basis, with secondary elements estimated on typical details.</li> <li>2. Developed design generally provides the minimum level of documentation to clearly define the scope of all electrical elements</li> </ol>

# Design Documentation Guidelines

# Electrical Services

## Detailed Design Phase

Design Process	Deliverables	Commentary
<p><b>Inputs:</b></p> <ul style="list-style-type: none"> <li>• Client approval of developed design and budgetary implications. <input type="checkbox"/></li> <li>• Client approved architectural, structural, and other services developed designs. <input type="checkbox"/></li> </ul> <p><b>Design:</b></p> <ul style="list-style-type: none"> <li>• Detailed load assessment. <input type="checkbox"/></li> <li>• Equipment sizing and generic selection. <input type="checkbox"/></li> <li>• Supplies to ancillary systems (public phones, fire alarm panels, etc.). <input type="checkbox"/></li> <li>• Sub-circuit cable sizing and breaker selection discrimination checks. <input type="checkbox"/></li> <li>• Co-ordination in principle with structure, architecture and other building services. <input type="checkbox"/></li> <li>• Design of harmonic treatment. <input type="checkbox"/></li> <li>• Finalise utility supplies. <input type="checkbox"/></li> <li>• Highlight significant and unusual health and safety risks that were identified through the design process. <input type="checkbox"/></li> </ul>	<p><b>Drawings:</b></p> <ul style="list-style-type: none"> <li>• Single line diagram showing connections to all equipment and boards (breakers and cables sized). <input type="checkbox"/></li> <li>• Layout drawings indicating plant room locations, risers and service routes and main cable tray routes. <input type="checkbox"/></li> <li>• Plant room and riser outline layouts. <input type="checkbox"/></li> <li>• Lighting and power layouts including switching and circuiting. <input type="checkbox"/></li> <li>• Lighting control zoning and specification. <input type="checkbox"/></li> <li>• Distribution schedules with final circuit breakers and cables sized. <input type="checkbox"/></li> </ul> <p><b>Specifications:</b></p> <ul style="list-style-type: none"> <li>• Detailed technical specifications. <input type="checkbox"/></li> <li>• Detailed equipment schedules. <input type="checkbox"/></li> <li>• Luminaire and fitting schedules. <input type="checkbox"/></li> </ul> <p><b>Reports:</b></p> <ul style="list-style-type: none"> <li>• Nil. <input type="checkbox"/></li> </ul>	<ol style="list-style-type: none"> <li>1. Detailed design generally provides a level of documentation to clearly define the design of all electrical elements. Design details should be coordinated with other disciplines. However, the documents produced in this phase may not directly be able to be 'built' from.</li> <li>2. Co-ordination. In ceiling zones identified with appropriate clearance from structure and other services. Major penetrations identified. Detailed co-ordination of critical areas.</li> <li>3. Define in the specification the significant and unusual health and safety risks that were identified in the design.</li> </ol>

# Design Documentation Guidelines

# Electrical Services

## Construction Design Phase

Design Process	Deliverables	Commentary
<p><b>Inputs:</b></p> <ul style="list-style-type: none"> <li>• For construction design phase, drawings for architectural, structural, and other services. <input type="checkbox"/></li> <li>• Construction time schedule. <input type="checkbox"/></li> </ul> <p><b>Design:</b></p> <ul style="list-style-type: none"> <li>• Production of larger scale detailed shop drawings including seismic details. <input type="checkbox"/></li> <li>• Co-ordination of all services, structure and architecture. <input type="checkbox"/></li> <li>• Equipment selection and technical submissions. <input type="checkbox"/></li> <li>• Confirmation of capacities, sizes based on equipment selection of all trades. <input type="checkbox"/></li> <li>• Seismic bracing. <input type="checkbox"/></li> <li>• Detailed tray routes and supports. <input type="checkbox"/></li> <li>• Control system programming. <input type="checkbox"/></li> <li>• Detailed layouts of plant rooms and risers. <input type="checkbox"/></li> <li>• Provisions for access and maintenance. <input type="checkbox"/></li> </ul>	<p><b>Drawings:</b></p> <ul style="list-style-type: none"> <li>• Revise detailed design documentation to incorporate buildability changes suggested by contractor if they impact on the design intent. <input type="checkbox"/></li> <li>• Equipment submissions as defined in detailed design. <input type="checkbox"/></li> <li>• Fabrication drawings for switchboards and panels. <input type="checkbox"/></li> <li>• Equipment plinth details, mounting and isolation detailing. <input type="checkbox"/></li> <li>• Detailed layouts of plant rooms. <input type="checkbox"/></li> <li>• Detailing of all tray routes and catenary grids including support/hanger details. <input type="checkbox"/></li> <li>• Conduit routing and installation details. <input type="checkbox"/></li> <li>• Seismic bracing details. <input type="checkbox"/></li> <li>• Wiring diagrams and points schedules for control systems. <input type="checkbox"/></li> <li>• Compliance certificates. <input type="checkbox"/></li> </ul> <p><b>Review:</b></p> <ul style="list-style-type: none"> <li>• Review shop/fabrication and layout drawings for compliance with design. <input type="checkbox"/></li> <li>• Review equipment submission. <input type="checkbox"/></li> </ul>	<ol style="list-style-type: none"> <li>1. Normally prepared by the services sub-contractor to enable fabrication of the services design.</li> <li>2. Deliverables contain sufficient details for elements to be manufactured/constructed without reference to other documents, i.e., 'the details have co-ordinated the relevant design information across all disciplines and can be built from'.</li> <li>3. Equipment ordered.</li> <li>4. At completion of design as built drawings, manuals, and equipment details produced to indicate final installed systems.</li> <li>5. The contractor is responsible for managing health and safety risks during the construction phase.</li> </ol>

# Design Documentation Guidelines

# Fire Engineering

## Concept Design Phase

Design Process	Deliverables	Commentary
<p><b>Inputs:</b></p> <ul style="list-style-type: none"> <li>• Client brief and budget. <input type="checkbox"/></li> <li>• Client or building owner requirements for property protection, business interruption, insurance, specific building operational requirements. <input type="checkbox"/></li> <li>• Architectural sketch concept drawings (e.g., bulk and location and typical floors). Include proposed occupancy type and use. <input type="checkbox"/></li> <li>• Project program. <input type="checkbox"/></li> <li>• Site plan including details of any neighbouring property boundaries. <input type="checkbox"/></li> <li>• Site subdivision requirements. <input type="checkbox"/></li> </ul> <p><b>Design:</b></p> <ul style="list-style-type: none"> <li>• Review client requirements. <input type="checkbox"/></li> <li>• Establish design criteria for fire engineering design, i.e., either acceptable solution or alternative solution. <input type="checkbox"/></li> <li>• Develop fire safety brief including definition of fire safety precautions, egress principles, and neighbouring property protection. <input type="checkbox"/></li> <li>• Review applicable authority codes and standards. <input type="checkbox"/></li> </ul>	<p><b>Drawings:</b></p> <ul style="list-style-type: none"> <li>• Sketch drawings (may comprise 'marked-up' architectural drawings) including firecell locations, escape routes, etc. <input type="checkbox"/></li> </ul> <p><b>Specifications:</b></p> <ul style="list-style-type: none"> <li>• N/A.</li> </ul> <p><b>Reports:</b></p> <ul style="list-style-type: none"> <li>• Concept fire engineering design report. <input type="checkbox"/></li> <li>• Describe various design options where applicable. <input type="checkbox"/></li> <li>• Draft fire engineering design brief (if applicable). <input type="checkbox"/></li> </ul>	<ol style="list-style-type: none"> <li>1. Ascertain client brief and to review/consider applicable options.</li> <li>2. Discuss design options with client.</li> <li>3. Agree roles and responsibilities.</li> <li>4. Concept and preliminary design phases are often combined on smaller projects.</li> <li>5. No co-ordination completed at this stage.</li> <li>6. For existing buildings, include a broad overview of existing construction and existing fire protection systems, identifying further work required in future stages.</li> <li>7. On large or complex projects the fire engineer would prepare a fire engineering design brief during this phase.</li> </ol>

# Design Documentation Guidelines

# Fire Engineering

## Preliminary Design Phase

Design Process	Deliverables	Commentary
<p><b>Inputs:</b></p> <ul style="list-style-type: none"> <li>• Client approval of concept fire engineering (including draft fire engineering design brief if applicable). <input type="checkbox"/></li> <li>• Design programme. <input type="checkbox"/></li> <li>• Client approved architectural drawings. <input type="checkbox"/></li> <li>• Client approved structural drawings. <input type="checkbox"/></li> <li>• Assess Fire Service New Zealand requirements under Building Code clause C.3.3.9. <input type="checkbox"/></li> <li>• For existing buildings, list further investigative work required. <input type="checkbox"/></li> </ul> <p><b>Design:</b></p> <ul style="list-style-type: none"> <li>• Develop fire engineering concepts and identify special requirements. <input type="checkbox"/></li> <li>• Confirm escape route requirements and dimensions. <input type="checkbox"/></li> <li>• Egress analysis including required egress time and available egress time (if applicable). <input type="checkbox"/></li> <li>• Review structural design and advise on fire rating requirements. <input type="checkbox"/></li> <li>• Define interface requirements with other services. <input type="checkbox"/></li> <li>• Identify smoke control measures required (if applicable). <input type="checkbox"/></li> <li>• Meet with the New Zealand Fire Service in conjunction with the evacuation scheme provider to explain the project, discuss the fire safety provisions provided for fire service use under the New Zealand Building Code clause C3.3.9, and for the evacuation scheme provider to outline the proposed draft evacuation scheme. <input type="checkbox"/></li> </ul>	<p><b>Drawings:</b></p> <p>Layout drawings locating firecells, fire ratings and escape routes, evacuation zones (if applicable). <input type="checkbox"/></p> <p><b>Specifications:</b></p> <p>Outline specification of fire engineered features not covered by other designers. <input type="checkbox"/></p> <p><b>Reports:</b></p> <p>Preliminary fire engineering design report based on the client approved concept design. <input type="checkbox"/></p> <p>Updated fire engineering design brief (if applicable). <input type="checkbox"/></p>	<ol style="list-style-type: none"> <li>1. Discuss evacuation philosophy with client, particularly if stage evacuation or evacuation to another part of the building is to be considered.</li> <li>2. Preliminary fire report is a performance based document specifying features and design requirements that other consultants need to include in their design and documentation.</li> <li>3. Preliminary fire report is not suitable for building consent. It typically will not include justification for building code compliance (done at developed design). Not all fire engineering design detail required by other parties will be complete at this phase.</li> <li>4. Fire engineered features that may need an outline specification include protection of structure, measures to control fire or smoke spread, complex interfaces with other building systems including building operational requirements, escape route features and wayfinding.</li> </ol>

# Design Documentation Guidelines

# Fire Engineering

## Developed Design Phase

Design Process	Deliverables	Commentary
<p><b>Inputs:</b></p> <ul style="list-style-type: none"> <li>• Client approval of preliminary fire engineering design. <input type="checkbox"/></li> <li>• Client approved architectural drawings. <input type="checkbox"/></li> <li>• Client approved structural drawings. <input type="checkbox"/></li> <li>• Fire protection preliminary design. <input type="checkbox"/></li> <li>• Building services preliminary design. <input type="checkbox"/></li> <li>• Client to advise specific type and location of storage areas. <input type="checkbox"/></li> </ul> <p><b>Design:</b></p> <ul style="list-style-type: none"> <li>• Fire severity analysis. <input type="checkbox"/></li> <li>• Analysis of structural behaviour in fire (if applicable). <input type="checkbox"/></li> <li>• Radiation to boundary calculations. <input type="checkbox"/></li> <li>• Smoke production and extract calculations (if applicable). <input type="checkbox"/></li> <li>• Detailed egress analysis (if applicable). <input type="checkbox"/></li> </ul>	<p><b>Drawings:</b></p> <ul style="list-style-type: none"> <li>• Drawings showing fire ratings, locations of firecells, fire separations, egress routes and sizes, fire doors, locations for exit signs, etc. <input type="checkbox"/></li> <li>• Sections as necessary to show fire ratings. <input type="checkbox"/></li> </ul> <p><b>Specifications:</b></p> <ul style="list-style-type: none"> <li>• N/A. <input type="checkbox"/></li> </ul> <p><b>Reports:</b></p> <ul style="list-style-type: none"> <li>• Updated fire engineering design report. <input type="checkbox"/></li> <li>• Confirmation from New Zealand Fire Service that the fire safety provisions provided for their use, meet their requirements as per New Zealand Building Code clause C.3.3.9. <input type="checkbox"/></li> <li>• Fire Service to also advise the evacuation scheme provider that the draft evacuation scheme is acceptable or suggest changes that need to be made to the draft scheme. <input type="checkbox"/></li> </ul>	<ol style="list-style-type: none"> <li>1. The fire engineering design would typically be at least 80 percent complete at developed design phase.</li> <li>2. 'Marked up' architectural drawings may be appropriate for small jobs. However, on large projects it is envisaged that CAD drawings would be produced. CAD drawings assist with interdiscipline co-ordination and allow easy update of fire plans when changes occur to the architectural drawings.</li> </ol>

# Design Documentation Guidelines

# Fire Engineering

## Detailed Design Phase

Design Process	Deliverables	Commentary
<p><b>Inputs:</b></p> <ul style="list-style-type: none"> <li>• Client approval of developed fire engineering design. <input type="checkbox"/></li> <li>• Client approved architectural drawings. <input type="checkbox"/></li> <li>• Client approved structural drawings. <input type="checkbox"/></li> <li>• Client approved fire protection and building services developed design reports. <input type="checkbox"/></li> </ul> <p><b>Design:</b></p> <ul style="list-style-type: none"> <li>• Refine design based on updated architectural and structural design. <input type="checkbox"/></li> </ul>	<p><b>Drawings:</b></p> <ul style="list-style-type: none"> <li>• All fire safety drawings defining fire engineering requirements including plans and sections. <input type="checkbox"/></li> </ul> <p><b>Specifications:</b></p> <ul style="list-style-type: none"> <li>• Detailed specification of fire engineered features not covered by other designers. <input type="checkbox"/></li> </ul> <p><b>Reports:</b></p> <ul style="list-style-type: none"> <li>• Fire engineering design report, suitable for building consent. <input type="checkbox"/></li> </ul> <p><b>Calculations:</b></p> <ul style="list-style-type: none"> <li>• Fire engineering design calculations and supporting documentation to accompany the drawings and design report submitted with the building consent application. Documentation to verify compliance with the building code and client design brief. <input type="checkbox"/></li> </ul>	<ol style="list-style-type: none"> <li>1. Detailed design documents to provide a sufficient level of detail to define the design requirements of the fire engineering. (Refer to developed design phase – commentary, note 2 with regard to fire safety drawing production).</li> <li>2. Co-ordination by other designers.</li> <li>3. Assumes building consent is lodged after completion of this phase.</li> </ol>

# Design Documentation Guidelines

# Fire Engineering

## Construction Design Phase

Design Process	Deliverables	Commentary
<p><b>Inputs:</b></p> <ul style="list-style-type: none"> <li>• For construction design phase, drawings for architectural, structural, and other services. <input type="checkbox"/></li> <li>• Construction programme. <input type="checkbox"/></li> <li>• Building consent commentary and conditions. <input type="checkbox"/></li> </ul> <p><b>Design:</b></p> <ul style="list-style-type: none"> <li>• Minor revisions and so on are to take account of queries raised by the territorial authority during the consent process. <input type="checkbox"/></li> </ul>	<p><b>Drawings:</b></p> <ul style="list-style-type: none"> <li>• Fire engineering detailed design drawings updated and issued 'for construction'. <input type="checkbox"/></li> </ul> <p><b>Reports:</b></p> <ul style="list-style-type: none"> <li>• Fire engineering design report, as issued for building consent, issued 'for construction'. <input type="checkbox"/></li> </ul>	<ol style="list-style-type: none"> <li>1. Report and drawings are required to incorporate building consent issues and outcomes from design coordination into the 'for construction' fire engineering design.</li> <li>2. Specific timing of the 'for construction' milestone will be project specific. Agreement with all parties will be required on projects in which a constructor also has design responsibility or where investigative work is required during the construction phase for alteration of existing buildings.</li> </ol>

# Design Documentation Guidelines

# Fire Protection

## Concept Design Phase

Design Process	Deliverables	Commentary
<p><b>Inputs:</b></p> <ul style="list-style-type: none"> <li>• Client brief and budget. <input type="checkbox"/></li> <li>• Architectural sketch concept drawings (e.g., bulk and location). <input type="checkbox"/></li> <li>• Preliminary fire safety report. <input type="checkbox"/></li> <li>• Project time schedule. <input type="checkbox"/></li> <li>• Infra-structure reports, e.g., water flow tests. <input type="checkbox"/></li> </ul> <p><b>Design:</b></p> <ul style="list-style-type: none"> <li>• Review with client building usage requirements. <input type="checkbox"/></li> <li>• Establish design criteria. <input type="checkbox"/></li> <li>• Review preliminary fire safety report – (prepared by others). <input type="checkbox"/></li> <li>• Review applicable authority codes and standards. <input type="checkbox"/></li> <li>• Establish contacts with local authorities and utility companies. <input type="checkbox"/></li> <li>• Review concepts for significant and unusual health and safety risks relevant to the design. <input type="checkbox"/></li> </ul>	<p><b>Drawings:</b></p> <ul style="list-style-type: none"> <li>• Sketch drawings (may comprise 'marked-up' architectural drawings) including preliminary plant room requirements and services routes. <input type="checkbox"/></li> </ul> <p><b>Specifications:</b></p> <ul style="list-style-type: none"> <li>• Nil. <input type="checkbox"/></li> </ul> <p><b>Reports:</b></p> <ul style="list-style-type: none"> <li>• Concept services brief – to establish available system concepts, a broad report investigating available options and recommendations, and definition of system requirements and key assumptions. <input type="checkbox"/></li> <li>• Design standards to be used. <input type="checkbox"/></li> </ul>	<ol style="list-style-type: none"> <li>1. To ascertain client brief and to review/consider applicable options.</li> <li>2. Agree roles and responsibilities.</li> <li>3. Concept and preliminary design phases are often combined on smaller projects.</li> <li>4. Tendering at this stage unlikely to result in 'like for like' bids.</li> <li>5. No co-ordination completed at this stage.</li> <li>6. Costing only on per m<sup>2</sup> basis.</li> </ol>

# Design Documentation Guidelines

## Fire Protection

### Preliminary Design Phase

Design Process	Deliverables	Commentary
<p><b>Inputs:</b></p> <ul style="list-style-type: none"> <li>• Client approval of concept services design and budgetary implications. <input type="checkbox"/></li> <li>• Updated fire engineering report. <input type="checkbox"/></li> <li>• Design time schedule. <input type="checkbox"/></li> <li>• Client approved architectural, structural, and other services concept drawings. <input type="checkbox"/></li> <li>• Assess supply utility requirements and liaise with fire authorities. <input type="checkbox"/></li> </ul> <p><b>Design:</b></p> <ul style="list-style-type: none"> <li>• Develop system concepts and identify special requirements. <input type="checkbox"/></li> <li>• Confirm plant room space/location requirements. <input type="checkbox"/></li> <li>• Develop services route requirements, both horizontal and vertical and space co-ordination with other trades. <input type="checkbox"/></li> <li>• Define interface requirements with other services. <input type="checkbox"/></li> <li>• Review preliminary design for significant and unusual health and safety risks the design may present during construction and maintenance. <input type="checkbox"/></li> </ul>	<p><b>Drawings:</b></p> <ul style="list-style-type: none"> <li>• Schematic drawings outlining services concepts. <input type="checkbox"/></li> <li>• Layout drawings locating plant rooms, risers, and primary services routes. <input type="checkbox"/></li> <li>• Preliminary plant room layouts. <input type="checkbox"/></li> <li>• Preliminary sprinkler/heat detector layouts. <input type="checkbox"/></li> </ul> <p><b>Specifications:</b></p> <ul style="list-style-type: none"> <li>• Outline services performance specifications. <input type="checkbox"/></li> <li>• Preliminary equipment schedules for major plant. <input type="checkbox"/></li> </ul> <p><b>Reports:</b></p> <ul style="list-style-type: none"> <li>• Utility services reports. <input type="checkbox"/></li> <li>• Design report including key design criteria, proposed system concepts, and features. <input type="checkbox"/></li> <li>• Preliminary electrical loading. <input type="checkbox"/></li> <li>• Preliminary equipment weights. <input type="checkbox"/></li> <li>• Preliminary building services interface matrix. <input type="checkbox"/></li> <li>• Highlight 'significant and unusual' buildability and health and safety issues. <input type="checkbox"/></li> </ul>	<ol style="list-style-type: none"> <li>1. Cost estimates at this stage generally cannot be on a full elemental basis, as final distribution is not well defined.</li> <li>2. Systems could be priced by vendors at this stage but unlikely to get like for like comparison.</li> </ol>

# Design Documentation Guidelines

## Fire Protection

### Developed Design Phase

Design Process	Deliverables	Commentary
<p><b>Inputs:</b></p> <ul style="list-style-type: none"> <li>• Client approval of preliminary services design and budgetary implications. <input type="checkbox"/></li> <li>• Client approved architectural, structural, and other services preliminary design. <input type="checkbox"/></li> </ul> <p><b>Design:</b></p> <ul style="list-style-type: none"> <li>• Services co-ordination with structural, architectural, and other services. <input type="checkbox"/></li> <li>• Develop and expand the services concepts, selection of typical plant, review of plant room, and services space requirements including sizing of plant and pipe work. <input type="checkbox"/></li> <li>• Identify utility connections. <input type="checkbox"/></li> <li>• Fire authority approved in principle. <input type="checkbox"/></li> <li>• Verify significant and unusual health and safety issues have been addressed in the design. <input type="checkbox"/></li> </ul>	<p><b>Drawings:</b></p> <ul style="list-style-type: none"> <li>• Single line pipe work layouts. <input type="checkbox"/></li> <li>• Major plant concepts and layouts. <input type="checkbox"/></li> <li>• Sections as necessary. <input type="checkbox"/></li> <li>• Piping schematics. <input type="checkbox"/></li> <li>• Reflected ceiling plans, preliminary co-ordination. <input type="checkbox"/></li> </ul> <p><b>Specifications:</b></p> <ul style="list-style-type: none"> <li>• Preliminary performance specifications, equipment schedules, and interface requirements with other services. <input type="checkbox"/></li> </ul> <p><b>Reports:</b></p> <ul style="list-style-type: none"> <li>• Updated design features report including options selected. <input type="checkbox"/></li> <li>• Approvals for fire control room, control panel, and utility connections. <input type="checkbox"/></li> <li>• Building services interface matrix. <input type="checkbox"/></li> <li>• Highlight 'significant and unusual' buildability and health and safety issues. <input type="checkbox"/></li> </ul>	<ol style="list-style-type: none"> <li>1. Cost estimates at this stage can be produced by quantity surveyor on elemental basis, with secondary elements estimated on typical details.</li> <li>2. Developed design may be sufficient to define the requirements for fire protection services due to the prescriptive nature of the codes and contractor signoff requirements.</li> </ol>

# Design Documentation Guidelines

## Fire Protection

### Detailed Design Phase

Design Process	Deliverables	Commentary
<p><b>Inputs:</b></p> <ul style="list-style-type: none"> <li>• Client approval of developed services design and budgetary implications. <input type="checkbox"/></li> <li>• Client approved architectural, structural, and other services developed design. <input type="checkbox"/></li> <li>• Final fire reports. <input type="checkbox"/></li> </ul> <p><b>Design:</b></p> <ul style="list-style-type: none"> <li>• Detailed system design including equipment and pipework. <input type="checkbox"/></li> <li>• Co-ordination in principle with structure, architecture, and other building services. <input type="checkbox"/></li> <li>• Finalise utility supplies. <input type="checkbox"/></li> <li>• Fire authority approvals. <input type="checkbox"/></li> <li>• Highlight significant and unusual health and safety risks that were identified through the design process. <input type="checkbox"/></li> </ul>	<p><b>Drawings:</b></p> <ul style="list-style-type: none"> <li>• Completed schematic and layout drawings defining services requirements including plans, elevations, and sections. <input type="checkbox"/></li> <li>• Detailed pipe work layouts. <input type="checkbox"/></li> <li>• Plant room layouts including detailed sections. <input type="checkbox"/></li> </ul> <p><b>Specifications:</b></p> <ul style="list-style-type: none"> <li>• Detailed specifications. <input type="checkbox"/></li> <li>• Detailed equipment schedules. <input type="checkbox"/></li> <li>• Performance specifications for fire protection services. <input type="checkbox"/></li> </ul> <p><b>Reports:</b></p> <ul style="list-style-type: none"> <li>• Nil. <input type="checkbox"/></li> </ul>	<ol style="list-style-type: none"> <li>1. Detailed design generally provides a level of documentation to clearly define the design of all fire protection elements. Design details should be co-ordinated with other disciplines. However, the documents produced in this phase may not directly be able to be 'built' from.</li> <li>2. Co-ordination. In ceiling zones identified with appropriate clearance from structure and other services. Major penetrations identified. Detailed co-ordination of critical areas.</li> <li>3. Define in the specification the significant and unusual health and safety risks that were identified in the design.</li> </ol>

# Design Documentation Guidelines

## Fire Protection

### Construction Design Phase

Design Process	Deliverables	Commentary
<p><b>Inputs:</b></p> <ul style="list-style-type: none"> <li>• For construction design phase, drawings for architectural, structural, and other services. <input type="checkbox"/></li> <li>• Construction time schedule. <input type="checkbox"/></li> </ul> <p><b>Design:</b></p> <ul style="list-style-type: none"> <li>• Production of larger scale detailed shop drawings including seismic details. <input type="checkbox"/></li> <li>• Co-ordination of all services, structure, and architecture. <input type="checkbox"/></li> <li>• Equipment selections and technical submissions. <input type="checkbox"/></li> <li>• Control system programming. <input type="checkbox"/></li> <li>• Detailed layouts of plant rooms. <input type="checkbox"/></li> </ul>	<p><b>Drawings:</b></p> <ul style="list-style-type: none"> <li>• Revise detailed design documentation to incorporate buildability changes suggested by contractor if they impact on the design intent. <input type="checkbox"/></li> <li>• Pipe work support and joint detailing. Seismic bracing. <input type="checkbox"/></li> <li>• Equipment plinth details, mounting, and isolation detailing. <input type="checkbox"/></li> <li>• Equipment submissions as defined in detailed design. <input type="checkbox"/></li> <li>• Wiring diagrams and points schedule. <input type="checkbox"/></li> <li>• Detailed layouts of plant rooms.</li> <li>• Fabrication details of pipework, switchboards, etc.</li> </ul> <p><b>Review:</b></p> <ul style="list-style-type: none"> <li>• Review shop/fabrication and layout drawings for compliance with design.</li> <li>• Review equipment submission.</li> </ul>	<ol style="list-style-type: none"> <li>1. Normally prepared by the services sub-contractor to enable fabrication of the services design.</li> <li>2. Deliverables contain sufficient details for elements to be manufactured/constructed without reference to other documents, 'the details have co-ordinated the relevant design information across all disciplines and can be built from'.</li> <li>3. Equipment ordered.</li> <li>4. At completion of design as built drawings, manuals and equipment details produced to indicate final installed systems.</li> <li>5. The contractor is responsible for managing health and safety risks during the construction phase.</li> </ol>

# Design Documentation Guidelines

# HVAC Services

## Concept Design Phase

Design Process	Deliverables	Commentary
<p><b>Inputs:</b></p> <ul style="list-style-type: none"> <li>• Client brief and budget. <input type="checkbox"/></li> <li>• Architectural sketch concept. <input type="checkbox"/></li> <li>• Project time schedule. <input type="checkbox"/></li> <li>• Preliminary fire safety report. <input type="checkbox"/></li> <li>• Site survey information. <input type="checkbox"/></li> <li>• Site and environmental condition constraints. <input type="checkbox"/></li> <li>• Project delivery methodology. <input type="checkbox"/></li> </ul> <p><b>Design:</b></p> <ul style="list-style-type: none"> <li>• Review of client requirements including reliability, redundancy, and efficiency. <input type="checkbox"/></li> <li>• Establish design criteria and develop functional services brief. <input type="checkbox"/></li> <li>• Investigate interface requirements with existing buildings and equipment. <input type="checkbox"/></li> <li>• Review preliminary fire safety report – (prepared by others). <input type="checkbox"/></li> <li>• Estimate total load using W/m<sup>2</sup>. <input type="checkbox"/></li> <li>• Review applicable authority codes and standards. <input type="checkbox"/></li> <li>• Establish contacts with local authorities and utility companies. <input type="checkbox"/></li> <li>• Review concepts for significant and unusual health and safety risks relevant to the design. <input type="checkbox"/></li> </ul>	<p><b>Drawings:</b></p> <ul style="list-style-type: none"> <li>• Sketch drawings (may comprise 'marked-up' architectural drawings) including preliminary plant room requirements and services routes. <input type="checkbox"/></li> </ul> <p><b>Specifications:</b></p> <ul style="list-style-type: none"> <li>• Nil. <input type="checkbox"/></li> </ul> <p><b>Reports:</b></p> <ul style="list-style-type: none"> <li>• Concept services brief – to establish available system concepts and a broad report investigating available options and recommendations, and definition of system requirements and key assumptions. <input type="checkbox"/></li> <li>• Design standards to be used. <input type="checkbox"/></li> </ul>	<ol style="list-style-type: none"> <li>1. To ascertain client brief and to review/consider applicable options.</li> <li>2. Agree roles and responsibilities.</li> <li>3. Concept and preliminary design phases are often combined on smaller projects.</li> <li>4. Tendering at this stage unlikely to result in 'like for like' bids.</li> <li>5. No co-ordination completed at this stage.</li> <li>6. Costing only on per m<sup>2</sup> basis.</li> </ol>

# Design Documentation Guidelines

## HVAC Services

### Preliminary Design Phase

Design Process	Deliverables	Commentary
<p><b>Inputs:</b></p> <ul style="list-style-type: none"> <li>• Client approval of concept services design and budgetary implications. <input type="checkbox"/></li> <li>• Updated fire engineering report. <input type="checkbox"/></li> <li>• Preliminary acoustics report. <input type="checkbox"/></li> <li>• Design time schedule. <input type="checkbox"/></li> <li>• Client approved architectural, structural, and other services concept designs. <input type="checkbox"/></li> <li>• Assess supply utility requirements and liase with local authorities. <input type="checkbox"/></li> <li>• Electrical lighting and power loads. <input type="checkbox"/></li> </ul> <p><b>Design:</b></p> <ul style="list-style-type: none"> <li>• Develop preliminary load profiles. <input type="checkbox"/></li> <li>• Develop system concepts and identify special requirements. <input type="checkbox"/></li> <li>• Confirm plant room space/location requirements. <input type="checkbox"/></li> <li>• Assess impact of the location of system and equipment intake and discharge. <input type="checkbox"/></li> <li>• Develop services route requirements, both horizontal and vertical and space co-ordination with other Trades. <input type="checkbox"/></li> <li>• Define interface requirements with other services. <input type="checkbox"/></li> <li>• Review preliminary design for significant and unusual health and safety risks the design may present during construction and maintenance. <input type="checkbox"/></li> </ul>	<p><b>Drawings:</b></p> <ul style="list-style-type: none"> <li>• Schematic drawings outlining services concepts. <input type="checkbox"/></li> <li>• Layout drawings locating plant rooms, risers, and primary services routes. <input type="checkbox"/></li> <li>• Preliminary plant room layouts. <input type="checkbox"/></li> </ul> <p><b>Specifications:</b></p> <ul style="list-style-type: none"> <li>• Outline services specifications. <input type="checkbox"/></li> <li>• Preliminary equipment schedules for major plant. <input type="checkbox"/></li> </ul> <p><b>Reports:</b></p> <ul style="list-style-type: none"> <li>• Utility services reports. <input type="checkbox"/></li> <li>• Design report including key design criteria, proposed system concepts, and features. <input type="checkbox"/></li> <li>• Preliminary equipment weights. <input type="checkbox"/></li> <li>• Energy efficiency analysis. <input type="checkbox"/></li> <li>• Preliminary building services interface matrix. <input type="checkbox"/></li> <li>• Highlight 'significant and unusual' buildability and health and safety issues. <input type="checkbox"/></li> </ul>	<ol style="list-style-type: none"> <li>1. Cost estimates at this stage generally cannot be on a full elemental basis, as final distribution is not well defined.</li> <li>2. Systems could be priced by vendors at this stage but unlikely to get like for like comparison.</li> </ol>

# Design Documentation Guidelines

## HVAC Services

### Developed Design Phase

Design Process	Deliverables	Commentary
<p><b>Inputs:</b></p> <ul style="list-style-type: none"> <li>• Client approval of preliminary design and budgetary implications. <input type="checkbox"/></li> <li>• Client approved architectural, structural and other services preliminary designs including building fabric details. <input type="checkbox"/></li> </ul> <p><b>Design:</b></p> <ul style="list-style-type: none"> <li>• Services load calculations. <input type="checkbox"/></li> <li>• Services co-ordination with structural, architectural, and other services. <input type="checkbox"/></li> <li>• Incorporate requirements of the fire, acoustic, or other relevant report. <input type="checkbox"/></li> <li>• Develop and expand the services concepts, selection of typical plant, review of plant room and services space requirements including sizing of duct and pipe work. <input type="checkbox"/></li> <li>• Identify utility connections <input type="checkbox"/></li> <li>• Co-ordination of plant, equipment, services routes, diffusers, etc. <input type="checkbox"/></li> <li>• Verify significant and unusual health and safety issues have been addressed in the design. <input type="checkbox"/></li> </ul>	<p><b>Drawings:</b></p> <ul style="list-style-type: none"> <li>• Single line pipe work and duct work layouts. <input type="checkbox"/></li> <li>• Major plant concepts and layouts. <input type="checkbox"/></li> <li>• Sections as necessary. <input type="checkbox"/></li> <li>• Piping and air flow schematics. <input type="checkbox"/></li> <li>• Reflected ceiling plans, preliminary co-ordination. <input type="checkbox"/></li> </ul> <p><b>Specifications:</b></p> <ul style="list-style-type: none"> <li>• Preliminary technical specifications. <input type="checkbox"/></li> <li>• Equipment schedules. <input type="checkbox"/></li> </ul> <p><b>Reports:</b></p> <ul style="list-style-type: none"> <li>• Updated design features (options) report, including options selected. <input type="checkbox"/></li> <li>• Electrical loadings report. <input type="checkbox"/></li> <li>• Updated energy efficiency review. <input type="checkbox"/></li> <li>• Approvals for utility connections. <input type="checkbox"/></li> <li>• Building services interface matrix. <input type="checkbox"/></li> <li>• Highlight 'significant and unusual' buildability and health and safety issues. <input type="checkbox"/></li> </ul>	<ol style="list-style-type: none"> <li>1. Cost estimates at this stage can be produced by quantity surveyor on elemental basis, with secondary elements estimated on typical details.</li> <li>2. Developed design generally provides the minimum level of documentation to clearly define the scope of all HVAC elements.</li> </ol>

# Design Documentation Guidelines

## HVAC Services

### Detailed Design Phase

Design Process	Deliverables	Commentary
<p><b>Inputs:</b></p> <ul style="list-style-type: none"> <li>• Client approval of developed design and budgetary implications. <input type="checkbox"/></li> <li>• Client-approved developed designs for architectural, structural and other services. <input type="checkbox"/></li> <li>• Final Fire and Acoustic reports. <input type="checkbox"/></li> </ul> <p><b>Design:</b></p> <ul style="list-style-type: none"> <li>• Detailed system design, including equipment, ductwork and pipework. <input type="checkbox"/></li> <li>• Co-ordination in principle with Structure. <input type="checkbox"/></li> <li>• Architecture and other Building Services. <input type="checkbox"/></li> <li>• Finalise utility supplies. <input type="checkbox"/></li> <li>• Fire authority approvals. <input type="checkbox"/></li> <li>• Interface details with other trades. <input type="checkbox"/></li> <li>• Highlight significant and unusual health and safety risks that were identified through the design process. <input type="checkbox"/></li> </ul>	<p><b>Drawings:</b></p> <ul style="list-style-type: none"> <li>Completed schematic and layout drawings defining requirements for services, including plans, elevations, and sections. <input type="checkbox"/></li> <li>Detailed pipe work and duct work layouts for mechanical services. <input type="checkbox"/></li> <li>Plant room layouts including detailed sections. <input type="checkbox"/></li> <li>Piping and air flow schematics. <input type="checkbox"/></li> </ul> <p><b>Specifications:</b></p> <ul style="list-style-type: none"> <li>Detailed specifications. <input type="checkbox"/></li> <li>Detailed equipment schedules. <input type="checkbox"/></li> </ul> <p><b>Reports:</b></p> <ul style="list-style-type: none"> <li>Nil. <input type="checkbox"/></li> </ul>	<ol style="list-style-type: none"> <li>1. Detailed design generally provides a level of documentation to clearly define the design of HVAC services. Design details should be coordinated with other disciplines. However, the documents produced in this phase may not directly be able to be 'built' from.</li> <li>2. Co-ordination. In ceiling zones identified with appropriate clearance from structure and other services. Major penetrations identified. Detailed co-ordination of critical areas.</li> <li>3. Define in the specification the significant and unusual health and safety risks that were identified in the design.</li> <li>4. Define in the specification the significant health and safety risks that were identified in the design.</li> </ol>

# Design Documentation Guidelines

## HVAC Services

### Construction Design Phase

Design Process	Deliverables	Commentary
<p><b>Inputs:</b></p> <ul style="list-style-type: none"> <li>• For construction design phase, drawings for architectural, structural, and other services. <input type="checkbox"/></li> <li>• Construction time schedule. <input type="checkbox"/></li> </ul> <p><b>Design:</b></p> <ul style="list-style-type: none"> <li>• Production of larger scale detailed shop drawings including seismic details. <input type="checkbox"/></li> <li>• Co-ordination of all services, structure and architecture. <input type="checkbox"/></li> <li>• Equipment selections and technical submissions. <input type="checkbox"/></li> <li>• Control system programming. <input type="checkbox"/></li> <li>• Detailed layouts of plant rooms. <input type="checkbox"/></li> </ul>	<p><b>Drawings:</b></p> <ul style="list-style-type: none"> <li>• Revise detailed design documentation to incorporate buildability changes suggested by contractor if they impact on the design intent. <input type="checkbox"/></li> <li>• Equipment submissions as defined in detailed design. <input type="checkbox"/></li> <li>• Compliance certificates. <input type="checkbox"/></li> <li>• Detailed layouts of plant rooms and risers. <input type="checkbox"/></li> <li>• Fabrication details of ductwork, pipework, switchboards, etc. <input type="checkbox"/></li> <li>• Equipment plinth details, mounting, and isolation detailing. <input type="checkbox"/></li> <li>• Wiring diagrams and points schedules for control systems. <input type="checkbox"/></li> <li>• Seismic bracing details. <input type="checkbox"/></li> </ul> <p><b>Review:</b></p> <ul style="list-style-type: none"> <li>• Review shop/fabrication and layout drawings for compliance with design. <input type="checkbox"/></li> <li>• Review equipment submissions. <input type="checkbox"/></li> </ul>	<ol style="list-style-type: none"> <li>1. Normally prepared by the services sub-contractor to enable fabrication of the services design.</li> <li>2. Deliverables contain sufficient details for elements to be manufactured/constructed without reference to other documents, i.e., 'the details have co-ordinated the relevant design information across all disciplines and can be built from'.</li> <li>3. Equipment ordered.</li> <li>4. At completion of design as built drawings, manuals and equipment details produced to indicate final installed systems.</li> <li>5. The contractor is responsible for managing health and safety risks during the construction phase.</li> </ol>

# Design Documentation Guidelines

# Hydraulic Services

## Concept Design Phase

Design Process	Deliverables	Commentary
<p><b>Inputs:</b></p> <ul style="list-style-type: none"> <li>• Client brief and budget. <input type="checkbox"/></li> <li>• Architectural sketch concept drawings (e.g., bulk and location). <input type="checkbox"/></li> <li>• Project time schedule. <input type="checkbox"/></li> <li>• Infra-structure reports, e.g., water-flow tests. <input type="checkbox"/></li> </ul> <p><b>Design:</b></p> <ul style="list-style-type: none"> <li>• Review of client requirements. <input type="checkbox"/></li> <li>• Establish design criteria for hydraulic services. <input type="checkbox"/></li> <li>• Develop functional services brief – including definition of services. <input type="checkbox"/></li> <li>• Review applicable authority codes and standards. <input type="checkbox"/></li> <li>• Establish contacts with local authorities and utility companies. <input type="checkbox"/></li> <li>• Review concepts for significant and unusual health and safety risks relevant to the design. <input type="checkbox"/></li> </ul>	<p><b>Drawings:</b></p> <ul style="list-style-type: none"> <li>• Sketch drawings (may comprise 'marked-up' architectural drawings) including preliminary plant room requirements and services routes. <input type="checkbox"/></li> </ul> <p><b>Specifications:</b></p> <ul style="list-style-type: none"> <li>• Nil.</li> </ul> <p><b>Reports:</b></p> <ul style="list-style-type: none"> <li>• Concept services brief – to establish available system concepts, a broad report investigating available options and recommendations, and definition of system requirements and key assumptions. <input type="checkbox"/></li> <li>• Design standards to be used. <input type="checkbox"/></li> </ul>	<ol style="list-style-type: none"> <li>1. Ascertain client brief and to review/consider applicable options.</li> <li>2. Agree roles and responsibilities.</li> <li>3. Concept and preliminary design phases are often combined on smaller projects.</li> <li>4. Tendering at this stage unlikely to result in 'like for like' bids.</li> <li>5. No co-ordination completed at this stage.</li> <li>6. Costing only on per m<sup>2</sup> basis.</li> </ol>

# Design Documentation Guidelines

# Hydraulic Services

## Preliminary Design Phase

Design Process	Deliverables	Commentary
<p><b>Inputs:</b></p> <ul style="list-style-type: none"> <li>• Client approval of concept service design and budgetary implications. <input type="checkbox"/></li> <li>• Design time schedule. <input type="checkbox"/></li> <li>• Client approved architectural, structural, and other services concept design. <input type="checkbox"/></li> <li>• Assess supply utility requirements and liaise with local authorities. <input type="checkbox"/></li> </ul> <p><b>Design:</b></p> <ul style="list-style-type: none"> <li>• Develop preliminary load profiles. <input type="checkbox"/></li> <li>• Develop system concepts and identify special requirements. <input type="checkbox"/></li> <li>• Confirm plant room space/location requirements. <input type="checkbox"/></li> <li>• Develop services route requirements, both horizontal and vertical and space co-ordination with other trades. <input type="checkbox"/></li> <li>• Define interface requirements with other services. <input type="checkbox"/></li> <li>• Review preliminary design for significant and unusual health and safety risks the design may present during construction and maintenance. <input type="checkbox"/></li> </ul>	<p><b>Drawings:</b></p> <ul style="list-style-type: none"> <li>• Schematic drawings outlining service concepts. <input type="checkbox"/></li> <li>• Layout drawings locating plant rooms, risers, and primary service routes. <input type="checkbox"/></li> <li>• Preliminary plant room layouts. <input type="checkbox"/></li> </ul> <p><b>Specifications:</b></p> <ul style="list-style-type: none"> <li>• Outline services specifications. <input type="checkbox"/></li> <li>• Preliminary equipment schedules for major plant. <input type="checkbox"/></li> </ul> <p><b>Reports:</b></p> <ul style="list-style-type: none"> <li>• Utility services reports. <input type="checkbox"/></li> <li>• Design report including key design criteria, proposed system concepts, and features. <input type="checkbox"/></li> <li>• Preliminary equipment weights. <input type="checkbox"/></li> <li>• Preliminary building services interface matrix. <input type="checkbox"/></li> <li>• Highlight 'significant and unusual' buildability and health and safety issues. <input type="checkbox"/></li> </ul>	<ol style="list-style-type: none"> <li>1. Cost estimates at this stage generally cannot be on a full elemental basis, as final distribution is not well defined.</li> <li>2. Systems could be priced by vendors at this stage but unlikely to get like for like comparison.</li> </ol>

# Design Documentation Guidelines

# Hydraulic Services

## Developed Design Phase

Design Process	Deliverables	Commentary
<p><b>Inputs:</b></p> <ul style="list-style-type: none"> <li>• Client approval of preliminary services design and budgetary implications. <input type="checkbox"/></li> <li>• Client approved architectural, structural and other services preliminary design. <input type="checkbox"/></li> <li>• Final fire and acoustic reports. <input type="checkbox"/></li> </ul> <p><b>Design:</b></p> <ul style="list-style-type: none"> <li>• Service load calculations. <input type="checkbox"/></li> <li>• Major plant and services routes co-ordinated with architecture, structure and other trades. <input type="checkbox"/></li> <li>• Material selections. <input type="checkbox"/></li> <li>• Incorporate requirements of the fire, acoustic, or other relevant reports. <input type="checkbox"/></li> <li>• Develop and expand the services concepts, selection of typical plant, review of plant room, and service space requirements, including sizing of pipe work. <input type="checkbox"/></li> <li>• Identify utility connections. <input type="checkbox"/></li> <li>• Verify that significant and unusual health and safety issues have been addressed in the design. <input type="checkbox"/></li> </ul>	<p><b>Drawings:</b></p> <ul style="list-style-type: none"> <li>• Single line pipework layouts. <input type="checkbox"/></li> <li>• Major plant concepts and layouts with sections as necessary. <input type="checkbox"/></li> <li>• Piping schematics. <input type="checkbox"/></li> </ul> <p><b>Specifications:</b></p> <ul style="list-style-type: none"> <li>• Preliminary technical specifications. <input type="checkbox"/></li> <li>• Equipment schedules. <input type="checkbox"/></li> </ul> <p><b>Reports:</b></p> <ul style="list-style-type: none"> <li>• Updated design features report including options selected. <input type="checkbox"/></li> <li>• Electrical loadings report. <input type="checkbox"/></li> <li>• Building services interface matrix. <input type="checkbox"/></li> <li>• Highlight 'significant and unusual' buildability and health and safety issues. <input type="checkbox"/></li> </ul>	<ol style="list-style-type: none"> <li>1. Cost estimates at this stage can be produced by quantity surveyor on elemental basis, with secondary elements estimated on typical details.</li> <li>2. Developed design generally provides the minimum level of documentation to clearly define the scope of all hydraulic elements</li> </ol>

# Design Documentation Guidelines

# Hydraulic Services

## Detailed Design Phase

Design Process	Deliverables	Commentary
<p><b>Inputs:</b></p> <ul style="list-style-type: none"> <li>• Client approval of developed design and budgetary implications. <input type="checkbox"/></li> <li>• Client approved architectural, structural, and other services developed designs. <input type="checkbox"/></li> </ul> <p><b>Design:</b></p> <ul style="list-style-type: none"> <li>• Detailed system design including equipment and pipework. <input type="checkbox"/></li> <li>• Co-ordination in principle with structure, architecture and other building services. <input type="checkbox"/></li> <li>• Finalise utility supplies. <input type="checkbox"/></li> <li>• Detailed layouts of plant rooms. <input type="checkbox"/></li> <li>• Highlight significant and unusual health and safety risks that were identified through the design process. <input type="checkbox"/></li> </ul>	<p><b>Drawings:</b></p> <ul style="list-style-type: none"> <li>• Completed schematic and layout drawings defining services requirements including plans, elevations, and sections. <input type="checkbox"/></li> <li>• Detailed pipework duct work layouts for hydraulic services. <input type="checkbox"/></li> <li>• Plant room layouts including detailed sections. <input type="checkbox"/></li> <li>• Piping schematics. <input type="checkbox"/></li> </ul> <p><b>Specifications:</b></p> <ul style="list-style-type: none"> <li>• Detailed specifications. <input type="checkbox"/></li> <li>• Detailed equipment schedules. <input type="checkbox"/></li> </ul> <p><b>Reports:</b></p> <ul style="list-style-type: none"> <li>• Nil. <input type="checkbox"/></li> </ul>	<ol style="list-style-type: none"> <li>1. Detailed design generally provides a level of documentation to clearly define the design of hydraulic services.</li> <li>2. Design details should be coordinated with other disciplines. However, the documents produced in this phase may not directly be able to be 'built' from.</li> <li>3. Co-ordination: in ceiling zones identified with appropriate clearance from structure and other services; major penetrations identified; and detailed co-ordination of critical areas.</li> <li>4. Define in the specification the significant and unusual health and safety risks that were identified in the design.</li> </ol>

# Design Documentation Guidelines

# Hydraulic Services

## Construction Design Phase

Design Process	Deliverables	Commentary
<p><b>Inputs:</b></p> <ul style="list-style-type: none"> <li>• For construction design phase, drawings for architectural, structural, and other services. <input type="checkbox"/></li> <li>• Construction time schedule. <input type="checkbox"/></li> </ul> <p><b>Design:</b></p> <ul style="list-style-type: none"> <li>• Production of larger scale detailed shop drawings including seismic details. <input type="checkbox"/></li> <li>• Co-ordination of all services, structure, and architecture. <input type="checkbox"/></li> <li>• Equipment selections and technical submissions. <input type="checkbox"/></li> <li>• Control system programming. <input type="checkbox"/></li> <li>• Detailed layouts of plant rooms. <input type="checkbox"/></li> </ul>	<p><b>Drawings:</b></p> <ul style="list-style-type: none"> <li>• Revise detailed design documentation to incorporate buildability changes suggested by contractor if they impact on the design intent. <input type="checkbox"/></li> <li>• Equipment submissions as defined in detailed design. <input type="checkbox"/></li> <li>• Detailed layouts of plant rooms. <input type="checkbox"/></li> <li>• Wiring diagrams and points schedule. <input type="checkbox"/></li> <li>• Equipment plinth details, mounting, and isolation detailing. <input type="checkbox"/></li> <li>• Fabrication details of pipework, switchboards, etc. <input type="checkbox"/></li> <li>• Pipe work support and joint detailing. Seismic bracing. <input type="checkbox"/></li> </ul> <p><b>Review:</b></p> <ul style="list-style-type: none"> <li>• Review shop/fabrication and layout drawings for compliance with design. <input type="checkbox"/></li> <li>• Review equipment submission. <input type="checkbox"/></li> </ul>	<ol style="list-style-type: none"> <li>1. Normally prepared by the services subcontractor to enable fabrication of the services design.</li> <li>2. Deliverables contain sufficient details for elements to be manufactured/constructed without reference to other documents, i.e., 'the details have co-ordinated the relevant design information across all disciplines and can be built from'.</li> <li>3. Equipment ordered.</li> <li>4. At completion of design as built drawings, manuals and equipment details produced to indicate final installed systems.</li> <li>5. The contractor is responsible for managing health and safety risks during the construction phase.</li> </ol>

# Design Documentation Guidelines | Structural

Concept Design Phase		
Design Process	Deliverables	Commentary
<p><b>Inputs:</b></p> <ul style="list-style-type: none"> <li>• Client briefing, including budget and time schedule. <input type="checkbox"/></li> <li>• Geotechnical information on types of foundation systems. <input type="checkbox"/></li> <li>• Survey information, including legal and physical. <input type="checkbox"/></li> <li>• Architectural sketch concept drawings (e.g., bulk and location). <input type="checkbox"/></li> <li>• Site constraints, including planning and fire issues. <input type="checkbox"/></li> <li>• Conditions of consents. <input type="checkbox"/></li> <li>• Existing building and site information/records. <input type="checkbox"/></li> </ul> <p><b>Design:</b></p> <ul style="list-style-type: none"> <li>• Structural type and form. <input type="checkbox"/></li> <li>• Main gravity and lateral load resisting systems. <input type="checkbox"/></li> <li>• Floor system. <input type="checkbox"/></li> <li>• Ground retention systems. <input type="checkbox"/></li> <li>• Foundation system. <input type="checkbox"/></li> <li>• Façade support systems. <input type="checkbox"/></li> <li>• Roof support systems. <input type="checkbox"/></li> <li>• Identify structural scheme options. <input type="checkbox"/></li> <li>• Special project features concepts, (e.g., large canopies). <input type="checkbox"/></li> <li>• Design co-ordination of key elements with other disciplines. <input type="checkbox"/></li> <li>• Identify responsibility for control and set-out of dimensions. <input type="checkbox"/></li> <li>• Identify responsibility for design co-ordination and management. <input type="checkbox"/></li> </ul>	<p><b>Drawings:</b></p> <ul style="list-style-type: none"> <li>• Sketch drawings. <input type="checkbox"/></li> </ul> <p><b>Reports:</b></p> <ul style="list-style-type: none"> <li>• Sketch drawings where necessary within report. <input type="checkbox"/></li> <li>• Structural concept design brief, including floor loadings. <input type="checkbox"/></li> <li>• Key risks and assumptions. <input type="checkbox"/></li> <li>• Concept report outlines key issues and options considered. <input type="checkbox"/></li> </ul>	<ol style="list-style-type: none"> <li>1. Costing only on square metre rate basis.</li> <li>2. Concept and preliminary design phases are often combined on smaller projects.</li> <li>3. Agree roles and responsibilities for all participants in project procurement process.</li> <li>4. Discuss with client the requirements and programme for client information and approvals.</li> <li>5. Establish project procedures for communication, document issue, approvals, etc. Note: larger projects may have a project procedure manual or web-based document control systems.</li> <li>6. Establish a design programme for key milestones and deliverables including design team co-ordination.</li> </ol>

# Design Documentation Guidelines

## Structural

### Preliminary Design Phase

Design Process	Deliverables	Commentary
<p><b>Inputs:</b></p> <ul style="list-style-type: none"> <li>• Client approval of concept design, including ratification of cost estimate. <input type="checkbox"/></li> <li>• Preliminary fire engineering (where appropriate). <input type="checkbox"/></li> <li>• Preliminary wind studies (where appropriate). <input type="checkbox"/></li> <li>• Preliminary acoustic advice (where appropriate). <input type="checkbox"/></li> <li>• Preliminary geotechnical report, including preliminary design parameters. <input type="checkbox"/></li> <li>• Design programme. <input type="checkbox"/></li> </ul> <p><b>Design:</b></p> <ul style="list-style-type: none"> <li>• Evaluate and select primary structural systems. <input type="checkbox"/></li> <li>• Define grid layout (with architect). <input type="checkbox"/></li> <li>• Preliminary analysis to establish critical member sizes for primary elements. <input type="checkbox"/></li> <li>• Define key serviceability criteria. <input type="checkbox"/></li> <li>• Design co-ordination of key elements with other disciplines. <input type="checkbox"/></li> <li>• Define floor to floor heights. <input type="checkbox"/></li> <li>• Preliminary assessment of floor vibration and building movement. <input type="checkbox"/></li> <li>• Preliminary assessment of primary members of existing buildings (where appropriate). <input type="checkbox"/></li> <li>• Address durability requirements. <input type="checkbox"/></li> <li>• Preliminary input to Architect on 'architectural' elements. <input type="checkbox"/></li> <li>• Identify high risk and/or high cost elements in structure. <input type="checkbox"/></li> </ul>	<p><b>Drawings:</b></p> <ul style="list-style-type: none"> <li>• Drawings outline primary members as mark-ups of architectural drawings (1:200). <input type="checkbox"/></li> <li>• Proposed primary framing. <input type="checkbox"/></li> <li>• Prelim. sizes of primary members only with reinforcing as kg/m<sup>3</sup> and steel as kg/m. <input type="checkbox"/></li> <li>• Preliminary foundation layout. <input type="checkbox"/></li> <li>• Indicative structural connection types. <input type="checkbox"/></li> <li>• Outline system for secondary elements. <input type="checkbox"/></li> <li>• Outline durability/coating systems. <input type="checkbox"/></li> <li>• Indicative surface finish for exposed concrete. <input type="checkbox"/></li> <li>• Critical details that may have significant cost implication. <input type="checkbox"/></li> <li>• Proposed primary elements of strengthening for existing buildings (where appropriate). <input type="checkbox"/></li> </ul> <p><b>Specifications:</b></p> <ul style="list-style-type: none"> <li>• Outline specification of key structural elements. <input type="checkbox"/></li> </ul> <p><b>Reports:</b></p> <ul style="list-style-type: none"> <li>• Design brief, including fire protection requirements for structural members. <input type="checkbox"/></li> <li>• Design features (options) report, with recommended option to take to developed design. <input type="checkbox"/></li> </ul>	<ol style="list-style-type: none"> <li>1. Where appropriate carry out discussion with a 'preferred' contractor on construction methodology.</li> <li>2.* Consultation with Building Consent Authority is recommended on key aspects of the design that may be considered outside the 'Acceptable Solution', and unusual/contentious issues.</li> <li>3. Cost estimates at this stage generally cannot be on full elemental basis, as secondary elements are not well defined.</li> <li>4. Contribute to value management session, if required.</li> <li>5. Agree the scale of drawing deliverables for each phase according to project type.</li> <li>6. A specialist façade design consultant may need to be engaged, if the façade system is particularly complex or demanding.</li> </ol>

\* Amended August 2008

# Design Documentation Guidelines

## Structural

### Preliminary Design Phase continued

Design Process continued	Deliverables continued	Commentary
<ul style="list-style-type: none"> <li>• Define key elements of ground retention system (if required). <input type="checkbox"/></li> <li>• Define design parameters for façade systems. <input type="checkbox"/></li> <li>• Incorporate additional structural implication of fire and acoustic requirements. <input type="checkbox"/></li> <li>• Assess implication of dynamic motion of building services equipment. <input type="checkbox"/></li> <li>• Consider buildability of primary structural system, including significant health and safety issues during construction. <input type="checkbox"/></li> <li>• For unusual structures or existing structures where stability may be affected by the sequence of construction, consider significant health and safety issues. <input type="checkbox"/></li> <li>• Assess maintenance requirements of structural components, including health and safety issues. <input type="checkbox"/></li> <li>• Coordinate relevant design information between disciplines. <input type="checkbox"/></li> </ul>	<ul style="list-style-type: none"> <li>• Outline of elements not covered in preliminary design drawings or design features report. <input type="checkbox"/></li> <li>• Define assumed construction methodology governing design (where appropriate). <input type="checkbox"/></li> <li>• Highlight 'significant' buildability issues and significant/unusual health and safety issues arising from the structure. <input type="checkbox"/></li> </ul>	

# Design Documentation Guidelines

## Structural

### Developed Design Phase

Design Process	Deliverables	Commentary
<p><b>Inputs:</b></p> <ul style="list-style-type: none"> <li>• Client approval of preliminary design, including ratification of the cost estimate. <input type="checkbox"/></li> <li>• Final geotechnical report. <input type="checkbox"/></li> <li>• Final wind report (if required). <input type="checkbox"/></li> <li>• Final fire report. <input type="checkbox"/></li> </ul> <p><b>Design:</b></p> <ul style="list-style-type: none"> <li>• Determine sizes of all primary and most secondary structural members; however, there may be some architectural and services secondary support members not defined at this stage. <input type="checkbox"/></li> <li>• Generic connection details. <input type="checkbox"/></li> <li>• Agree serviceability performance criteria with client (e.g., floor vibration, interstorey drifts, etc). <input type="checkbox"/></li> <li>• Structural input to architectural elements. <input type="checkbox"/></li> <li>• Confirm building movements with the design team. <input type="checkbox"/></li> <li>• Incorporate likely erection/construction requirements (where appropriate), including consideration of significant/unusual health and safety issues arising from the structure. <input type="checkbox"/></li> <li>• Key support details for façade elements. <input type="checkbox"/></li> <li>• Structural support requirements for building maintenance systems (e.g., BMU and abseil anchor points). <input type="checkbox"/></li> <li>• Coordinate relevant information with other disciplines. <input type="checkbox"/></li> </ul>	<p><b>Drawings:</b></p> <ul style="list-style-type: none"> <li>• Drawings (1:100 plans) defining all primary framing members, with reinforcing as kg/m<sup>2</sup>. <input type="checkbox"/></li> <li>• Layout and size of secondary framing members (e.g., lift, stairs, canopies, and platforms). <input type="checkbox"/></li> <li>• Generic reinforcing details for typical primary elements. <input type="checkbox"/></li> <li>• Typical connection details for primary elements. <input type="checkbox"/></li> <li>• Define elements covered by proprietary design (e.g., precast floor and piling). <input type="checkbox"/></li> </ul> <p><b>Specifications:</b></p> <ul style="list-style-type: none"> <li>• Preliminary technical specifications, including durability and serviceability issues. <input type="checkbox"/></li> </ul> <p><b>Reports:</b></p> <ul style="list-style-type: none"> <li>• Updated design brief, including fire protection requirements for structural members. <input type="checkbox"/></li> <li>• Updated design features report, including serviceability and maintenance issues. <input type="checkbox"/></li> <li>• Define key risks and assumptions, including erection/buildability and significant/unusual health and safety issues arising from the structure. <input type="checkbox"/></li> <li>• List elements where the scope has not been fully defined elsewhere in the documents. <input type="checkbox"/></li> <li>• Highlight significant health and safety issues. <input type="checkbox"/></li> </ul>	<ol style="list-style-type: none"> <li>1. Separate primary reinforcement from secondary stirrup or ties in quantity estimates.</li> <li>2. Cost estimates at this stage can be produced by quantity surveyor on elemental basis, with secondary elements estimated on typical details.</li> <li>3.* Developed design generally provides the level of documentation to define the scope of all building elements.</li> <li>4.* Where appropriate carry out discussions with a 'preferred' contractor on construction methodology.</li> <li>5.* Consultation with Building Consent Authority may be helpful on key aspects of the design that may be considered outside the 'Acceptable Solution', and unusual/contentious issues.</li> </ol>

\* Amended August 2008

# Design Documentation Guidelines

## Structural

### Detailed Design Phase

Design Process	Deliverables	Commentary
<p><b>Inputs:</b></p> <ul style="list-style-type: none"> <li>• Client approval of completed developed design, including ratification of the cost estimate. <input type="checkbox"/></li> </ul> <p><b>Design:</b></p> <ul style="list-style-type: none"> <li>• Complete the design and coordination of all structural elements, including connection details, except for elements that can be adequately covered by non-specific design codes. <input type="checkbox"/></li> <li>• Address serviceability and maintenance criteria in the design. <input type="checkbox"/></li> <li>• Highlight significant/unusual health and safety risks arising from the structure that were identified through the design process (if any). <input type="checkbox"/></li> <li>• Co-ordinate relevant information with other disciplines. <input type="checkbox"/></li> </ul>	<p><b>Drawings:</b></p> <ul style="list-style-type: none"> <li>• Drawings defining all structural elements, including plans, elevations, sections and details, with adequate cross-referencing. <input type="checkbox"/></li> <li>• Define all connections by either defining specific connection details or referencing to industry standard connection details (e.g., HERA connection details) or specifying forces for a propriety connection system. <input type="checkbox"/></li> <li>• Construction sequences and positions of control/construction joints. <input type="checkbox"/></li> <li>• Includes stairs, plant platforms and façade system support. <input type="checkbox"/></li> <li>• Reinforcing details defined (see commentary). <input type="checkbox"/></li> <li>• Precamber/set established for members. <input type="checkbox"/></li> <li>• Include seismic and gravity support of ceiling/partition systems (optional). <input type="checkbox"/></li> </ul> <p><b>Specifications:</b></p> <ul style="list-style-type: none"> <li>• Detailed specifications for each structural trade. <input type="checkbox"/></li> <li>• Performance specifications where appropriate, including performance criteria for proprietary design. <input type="checkbox"/></li> <li>• Method statements for critical construction processes governing design. <input type="checkbox"/></li> <li>• Design loadings for design of proprietary non-structural elements e.g., glazing, seismic bracing of services. <input type="checkbox"/></li> <li>• Define deliverables from contractor e.g., producer statements, shop drawings, and testing requirements. <input type="checkbox"/></li> </ul>	<ol style="list-style-type: none"> <li>1. Detailed design generally provides a level of documentation to clearly define the design of all structural elements. Design details should be coordinated with other disciplines. However, the documents produced in this phase may not directly be able to be 'built' from.</li> <li>2. Structural drawings should dimension the main building grids, critical structural elements, and other elements that are the direct responsibility of the structural engineer.</li> <li>3. Reference the architectural plans or other disciplines for other dimensions (unless agreed otherwise).</li> <li>4. HERA report DR4-106, <i>Structural Steelwork</i> documentation 'Specification', sections vi, vii, and ix outline documentation details that need to be addressed in the working drawings and specifications.</li> <li>5. Design and documentation of secondary architectural elements are generally shown on the architect's drawings; the structural engineer will have input where requested by the architect.</li> <li>6. Reinforcing details defined means that all reinforcing required to construct the project is defined on the drawings, in quantum and size, such that shop drawings and/or bar bending schedule can be produced by others without further additional information.</li> </ol>

# Design Documentation Guidelines

## Structural

### Detailed Design Phase continued

Design Process	Deliverables continued	Commentary continued
	<ul style="list-style-type: none"> <li>• Coating requirements for structural elements that are not addressed by the architect or other disciplines. <input type="checkbox"/></li> <li>• Define required tolerances where different from industry standards. <input type="checkbox"/></li> </ul> <p><b>Reports: *</b></p> <ul style="list-style-type: none"> <li>• Design Features Report including explanation of structural systems and load paths, design standards used, key design parameters and assumptions. <input type="checkbox"/></li> </ul>	<p>7. The level of design detail shown on drawings in this phase, particularly for concrete and masonry elements, varies in the industry between regions, building types and procurement methodologies. A major factor is the capability of the local building industry to efficiently provide the construction phase documentation. The level of detail outlined in these guidelines is appropriate where the contractor has the skills and resources to efficiently provide construction phase documentation. For some projects, a greater level of detailing may need to be produced by the design consultant. The appropriate level of detailing required should be agreed with the client prior to the commencement of the project.</p> <p>8. Define in the appropriate specification the significant/unusual health and safety risks that arising from the structure were identified in the design.</p> <p>9. The contractor is responsible for managing health and safety risks during the construction phase.</p> <p>10.*Detailed design documentation is recommended for building consent submissions.</p>

\* Amended August 2008

# Design Documentation Guidelines

# Structural

## Construction Design Phase

Design Process	Deliverables	Commentary
<p><b>Inputs:</b></p> <ul style="list-style-type: none"> <li>• Construction programme and methodology, including craneage or access restrictions. <input type="checkbox"/></li> <li>• Client approved ('for construction') drawings and specifications. <input type="checkbox"/></li> <li>• Design and performance requirements for propriety elements. <input type="checkbox"/></li> </ul> <p><b>Design:</b></p> <ul style="list-style-type: none"> <li>• Design of proprietary systems, e.g., flooring, glazing, plant support, etc. <input type="checkbox"/></li> <li>• Detailed co-ordination required with other disciplines, site conditions, proprietary elements, erection requirements, and shop details. <input type="checkbox"/></li> <li>• Prepare structural construction sequence, temporary erection and heath and safety plans. <input type="checkbox"/></li> <li>• Determine the impact of temporary erection loads and construction sequence on structural members and connections. <input type="checkbox"/></li> <li>• Check the design of structural members and connections for temporary construction conditions and loads, and redesign if required. <input type="checkbox"/></li> <li>• Liaise with the design and construction teams to coordinate any revisions to the detailed design. <input type="checkbox"/></li> </ul>	<p><b>Drawings:</b></p> <ul style="list-style-type: none"> <li>• Drawings (incl. shop drawings and rebar schedules) on an elemental basis, including position, dimension, materials and finish of all details, including relevant material specifications (steel, timber, precast, etc.). <input type="checkbox"/></li> <li>• Site management plans and/or method statements defining the construction sequencing and temporary erection requirements. <input type="checkbox"/></li> <li>• Details of the temporary works. <input type="checkbox"/></li> <li>• Revision of drawings, details and specifications arising from contract agreement, building consent, and construction requirements. <input type="checkbox"/></li> </ul> <p><b>Concrete:</b></p> <ul style="list-style-type: none"> <li>•* Precast concrete shop drawings generally as defined in Precast NZ Code of Practice and AS/NZS1100. <input type="checkbox"/></li> <li>•* Proprietary system layout drawings and connection details. <input type="checkbox"/></li> <li>•* Embedded items and penetrations defined and located. <input type="checkbox"/></li> <li>•* For non-standard conditions the following are to be provided where applicable. <input type="checkbox"/></li> <ul style="list-style-type: none"> <li>• formwork <input type="checkbox"/></li> <li>• propping and bracing <input type="checkbox"/></li> <li>• scaffolding and access <input type="checkbox"/></li> </ul> </ul> <p><b>Steel:</b></p> <ul style="list-style-type: none"> <li>• Shop drawings generally as defined in <i>Australian Detailer Handbook ASDH101</i> or the <i>American Institute of Steel Retailers Guidelines</i>. <input type="checkbox"/></li> </ul> <p><b>Review:</b></p> <ul style="list-style-type: none"> <li>• Review shop drawings, technical specification, and construction method statement submissions for consistency with detailed design. <input type="checkbox"/></li> </ul>	<ol style="list-style-type: none"> <li>1. Before the commencement of construction drawings the following need to be in place; contract details confirmed and tender accepted; sub-contract agreements confirmed; and owner supplied components available.</li> <li>2. Deliverables contain sufficient details for elements to be manufactured/constructed without reference to other documents, i.e. , 'the details have co-ordinated the relevant design information across all disciplines and can be built from'.</li> <li>3. Final determination of some dimensions may be dependent on proprietary design of non-structural elements (e.g., mechanical services duct sizes). Such proprietary design may need to be advanced to enable structural dimensions to be completed.</li> <li>4. The constructor is responsible for managing health and safety risks during the construction phase.</li> <li>5.* Significant changes or clarifications to the structural work in relation to the initial building consent documentation should be submitted to the Building Consent Authority and if necessary an amended building consent obtained to cover these changes</li> </ol>

\* Amended August 2008

## Architect/Co-ordinating Consultant

### Design Process

Verify that limits of existing and new work are clearly shown (additions and renovations only).

Verify all structural elements and dimensions against structural drawings.

Compare elevations to floor plans; check all features shown on both.

Compare building sections to elevations and plans; check all features on both.

Compare detail wall sections with building sections.

Verify that all details referenced on plans, elevations and sections.

Verify rough openings for doors and windows against schedule and structural.

Verify movement joint locations and cross-check with structural engineer requirements.

Compare Schedule of Finishes with ceiling and wall finish notes.

Check lighting fixture layout against electrical plan and schedules.

Check diffusers, grilles and registers against mechanical plans.

Check vent locations against reflected ceiling plans and elevations.

Verify door schedule data including sizes, types, frame conditions and fire ratings etc.

Verify hardware and door furniture schedule against door schedule and specification.

Compare door swings with electrical switch locations.

Verify fire rated wall locations and details.

Verify ratings of doors in fire rated walls.

Check all dimensions.

Verify fit of cabinets and items of equipment.

Verify that material descriptions are in specification and not on drawings.

Verify data on room finish schedule against all other drawings; check room names and numbers, ceiling heights and finishes.

Check detail of plan enlargements against small scale plans.

Where plan of one floor is on more than one drawing, check match of all meeting lines.

Check completed documents are adequate for building consent requirements of Territorial Authority.

Verify with Client location of site access and extent of construction area.

Check services risers are correct size required and vertically align plan to plan.

Check structural element, lifts and stair wells vertically align plan to plan.

Check ground levels and contour co-ordinate with information and are correctly shown on elevation and sections.

Locate all in-ground services, power poles, footpaths, existing buildings and existing feature that need to be shown on site and floor plans.

Check the acoustic requirements of building elements and indicate their required construction and scope.

Check toilet areas comply with the NZ Building Code in numbers of fittings, disabled access requirements and service requirements.

Check window and door sections are adequate or have sufficient strengthening required to take the design wind and seismic loads set by the engineer.

Have the engineer review all hand rail, balustrade, veranda / balcony and canopy elements are of sufficient size and have adequate fixings to meet the required design loads.

Provide references on plans to all sections, wall sections, external and internal elevations, stair and core larger scale drawings etc.

Check stairs, ramps, handrails and egress ways comply with the NZ Building Code for surface slip resistance spread of flame, light levels and signage, general setout, safety from falling and disabled access requirements.

Provide buildings setout datum and reduced levels to all floors, ceilings, parapets, lift towers and other design elements.

Provide tile setout point for floors and walls.

Check services trenches, penetrations, plinths, and ribs required are shown on floor plans and slab setout plans (if provided).

Review all expansion and control joints required for slabs, blockwork, solid plaster, sheet products, and concrete products are shown on plans, elevations and sections.

Review size and location of seismic joints required by the engineer, having them review the details produced.

Ensure all openings have lintels reviewed by the engineer.

Have the engineer review the bracing design.

Review sufficient set-downs are provided to checks and terraces and to the adjacent ground to meet the requirements of the NZ Building Code and disabled persons access.

Review access panels and hatches have been provided to services for maintenance as required by the services engineers.

Ensure safety restraints and anchoring points are provided to roofs and external facades, have the engineer review their design.

Confirm the size and fall of the gutters, downpipes and overflows with the hydraulics engineer.

Is a lighting conductor required.

(included in scope)

concept

preliminary

developed

detailed

construction

### Commentary

## Specifications

### Design Process

- Determine form of Conditions of Contract or obtain copy of Conditions of Contract
- Review project file and determine any Special Conditions
- Write Preliminaries section; check for compatibility with other parts of contract and other disciplines.
- Circulate CoC and Preliminaries to Client/Quantity Surveyor/Project Manager for review.
- Confirm whether Quantity Surveyor will provide Schedule of Quantities
- Provide outline specification of materials and finishes
- Review progress drawings and compile draft list of all specification sections and subsections required.
- Confirm specification sections titles.
- Confirm specification format and style.
- Obtain and co-ordinate architect's and engineer's specification sections, review and format.
- Request list of all 'builders work' items for all other consultants.
- Determine if any sections are likely to require performance specifications; if affirmative, agree on method of performance testing.
- Prepare draft list of Standards likely to be needed for reference; obtain those not in library.
- Provide specification data request list to co-ordinate with other team members.
- Confirm completion schedule for specification sections and related drawing groups
- Develop suggested list of alternatives with Client.
- Review drawings as completed, deleting proprietary names (Note: Generally the specification should reference proprietary names not the drawings).
- Confirm specification of any required staging of construction; check against preliminary construction schedule.
- Check Schedule of finishes, material and equipment against specification indexes; confirm all finishes, material and equipment are included.
- Confirm that final issue of drawings matches specified Schedule of Drawings exactly
- Verify all specification cross-referencing.
- Eliminate all references as 'by others'; determine and note responsible party.
- Check all specification references to drawings ("as indicated", "as shown") and verify they are so indicated, and that drawing references to specifications are covered
- Check major equipment listings against drawings.
- Confirm schedule of monetary provisions
- Obtain Client agreement on contingency sum allowances and authority for expenditure

(included in scope)  
 concept  
 preliminary  
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 detailed  
 construction

### Commentary

## Structural Engineering Co-ordination

### Design Process

- Confirm that column coordinate numbering on structural matches architectural.
- Check set back lines and building location (to roof overhang lines, if so defined)
- Compare bottom of footing levels with water level.
- Verify that all footings are on undisturbed bearing or that areas of compaction are shown; check bottom of footing elevations.
- Check perimeter slab dimensions against architectural; check perimeter offset from grid line.
- Verify that all depressed or raised slabs and penetrations are shown.
- Verify all slab profiles; check architectural and civil
- Check dimensions of all grade beams and piers against architectural.
- Compare roof framing plan dimensions and coordinates against foundation plan coordinates.
- Check support/corrections to cladding and window systems.
- Check location of rooftop equipment supports against mechanical.
- Check location and sizes of all structural penetrations against building services.
- Check location of roof drains against hydraulics (for interior drains).
- Check location of roof drains against architectural (for external drains).
- Confirm that all columns and beams are listed in column and beam schedules.
- Confirm length of all columns in column schedule against architectural sections.
- Verify that all structural sections are referenced to plans and elevations.
- Verify that all details referenced on plans and sections have been drawn and fit the conditions.
- Verify all movement joint details and locations against architectural.
- Check that any details identified as 'typical' are in fact typical, with any major exceptions noted.
- Confirm that the final data on equipment weights and floor loadings match the brief and has been co-ordinated with other disciplines.
- Check for missing or incomplete drawing notes.
- Confirm that structural calculations have been submitted where required by authorities
- Confirm that any notes referenced as 'see other disciplines' have been covered by the other disciplines drawings.

Included in scope	concept	preliminary	developed	detailed	construction
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### Commentary

## Fire Protection and Hydraulics Engineering Co-ordination

### Design Process

- Confirm size and location of all new utilities connections to existing services.
- Confirm that plumbing fixture, supply and drain locations match architectural.
- Confirm storm drainage locations and details against architectural.
- Check perimeter foundation drainage against architectural.
- Confirm supply size of any fixtures requiring special volume supply, such as hot tubs and large spas.
- Verify wall chases, recesses and ducts on architectural at vertical piping locations.
- Confirm that no wet piping is run in unheated spaces (freezing climate only)
- Confirm that all vents are shown on roof plan.
- Confirm that access panels are provided for all concealed valves.
- Confirm that materials descriptions are in specification and not on drawings.
- Confirm that all equipment items requiring electrical connections, such as pumps, whirlpool baths and drinking fountains are shown on electrical drawings.
- Confirm that all conditions of the Fire Brigade approval are met by the building and fire systems design.
- Confirm the sprinkler system design is in compliance with statutory requirements and insurer's requirements.
- Confirm the fire alarm system is in compliance with statutory requirements and insurer's requirements.
- Check all plumbing fixtures against fixture schedule.
- Check all plumbing fixtures against specification.
- Check all taps and fittings against fixture schedule.
- Check for missing or incomplete drawing notes.
- Check fire protection hydraulics specification against fire protection and hydraulics drawings.
- Confirm calculations for gutter sizes; check box gutters for overflows.
- Check coordination of sprinkler heads/detectors with lighting and mechanical air diffusers on reflected ceiling plans.
- Check that drain has been provided for the fire sprinkler control valve set
- Check that provision (drain or openable window) has been made for performance testing of hydraulically least favourable hydrant or hose reel.

(Included in scope)

concept

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construction

### Commentary

## Mechanical Services Co-ordination

### Design Process

- Verify mechanical floor plans and space allocations against architectural.
- Confirm that adequate ceiling height clearances exist at intersections of largest ducts, including construction tolerances.
- Confirm ducts fit within clear height at raised floors.
- Check duct clearances at all deep beams and congested zones.
- Verify locations of structural supports at all items of mechanical equipment; compare with structural documentation.
- Verify that smoke and fire dampers are indicated where required.
- Check grilles and diffusers against reflected ceiling plans.
- Verify that exhaust fans and relief vents are shown on roof plan.
- Verify that wall air conditioners, fans, grilles and louvres are shown on elevations.
- Verify that equipment will fit in space provided; check service clearances.
- Verify clearance of installation path for equipment installed after walls are up.
- Verify door undercuts and door grilles against door schedule.
- Verify that material descriptions are in specification and not on drawings.
- Check duct cleaning access provision are accessible.
- Check equipment items on plans against mechanical schedules.
- Verify that electrical connections are shown on electrical plans and schedules for all items requiring power connections.
- Verify locations of condensate drains on architectural documentation.
- Check for missing or incomplete drawing notes.
- Check mechanical specification against mechanical drawings.
- Confirm sizes and locations of all equipment plinths to be supplied by builder.
- Check and confirm that all builders' work required by mechanical services installation are included in architectural specification.

Included in scope

concept

preliminary

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construction

### Commentary

## Civil Engineering Co-ordination

### Design Process

(Included in scope)

concept

preliminary

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construction

### Commentary

- Verify site dimensions against survey.
- Verify easements are indicated.
- Verify that proposed and existing grades are shown and keyed; check against survey.
- Verify items of demolition, clearing limits and grading limits.
- Verify that new site construction does not interfere with existing features to remain including poles, pole guys, manholes, drain inlets and valve boxes.
- Cross check all new utilities for interference; verify invert levels, and clearances at all crossings.
- Verify that underground utilities are shown on ground section drawings.
- Confirm plan dimensions and profile dimensions match scaled dimensions for utility structures.
- Verify that indicated falls match invert levels and distances.
- Verify hydrant and utility pole locations.
- Verify elevation adjustment to finished grades of manhole castings, valve boxes, and other access.

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SAMPLE

## Lifts and Escalator Co-ordination

### Design Process

- Request analysis of cost options in lift design, speeds, capacities, waiting times.
- Verify that QS has been advised of the provisional sum for lifts etc
- Check lift and escalator details against structural drawings
- Check sizes and heights of motor rooms and overruns against architectural
- Confirm lead times for ordering of cars and equipment against construction schedule.
- Check standard lift door opening details against architectural details
- Confirm estimates for car interiors against cost plan allowances
- Obtain sample service agreements, review for conformity with spec and submit to Client
- Verify shaftway sizes, all levels
- Confirm that fireman's lift complies with Fire Service requirements
- Confirm security requirements for lifts and coordinate with communication system
- Check for missing or incomplete drawing notes

(Included in scope)

concept	preliminary	developed	detailed	construction
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### Commentary

SAMPLE

## Electrical Services Co-ordination

### Design Process

- Confirm location, size, access and other details of substation, vault rooms, or other provision for power supply against architectural
- Verify electrical floor plans and dimensions against architectural
- Confirm that all light fixtures are shown on architectural reflected ceiling plans
- Verify that sufficient height exists for all recessed fixtures
- Confirm that recessed fixtures are not in conflict with beams and ducts
- Verify location and space requirements of all electrical and other service panels; check requirements for radius dimensions of large conduits
- Verify that material descriptions are in specification and not on drawings
- Check lighting fixture schedule against drawings and specification
- Verify electric strike releases, hold open devices and security switches with door schedule.
- Confirm location of incoming services ducts (power/communications). Co-ordinate entry heights/bending radius of ducts.
- Confirm electrical services rooms requirements match architectural.
- Verify that suspended exit signs are clear of full height doors.
- Verify underground external wiring provision for building lighting is shown on sitework drawings.
- Verify light switch positions against door swings.
- Check for missing or incomplete drawing notes
- Check electrical specification against electrical drawings

(Included in scope)

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### Commentary

SAMPLE

## Schedule 18 NZICC Project Costs

**SCHEDULE 18: NZICC PROJECT COSTS**

**Inclusions and Exclusions list to further define contract definition of TOTAL PROJECT COST**

<b>Category</b>	<b>QS Reporting Category</b>	<b>Details and scope of work to meet Project Brief</b>	
<b>Construction</b>	Site Clearing, Demolition, Enabling and Temporary works	Site pre work disconnecting, site clearing, and relocation Site enabling and temporary works Total site including FDU clearing and demolition Street closures, traffic management and temporary entrances SKCITY Carpark temporary access, modifications and reinstatement as required to accommodate NZICC Rainbow hotel "Berlei building" demolition/strengthening and facade works Office and carpark rental /costs Temp fencing/hoarding Site Security and access Construction impact on neighbours - temp work or relocation if required. Other site enabling demolition, site clearing and temporary works as required to complete project	
	Construction costs	All NZICC construction costs including construction, services and fitout as per Project Brief Specifications & costs to meet sustainable accreditation & AIPC costs FFE allowance within construction contract - base scope Escalation and Design Development allowance Neighbouring property protection and works as required	
	Contractor P&G and Margin	Offsite storage costs Contractor P&G and Margin	
<b>Direct source Items</b>	FFE	Additional Fixture, Fittings & Equipment outside main contractor supply to meet project brief & operational standards Uniforms and loose equipment Forklifts, access and lifting equipment Site transportation Signage & Artwork (to no less value than \$2.5 million)	
	Other Procurement items outside main contract	Data/AV/Security and other services supply, commissioning/training and set up where not provided by main contractor Any direct utility/third party connection fees and levies i.e Vector Other Procurement items outside main contract required to meet operational standards and project brief including offsite storage or advance purchase of equipment	
<b>Design Costs</b>	Architect including baseline FFE Engineering Quantity Surveyor Project Director Project Management Acoustics Other specialist services and fees	Architect services including facade engineering and baseline FFE, urban design Structural, Civil & Geotechnical Engineering, Building Services, Fire etc Quantity Surveyor Project Director Project management services MBIE Peer Review consultants and audit (up to \$1.4million) Acoustics Construction & consultant agreements Programming and planning resource Town planning consultant (non Resource Management Act related) Third Party advisors Traffic Modelling Heritage building advisors/architect Wind engineering Iwi consultation Arborist 3 D modelling Pedestrian modelling Audio Visual Design Services GIS, Topographical survey & Geotechnical investigation and works Printing and disbursements related to Design Project IT infrastructure related to Design Environmentally Sustainable Design fees, consultants and applications Additional design resource contracted/employed or seconded to directly to work on delivering NZICC Design Brief (excluding existing line roles) All non Resource Management Act costs relating to compliance, consenting, and consent peer review	
<b>Other Design Costs</b>	Compliance, consenting and consent peer review Legal costs Reserve contributions and other third party fees Other specialist services and fees	Town planning consultant Auckland Council Fees Auckland Transport Fees if any All Resource Management Act costs relating to compliance, consenting, and consent peer review Resource consent advice Development and Reserve contributions and levies and other third party fees Engineer to the contract Property and title work Other direct legal costs for project Health and Safety consultation inc construction phase and operational setup Convention centre advice incl operating standards compilation, AIPC criteria & registration & associated fees Other Specialist Services & fees	
<b>Other</b>	Insurance	Public Liability and contract works insurances Professional Indemnity insurance	
<b>Construction-Overbridge</b>	Construction costs	Link way bridge/pedestrian access way from NZICC to SKYCITY through site link	4,500,000
<b>Contingency &amp; Escalation</b>	Contingency & Escalation	Contingency	15,000,000
<b>Total Project Cost excluding Land</b>			
<b>Land</b>	Land cost	Land purchased/to be purchased for NZICC Existing SKYCITY Land Due diligence, legal and fees for land purchase/compliance.	[land value]
<b>Total Project Costs</b>			<b>402,000,000</b>
<b>Excluded From Total Project Cost</b>			
<p>SCAL existing overhead costs GST SKYCITY &amp; MBIE Legal costs for HOA and Agreement Crown/MBIE peer review consultants and audit costs above \$1.4million Financing costs Other SKYCITY development work on main site except for over bridge and main site link Hotel construction on FDU site Construction cost for more than 780 Car parks to be paid by SKYCITY Marketing and other preopening expenses Air or sub soil lease payments to exclusion (application/consent costs included) Council rates pre and post construction excluded Existing tenant exit costs or inducement payments Federal street upgrade works excluded Nelson/ Hobson street upgrade works excluded except as required by consents Gantry signage on approach, street signage, road marking &amp; re-signalisation works excluded except as required by consents</p>			

## Schedule 19 Form of Gambling Commission Letter

[ ] 2013

Ministry of Business, Innovation and Employment  
33 Bowen Street  
Wellington 6001

Dear Sirs

### **New Zealand International Convention Centre Project – Agreement between the New Zealand Government and SKYCITY Entertainment Group Limited dated [ ], 2013 (the “Agreement”)**

1. Clause 6 of the abovementioned Agreement requires SKYCITY to incorporate into its Host Responsibility Programme for the Auckland Casino, the following three harm minimisation mechanisms:
  - a. The “Focal Model”
  - b. The Voluntary Pre-Commitment System
  - c. A requirement to have 24 hours per day, 7 days per week (on all days that the Casino is open for business) coverage of the Casino by Host Responsibility Executives employed by the Casino, the number of such Host Responsibility Executives being doubled from 3 to 6, to the intent that there is a Host Responsibility Executive on site in Auckland at all times while the Casino is operating.
2. The Gambling Commission confirms that SKYCITY has incorporated these three harm minimisation mechanisms into its Host Responsibility Programme for the Auckland casino, with the Commission approving SKYCITY’s amended Host Responsibility Programme on [X date].

Yours faithfully

Blair Cairncross  
Executive Director  
Gambling Commission

cc General Counsel  
SKYCITY Entertainment Group Limited  
86 Federal Street  
Auckland