

TIMBER TOPS MANAGEMENT PLAN

TABLE OF CONTENTS

1. INTRODUCTION
2. APPENDICES
3. DEFINITIONS
4. TIMBER TOPS ESTATE LIMITED
5. MANAGEMENT COMMITTEE
6. POWERS OF THE MANAGEMENT COMMITTEE
7. LEVIES AND CHARGES
8. COMPANY'S FUND MANAGEMENT
9. MANAGEMENT OF INDIVIDUAL LOTS
10. MANAGEMENT OF THE ESTATE.
11. ENFORCEMENT
12. DISPUTES
13. CHANGES TO THE MANAGEMENT PLAN

Appendix A of the Constitution of Timber Tops Estate Ltd

Submitted as part of Constitution of Timber Tops Estate Ltd 19 April 2022

TIMBER TOPS MANAGEMENT PLAN

1.0 INTRODUCTION

1.1 This Management Plan is intended to be legally binding on each Owner of the Lots within the Timber Top Estate and to be registered on the Certificate of Title to each individual Lot, comprising the Timber Tops Estate.

1.2 This Management Plan is designed to provide the necessary management system to:

- (a) Maintain and manage the Common Amenities of Timber Tops Estate
- (b) Enhance the safety and lifestyle of the Owners and occupants of the Lots
- (c) Protect the value of the property of the Shareholders of the Timber Tops Estate Limited.

1.3 This Management Plan is intended to ensure that there is clarity over the management of Timber Tops Estate Limited and the manner of using the services and amenities provided on the Timber Tops Estate.

1.4 In the event that questions or disputes arise concerning these matters, a fair and equitable means of satisfying disputes or questions is to be put in place for acceptance by all Owners.

2.0 APPENDICES

2.1 Various sources of information have been used in compiling this Management Plan including the information appearing in the following appendices:

- (a) Appendix A Entitled "Whakatane District Council Resource Consent Approval Notice" hereinafter called the "Resource Consent Notice"
- (b) Appendix B. A geotech feasibility study prepared by Craig Manktelow of Whakatane entitled "Geotechnical investigation Report No 2 for Proposed Subdivision of 168-206 Withy Rd, Whakatane hereinafter called the "Geotech Report"
- (c) Appendix C. A survey plan of the Timber Top Estate entitled "Sale Plan Stage One Lots 4-8, 15, 17 & 18 LT 380141 Drawing No 825053/4" hereinafter called "the Plan".

3.0 DEFINITIONS

3.1 In this Management Plan the following descriptions shall apply:

"Committee" shall mean the management committee of Timber Tops Estate Limited appointed in accordance with the constitution of Timber Tops Estate Limited.

"Common Amenities" means:

(a) the whole of Lot 19 Deposited Plan 380141 including any facilities, buildings, roads, tracks, fencing, fixtures and fittings, chattels loading points or other assets located on Lot 19 and available for the communal benefit of the Owners.

(b) the Water Supply System.

(c) the Road.

(d) landscaping on the Estate and determined either by the Management Plan or by the Company to be for communal benefit.

(e) Any other amenity established for the benefit of Shareholders and determined either by the Management Plan or the Company to be for communal benefit.

"Company" means Timber Tops Estate Limited (or such successor company) being the Company in which each Owner will hold one share and which will manage the Timber Tops Estate.

"Constitution" means the constitution of Timber Tops Estate Limited.

"Covenanted Area" means those areas marked S-Z on Deposited Plan 380141.

"Developer" means the trustees from time to time of Timber Tops Trust and their successors.

"Domestic Water Supply" means a water supply for household use (including the maintenance of a swimming pool) and for reasonable watering of gardens and lawns around the house provided that within the Estate, "Domestic Water Supply" includes a water supply for fire-fighting and for the watering of plants within fire safety zones.

"Dwelling" means a building designed for human habitation and aligns with Whakatane District Council consent guidelines.

"Estate" means the Timber Tops Estate.

"Lot" means 19 individual residential sites within the Timber Tops Estate (being Lots 4-8, 15,17 and 18, on the Plan and a further 11 lots to be formed as part of a subdivision of Lot 100 on the Plan)

"Management Plan" includes this document and its appendices and any other document referred to in the Management Plan and includes also any replacement management plan approved by the Shareholders in accordance with this plan.

"Owner" means the registered proprietor from time to time of any Lot and shall where the context requires include any lessee, tenant, invitee or agent of the Owner.

"Plan" means Deposited Plan 380141 and shall, where the context requires also means any Deposited Plan evidencing the subdivision of Lot 100.

"Resource Consent" means the resource consent issued by Whakatane District Council on 17 March 2006 pursuant to application 24.3.04.97 and any changes thereto, whether by way of variation or new resource consent or otherwise.

"Roads" means any road or track located within Timber Tops Estate and intended for the use of the Owners of two or more Lots.

"Shareholder" shall mean a shareholder of Timber Tops Estate Limited.

"Services" means any service which may from time to time be provided by the Company to the Owners for the communal benefit of the Estate which services may include the use of the Water Supply System, the maintenance of the Roads, the provision of landscaping services and the management of the Common Amenities.

"Timber Tops Estate" is the land comprising Lots 4-8, 15, 17-19, 22,23 and 100 DP380141".

"Timber Tops Estate Limited" means the Company.

"Water Right" is the right of an Owner to extract water for the purpose of Domestic Water Supply System from the bore located on Lot 19.

"Water Supply System" means all facilities, (including the bore and pump, electrical supply, water meters, fire hydrants, fixtures and fittings, chattels, backflow preventers, system controls, fencing, reservoirs, and pipelines), buildings, consents, licences and intellectual property required for the purpose of supplying water from the bore located on Lot 19 Deposited Plan 380141 to the Estate for the purpose of providing a Domestic Water Supply and to others for the purpose of Domestic Water Supply.

3.2 Words importing the singular number shall include the plural and vice versa. The masculine gender shall include the feminine gender and vice versa and reference to persons shall include corporations.

3.3 Should any inconsistencies arise between the Management Plan and the appendices the appendices shall be given precedence for the purpose of interpretation.

4. TIMBER TOPS ESTATE LIMITED

4.1 A Company called Timber Tops Estate Limited has been incorporated which company has express constitutional powers to ensure the orderly management and maintenance of the Services and Common Amenities of the Timber Tops Estate for the benefit of the Shareholders and the occupants of the Lots.

4.2 The Company will have 19 shares, each share being allocated to the Owners for the time being of a Lot. For the avoidance of doubt, it is intended that pending the subdivision of Lot 100 Deposited Plan 380141, the Owner of Lot 100 Deposited 380141 shall hold 11 shares in the Company.

4.3 The Owners must ensure that the Company's constitution will require that no person shall become a Shareholder unless they are first registered as proprietor of a Lot and each Owner will be required to sell their share with the Lots when they are sold.

5.0 MANAGEMENT COMMITTEE

5.1 The Owners, in their capacity of Shareholders must elect a Management Committee ("Committee") which will manage the Estate on behalf of all Owners.

5.2 Initially the Developer will be the sole member of the Committee and will retain office until there are three or more Shareholders from which a Committee can be elected.

5.3 Once there are three or more Shareholders the Committee will comprise not less than three and no more than five members and will be appointed by election from amongst the Shareholders. The Shareholders may agree to increase the Management Committee to more than five members by resolution at a General Meeting. The Shareholders may extend membership of the Committee to non-shareholders if it is considered by a majority of Shareholders in the General Meeting that special circumstances apply or that additional or specialist skills are required to better manage Timber Tops Estate Limited.

5.4 The Committee will prepare a set of rules to control the affairs of Timber Tops Estate Limited which will be subject to approval by a General Meeting of Shareholders after due notice. These rules may be varied by approval by a General Meeting of Shareholders after due notice given in accordance with the Constitution. The rules will not conflict with the terms of this Management or the Resource Consent but once approved shall bind each of the owners as shareholder.

5.5 The Committee will prepare a set of rules to control the affairs of the Committee which will be subject to approval by a General Meeting of Shareholders after due notice. These rules may be varied by approval by a General Meeting of shareholders after due notice. The rules will not conflict with the terms of this Management Plan or the Resource Consent.

6.0 POWERS OF THE MANAGEMENT COMMITTEE

6.1 The Owners acknowledge that the Company must take such steps as are required to observe the terms of the Resource Consent and the management of the Estate in accordance with any rules established by the Company. The Company will exercise the following powers in a manner consistent with the Management Plan and the Resource Consent which powers may be delegated to the Committee:

Common Amenities

(a) To actively maintain the Common Amenities and Services of Timber Tops Estate to a high standard and in accordance with all regulatory requirements.

(b) To recommend to the Shareholders at a General Meeting, capital improvements, major repairs or alterations to Common Amenities including the Roads.

(c) To carry out improvements or alterations to Common Amenities of Timber Tops Estate Limited as approved by the Shareholders in General Meeting.

(d) To control, monitor, manage and regulate the use of the Common Amenities of Timber Tops Estate including the Roads and the Water Supply System in accordance with the Management Plan and all regulatory requirements.

(e) To operate and maintain in good order all Common Amenities of the Timber Tops Estate including the Roads and the Water Supply System in accordance with the Management Plan and all regulatory requirements.

(f) To control the use and as necessary to control access to any or all parts of Common Amenities.

(g) To control access by horses and recreational vehicles (trail bikes, quad bikes, go-karts etc) ridden or operated by occupants of Timber Tops to any or all parts of the Common Amenities at all times in the interests of safety and nuisance reduction.

Contracts

(h) To enter into, supervise and carry out contracts on behalf of the Company.

(i) To enter into, supervise and carry out contracts on behalf of some or all of the Owners after obtaining their express written agreement to act in such a manner.

(j) To employ staff on a casual or full-time basis or appoint contractors or make other appropriate employment arrangements to carry out the approved programs of the Company.

(k) To delegate its powers to carry out and/or supervise contracts.

Funds

(l) To administer and operate a bank account for the purpose of funding the expenses of Timber Tops Estate Limited.

(m) To invest and deal with the funds of the Company not immediately required.

(n) To exercise proper control over Company funds, assets and activities and to report in writing and/or verbally to Shareholder meetings on the administration of the Company's finances and affairs.

Water Rights

(o) To limit and ration the use of the Water Supply System by all holders of Water Rights for reasons of maintenance, pump failure, failure or disruption of the water supply piping, emergency or reduction in the water supply.

(p) To limit and ration the use of water by one or more holders of Water Rights for reasons of overuse of the water to an extent that is to the detriment of other Water Right holders.

Levies

(q) To issue on demand by any person, a certificate stating whether or not any levy or charge has been paid to the Company by a Shareholder. A reasonable charge may be made by the Committee for issuing such a certificate. A certificate stating that a levy or charge has been paid shall be conclusive evidence of payment.

(r) To apportion on a fair basis the costs or revenues resulting from carrying out its duties.

(s) To recommend to Shareholders for their consideration at a General Meeting, appropriate levies or charges for the provision of Services.

(t) To determine charges for the use of the Water Supply System.

(u) To establish appropriate charges for the provision of Services.

(v) To levy or charge the Owners on any basis agreed at a duly notified General Meeting of the Company which levy or charges may include levies and charges for the management of the Common Amenities and for the provision of the Services.

(w) In the event that the Common Amenities are damaged in any way, to rectify the damage and where appropriate to recover the costs of repair from insurers and/or the parties that caused the damage. If the cost of repair requires a levy on Owners, other than the parties that caused the damage, the Committee will prepare a remedial program complete with the expected costs and gain the prior written approval of the Owners before implementing such programme.

(x) In the event that suspected damage occurs to Common Amenities to take reasonable action to check the condition of The Common Amenity and if appropriate to later recover the costs of checking from insurers and/or the parties that caused the suspected damage.

(y) In the event that properly agreed levies or charges are not paid by any Owner the Committee will take all reasonable and legal actions to recover the levies or charges owing including any costs of recovery and may prohibit the use by the defaulting Owner of any of the Services including the use of the Water Supply System.

General

(z) To monitor that a reasonable general level of appearance and tidiness is maintained on each Lot.

(aa) To ensure that the Resource Consent requirements, and the requirements of this Management Plan are met by Owners.

(bb) To carry out maintenance or other work within the boundaries of individual Lots as agreed and advised by the prior written consent of each affected Owner.

(cc) Take such action as is reasonably required and does not conflict with the terms of the Management Plan. To enforce compliance with the Management Plan, all associated plans and the Resource Consent by the individual Owners and to recover the costs of such enforcement.

(dd) To obtain appropriate specialist advice to assist the Committee to carry out any of its duties.

(ee) To obtain on behalf of the Owners such insurance as the Committee considers appropriate (including public liability insurance) in respect of the Services, the Common Amenities, the Roads, and any assets managed by the Company or any activities undertaken by the Company.

(ff) To administer the affairs of Timber Tops Estate Limited according to rules approved by a General Meeting of Shareholders.

(gg) Such other powers as the Committee considers are reasonable in managing the Estate in accordance with the Management Plan.

7. LEVIES AND CHARGES

7.1 All Shareholders shall pay to the Company such levies and/or charges as agreed by a majority vote of the Shareholders at a General Meeting of the Company.

7.2 All Shareholders shall pay to the Company charges for costs incurred by the Committee for remedying non-compliance by Owners with this Management Plan after appropriate and reasonable notice has been given to the Lot owner.

7.3 The Committee shall recommend in writing to all Shareholders any changes to the charges and/or levies they consider to be appropriate at least 21 clear days in advance of the General Meeting at which the proposed changes to levies and/or charges is to be considered.

7.4 The Committee shall give 21 clear days notice to the holders of Water Rights of changes to the charges for metered water.

7.5 Penalties for late payment of levies or charges or for any other breach of this Management Plan will be set by the Shareholders in General Meeting on the recommendation of the Committee.

7.6 Each Owner shall pay an annual levy of an amount decided by the Shareholders in General Meeting on the recommendation of the Committee provided that the Developer shall not be required to pay such levy, notwithstanding that the Developer remains the registered proprietor of a Lot.

7.7 The obligation to pay any unpaid levies and/or charges shall run with the land and successors in title shall be liable for unpaid levies and/or charges. The registered proprietor of a Lot for the time being shall be liable to pay an outstanding levy and/or charge notwithstanding that they did not incur the charges and notwithstanding that some other person who was a member of the Company at the time the levy and/or charge fell due for payment remains personally liable to pay that levy and/or charge.

7.8 Where two or more members are the registered proprietors of one Lot, they shall be jointly and severally liable for all levies and/or charges made in respect of that Lot.

7.9 Levies shall be fixed at a uniform rate for each lot in the Timber Tops Estate. Charges may vary according to the services carried out.

7.10 Levies and/or charges not paid 30 days after the due date for payment shall bear interest from that date at the rate of 1.25% per intact calendar month.

8. COMPANY'S FUND MANAGEMENT

8.1 Timber Tops Estate Limited shall hold its funds in bank accounts which are in the name of the Company, at banks as approved by the Shareholders in General Meeting.

8.2 The Committee will operate the Company bank accounts on behalf of the Shareholders.

8.3 All monies received for or on behalf of the Company, shall be paid promptly into a bank account in the name of the Company.

8.4 All cheques drawn on or withdrawals made from such accounts shall be signed by two members of the Committee.

8.5 At each Annual General Meeting, a professional accountant, who is not a Shareholder, shall be appointed by the Shareholders to audit the accounts of the Company. The auditor shall report in writing as soon as practicable after the end of the financial year unless the Shareholders resolve otherwise.

8.6 The annual accounts of the Company shall be audited before being presented to Shareholders at the Annual General Meeting of the Company, unless the express approval to present unaudited accounts has been gained by a majority of shareholders. In the event that unaudited accounts are presented to the Annual General Meeting then duly audited accounts and an auditor's report will be circulated to all Shareholders as soon thereafter as is practicable.

8.7 A vacancy in the position of auditor during the year shall be filled by the Committee. Any auditor appointed by the Committee as a result of a casual vacancy will be a professional accountant and shall not be a Shareholder of the Company.

9.0 MANAGEMENT OF INDIVIDUAL LOTS

9.1 The following rules apply to all Shareholders and relate to activities undertaken within each Lot.

Transferring a Lot and Transfer of Responsibilities

9.2 Each Owner of a Lot must on the transfer of their Lot to a third party, simultaneously transfer one share per Lot in the Company to the transferee.

9.3 Each Owner of a Lot must, on the transfer of their Lot to a third party, simultaneously transfer one Water Right per Lot to the Transferee.

9.4 Each Owner must ensure that as from the date they become an Owner they hold one share per Lot in the Company, and they hold one Water Right per Lot.

Construction of Buildings and Visual Impact

9.5 Any dwelling erected on a Lot must be a minimum of 100 square metres of habitable room, exclusive of decks, porches, garages or carports.

9.6 No homes which have been established on another site may be brought onto the Timber Tops Estate.

9.7 No caravans, campervans or permanent mobile homes may be occupied on the Timber Tops Estate other than temporarily, except during the period of home construction, providing that period does not exceed 12 months from the granting of a building consent for the construction.

9.8 Architectural plans for building construction must be submitted to the Committee for approval before being submitted to the Whakatane District Council for building consent. Approval will not be granted if the Committee considers there is a failure to adhere to the requirements of this Management Plan. The Committee will not unreasonably withhold its approval.

9.9 The Owner of a Lot in the Timber Tops Estate must not erect or allow to be erected:

(a) more than one dwelling per Lot; For the purposes of the Management Plan the dwelling shall include any integrated garage, landscaping, or decks that are approved by the Whakatane District Council provided these are part of the same single structure.

(b) any more than one additional associated separate garage and/or shed. For the avoidance of doubt the separate garage cannot be designed for habitable living.

(c) any garage or shed that exceeds 75 square metres in area

(d) accessory buildings for habitation.

Vehicles

9.10 The Owner must not keep any more than 3 motorised vehicles on any Lot (other than visitor's vehicles that are temporarily on the Lot) unless provision is made for them to be housed in garaging. The Owner must ensure that provision is made for a minimum of two visitor car parks on each Lot.

9.11 The Owner must not leave, or permit to be left, on any part of the Estate any unused or abandoned vehicle.

Planting and Maintenance Within View Lines

9.12. Each Owner must ensure that the view lines created around each Lot will be planted in naturally regenerated native or introduced plants, shrubs or trees. The introduced shrubs and trees are to be of a sufficiently low growth habit which will not interrupt the view lines of any building lot once they reach their mature height and bulk.

9.13 Self-seeded plants, scrub or trees or regenerated shrubs and trees growing in the view lines area of each Lot may interrupt the view line of a Lot. In this event the shrub or tree may be pruned, sprayed, cut down or otherwise removed by the Lot owner on whose land they are growing.

9.14 Weeds growing in view line areas are to be kept under control by the owner of the Lot on whose land they are growing.

Animals

9.15 Livestock farming is not permitted on the Timber Tops Estate. Some limited grazing by animals may be approved by the Committee as a vegetation control measure. In this case the Committee may specify control conditions to ensure the appropriate control of these animals. For the avoidance of doubt approval of livestock farming consistent with rural residential lots will not be unreasonably withheld.

9.16 An active programme for eradication or control of any wild pest animals may be initiated by the Committee with the approval of the shareholders.

Sewage Treatment

9.17 The Committee will have the right to inspect the sewage treatment plant system and to view the maintenance contracts of individual Lots.

9.18 The Committee may take any reasonable action to ensure that reasonable sewage treatment standards are achieved by individual Lot Owners and in particular may require that any Owner put in place a robust maintenance contract with a suitably qualified party experienced in the maintenance of sewage treatment systems. If the Committee considers that the treatment plant performance is inadequate it may require that the Lot Owner at the Owner's cost, change or improve any sewage treatment plant or related maintenance contract arrangements.

Storm Water Disposal Within Lots

9.19 The site and manner of stormwater discharge from buildings and paved areas on each Lot shall be in a manner determined by a geotech engineer in advance of applying for a building consent.

9.20 Soak holes must be of sufficient absorption capacity to dispose of stormwater quantities associated with one in 10-year storm events.

9.21 Surface water from roofs, driveways, and other developed areas must be collected in a piped system and directed to discharge into soak holes or irrigation systems located beyond the toe of steep slopes.

9.22 Storm water overflow must be directed into a diffusing mechanism to promote energy dissipation and prevent channelling.

9.23 During earthworks on any Lot, Lot owners must ensure that there is no silt discharged from the site onto roadways or onto other sites.

9.24 During construction or earth works, Lot owners must ensure that there is no run-off of water to cause a concentration of surface water on other sites.

Lot Boundaries

9.25 Fences shall not be permitted on the boundaries of any Lot except on peripheral boundaries of the Timber Tops Estate, except with the approval of the Committee. In this case the Committee may specify the appearance and construction of the fence which will be in a style compatible with general standards of the Timber Tops Estate. This would include the use of post and wire, wire-netting or other fence styles typically observed in rural residential settings.

For the avoidance of doubt approval of the fence design will be consistent with normal rural residential lot guidelines and will not be unreasonably withheld.

9.26 Fences may be erected to protect special areas, new plantings, fire-fighting reservoirs, drainage areas or to protect other lots from livestock or pet roaming or some other special purpose approved by the Committee. These fences will be constructed in a style compatible with general standards of the Timber Tops Estates.

9.27 Boundaries of all Lots may be identified by way of corner posts or other similar method.

Responsibility of Lot Owners

9.28 The Owner or in his absence the occupier is responsible for the outcome of all activities carried out by him on his lot.

9.29 The Owner or in his absence the Lot occupant is responsible for reporting promptly to the Committee any actual or suspected damage to common services or amenities of the Estate arising from natural causes, human agency or in any other way.

Commercial Activities

9.30 Commercial use of any Lot or building on any Lot on the Timber Tops Estate shall be limited to small scale light commercial activities which do not attract frequent visitors or traffic other than light traffic. These commercial activities shall not generate waste, fumes or noise in excess of the amount generated by a domestic household and be compatible with a residential area.

Further Subdivision

9.31 A Lot Owner must not subdivide their Lot. This provision is not intended to prohibit the subdivision of Lot 100 into a further 11 lots as anticipated in the definition "Lot".

For the purpose of this clause "subdivision" has the meaning set out in the Resource Management Act 1991 and "to subdivide" shall have a corresponding meaning.

10. MANAGEMENT OF THE ESTATE

10.1 This section outlines the management procedures that will apply to the Timber Tops Estate. In undertaking its powers and obligations pursuant to this Management Plan, The Committee must, unless otherwise directed by a regulatory authority, comply with the requirements of this section and each Owner shall act in good faith to ensure the Committee is authorized so to do and provided such access as is reasonably required to fulfill its obligations.

Roads and Tracks

10.2 The Committee must treat any Roads established on rights of way serving 2 or more Lots a Common Amenity to be maintained in accordance with this management plan.

10.3 The Shareholders may from time to time and by majority resolution in a general meeting establish such rules as they consider appropriate for the establishment, maintenance and on-going use of the Roads, provided no such rules shall derogate from or conflict with the Resource Consent or any other applicable regulatory requirements. The Committee must manage the Roads, and any track forming a Common Amenity and in accordance with this Management Plan and such rules.

10.4 Tracks or roads serving an individual Lot will be a private roadway owned by the Lot Owner and will be maintained and controlled by the individual Lot Owner.

10.5 The obligation to maintain the Roads, includes the obligation to complete repairs to and maintenance of the road or track surface, maintain vegetation and weed control on the verges.

Storm Water from Roads

10.6 The Committee must ensure that storm water from Roads or the Exercise Track will discharge via culverts into stormwater soak holes. The storm water soak holes will be sited at appropriate intervals on Lots adjacent to the Road on each side of the Road.

10.7 The Committee must ensure that Storm water channels contain erosion control measures and devices such as flumes, debris dams and swales and these may be sited on Lots adjacent to the Road on each side of the Road.

10.8 All soak holes within the Estate must be designed in accordance with the Whakatane District Council's Engineering Code of Practice applying at the time of construction.

10.9 It will be the responsibility of the Company to maintain the Common Amenity roading stormwater system, including all soak holes, within the estate.

Water Supply

10.10 The Developer has developed the communal Water Supply System on the estate for the purpose of supplying water to the estate or external parties as agreed by the management committee.

10.11 The developer on registration of the transfer of a Lot to a third party will be deemed to have granted one Water Right Domestic Water Supply to such new owner free of charge.

10.12 Water is available to be provided to each Lot from a reticulated supply of potable water drawn from a bore sited on Lot 19 on the Estate;

The Company must maintain the bore and the Water Supply System to sufficient standard to ensure that:

- (a) The Water Supply System complies with quality standards determined by the NZ Drinking Water Standard.
- (b) The Water Supply System will provide water at quantities and pressures suitable for providing a Domestic Water Supply.

10.13 The Company must at its cost, carry out any applicable water quality control program specified by the Health Department (or any other regulatory authority) for a community water supply.

10.14 The Company must ensure that the water supply to each Lot within the Estate and to each Water Right holder outside the Estate will be metered. The meters will be read at set intervals, by an appointee of the Committee.

10.15 The Committee must administer and maintain the whole of the Water Supply System within the Estate from and including the bore up to and including the water meters and backflow preventers installed on each Lot. Maintenance of water pipelines and other water supply facilities after the water meter will be the responsibility of the holder of the Water Right to which the pipeline relates.

10.16 The Committee will administer and maintain the whole of the Water Supply System up to and including the water meters and backflow preventers for holders of Water Rights who are not Lot Owners in the Estate. Maintenance of water pipeline and other water supply facilities after the water meter will be the responsibility of the holder of the Water Right to which the pipeline relates.

10.17 Each owner will pay the Company a charge for the water used based on the volume consumed as measured by the water meter. The Committee may agree to adjust the water meter readings for the purposes of determining water charges in exceptional circumstances.

10.18 The charge rate for use of the Water Supply System by Owners will be determined by the Shareholder in the General Meeting on the recommendation of the Committee.

10.19 The charge rate for use of the Water Supply System water used by owners for use on property outside the Estate will be determined by the Committee. The charge rate for this water will be based on the water charge rate applicable to Lot Owners and may include a reasonable additional margin to reimburse the Company for costs it may incur or may have incurred for supplying water to non-Estate Water Right holders and for the responsibility of managing the Water Supply System.

Power

10.20 Electricity will be reticulated to transformers by high voltage underground cables. Low voltage electricity will be reticulated by underground cable from these transformers to a point adjacent to the building site on each Lot.

10.21 The individual Lot owner will be responsible for the costs of connecting the power from the point of supply on each Lot.

10.22 Connection by individual Lot owners to other buildings must be by underground cable installed at the expense of the Lot owner.

10.23 Lot occupants will be billed individually by the power supply authority for their use and supply of electricity.

Telecommunications

10.24 Each Owner must ensure that telecommunications will be reticulated underground on their Lot.

10.25 Each Owner will be responsible for the costs of connecting telecommunications on each Lot.

10.26 Telecommunication charges will be billed directly to the occupant and be the responsibility of the occupant.

Other Facilities

10.27 The visual screen planted along the Withy Road frontage to meet a requirement of the Resource Consent is a Common Amenity of the Estate and will be maintained by the company. Lot owners on whose land the visual screen is planned will allow the Committee reasonable access for maintenance purposes.

10.28 The Company may establish a facility for the collection and recycling of rubbish as a Common Amenity and may make appropriate arrangements to have the rubbish removed on a regular basis and to maintain this facility.

10.29 The Committee may establish one common point on Lot 19 for the erection of mail boxes for the Owners and shall maintain the appearance of the mail boxes tidy and in keeping with the general appearance of the Estate.

10.30 Other common facilities established by the Developer or by the Committee may be designated by the Company as a Common Amenity of the Estate and shall thereafter be maintained by the Company.

11.0 ENFORCEMENT

11.1 In the event that the monitoring of individual Lots results in the Committee considering that the requirements of this Management Plan or any associated plan, or the requirements of the Resource Consent are not being properly met, the Committee will advise the Owner verbally of the non-compliance. If this verbal advice does not result in acceptable remedial action within the period nominated by the Committee, a written advice setting out the details of the required remedial action and the time allowed for the remedial action will be issued by the Committee. In the event that there is a continuing failure by the Owner to take effective remedial action after a reasonable and appropriate amount of time has passed the Committee will take any reasonable action to remedy the matter. The Committee will have the power to recover any consequent costs it has incurred from the Lot Owner.

11.2 If for any reason the Developer fails to carry out any of the Developer's obligations described in this Management Plan, the Company may carry out such obligations in accordance with the terms of the Management Plan.

12.0 DISPUTES

12.1 In the event of a dispute between any of the Owners, the Committee may, with the agreement of the parties, mediate the dispute.

12.2 In the event of a dispute between some of the Owners and the Committee a mediator to resolve the dispute will be appointed by agreement of the parties to the dispute.

12.3 Notwithstanding the above, the parties to the dispute may agree to other methods of resolving the dispute before litigation is sought.

12.4 An Owner or the Committee who is a party to a dispute may not proceed to litigation without first making reasonable attempts at alternate methods of dispute resolution

13.0 CHANGES TO THE MANAGEMENT PLAN

13.1 The provisions of this Management Plan may be changed as agreed by a 67% minimum vote in favor of changes by Shareholders at a General Meeting called with due written notice of the resolutions to be considered. Shareholders who are unable to attend may appoint proxies from among shareholders who are able to attend the General Meeting provided that the proxy is appointed in writing.

13.2 Any proposed changes to this Management Plan shall first be approved by a Shareholder vote as provided in the rules of the Estate. In addition, any proposed rule changes that seek to vary the Resource Consent will be subject to the prior approval of the Whakatane District Council. No changes may be made to the Management Plan that lessen, or purport to lessen, any obligation to comply with the terms of the Resource Consent unless Whakatane District Council has first granted a variation to the Resource Consent (should the Council require such variation) and any rules established pursuant to the Management Plan are amended to be consistent with such variation of the Resource Consent.

13.3 Any proposed rule changes that seeks to vary the regulatory requirements of the Whakatane District Council or any other relevant statutory regulatory authority must be subject to the prior approval of that authority.

13.4 The proposed changes to this Management Plan will not be put into effect until all appropriate approvals have been granted.

13.5 The costs of changing this Management Plan will be borne by the Committee unless decided to the contrary by the Shareholders.