



MORIŌRI IMI
REKOHU

Moriōri Imi

POST SETTLEMENT GOVERNANCE ENTITY RATIFICATION

Information Booklet



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Tena kotou,

Moriori Imi, through Hokotehi Moriori Trust, have been negotiating with the Crown in relation to the settlement of the Imi's historical claims.

With the signing of the Agreement in Principle on 16 August 2017, Moriori Imi can now establish its own Post Settlement Governance Entity. Moriori Imi Members have the opportunity to vote on a number of resolutions, including whether or not to accept the proposed Post Settlement Governance Entity.

A Post Settlement Governance Entity is needed in order to receive any agreed settlement redress and to represent Imi after our historical Treaty of Waitangi claims have been settled. The proposed name of the Post Settlement Governance Entity is the Moriori Imi Settlement Trust.

Adult registered Moriori Imi members are now being asked to vote on the following resolutions as set out on the voting paper:

I, as a member of Moriori Imi, accept:

- 1. Moriori Imi Settlement Trust as the proposed Post Settlement Governance Entity to receive and manage the Treaty of Waitangi settlement redress on behalf of Moriori;*
- 2. Moriori Imi Settlement Trust receives a payment of \$3.6 million from the Crown on-account of the Treaty settlement;*
- 3. Moriori Imi Settlement Trust will be mandated to negotiate the Deed of Settlement on behalf of Moriori Imi with the Crown instead of HMT.*

A copy of the proposed Moriori Imi Settlement Trust Deed is available on the Moriori Imi website at www.moriori.co.nz. Hardcopies are also available from Te Puni Kōkiri regional offices and at all upcoming ratification hui.

The voting period is between Wednesday 15 August 2018 and Saturday 15 September 2018. We encourage you to attend one of the 15 ratification hui we have organised around the country. This will allow you to ask any questions and discuss any concerns you have with the proposed Post Settlement Governance Entity.

We strongly recommend that Moriori Imi members vote to accept the proposed Post Settlement Governance Entity structure. Your decision will determine the pathway we take into the future. You can vote online or by post.

Me rongō,



Maui Solomon
Lead Negotiator

BACKGROUND OF PROPOSED PSGE

On behalf of all Moriori Iwi members, Hokotehi Moriori Trust (**HMT**) have been in negotiations with the Crown for a settlement of Moriori historical Treaty of Waitangi (**Treaty**) claims. On 16 August 2017 HMT signed an Agreement in Principle. The negotiators are now proceeding towards finalising a redress package which will be set out in a Deed of Settlement.

HMT was mandated by the Iwi in 2004 to negotiate a settlement and to represent the Iwi. The mandate was reconfirmed in 2016. HMT is unable to receive Treaty settlement rights or assets as it is charitable, and the Crown will not transfer Treaty settlement rights and assets to charitable entities. Technically, charitable trusts are not owned by people but are set up solely for “charitable purposes”.

The Iwi will need a new entity to receive, hold and manage Moriori redress rights and assets for the Iwi. The new entity will need to meet certain requirements. For Treaty settlement purposes, such an entity is referred to as a Post Settlement Governance Entity (**PSGE**).

The establishment of the proposed PSGE ahead of initialling a Deed of Settlement is, in part, to allow early access to settlement redress. You will be given the chance to vote on the final settlement offer before the Deed of Settlement can be signed. Legislation will need to be passed by Parliament to give effect to our settlement.

The Agreement in Principle we have entered proposes that Moriori receive \$3.6 million on-account payment in advance of the final settlement. This will allow the Iwi an early start in building a strong financial foundation.

HMT invites you to vote on the proposed PSGE. If the Iwi votes in favour of the PSGE, and the Crown considers that the ratification results shows that enough of the Iwi support it, the PSGE will be established. This will enable the PSGE to receive the settlement redress in the long-term, and the on-account payment in the short-term.

This booklet provides you information about the proposed PSGE to inform your vote. It also provides some background on the status of negotiations, the ratification process and how to vote.

AGREEMENT IN PRINCIPLE & DEED OF SETTLEMENT

We signed an Agreement in Principle in August 2017. The key terms of the Agreement in Principle include:

\$18 million in financial redress, of which, \$3.6 million, as an on-account payment, may be provided to the PSGE prior to finalising the Deed of Settlement and settlement legislation.

Following the signing of the Agreement in Principle, we have now entered the Deed of Settlement phase of the negotiations process.

The redress outlined in the Agreement in Principle will be finalised in more detail in a Deed of Settlement which, once it is initialled, will be subject to a separate ratification process. The Deed of Settlement is the final Crown offer to the Imi for the settlement of our historical grievances and will reflect the agreements made in our Agreement in Principle.

There are still number of other important matters that negotiators are working on, including:

- An agreed Historical Account
- Crown Acknowledgements
- A Crown Apology
- Cultural redress properties
- Co-management arrangements
- Shared cultural properties
- Overlay classifications
- Statutory Acknowledgements
- Deeds of Recognition
- Memorial on Auckland Islands
- Place name changes
- Protocols and introductions
- Natural resources sector – annual forum
- Customary fisheries
- A Joint Planning Committee
- Te Whanga lagoon management Board
- Commercial redress (financial and properties)
- Fisheries quota - right of first refusal

Accepting the resolutions will allow the formation of the proposed PSGE which can then continue negotiating the final Deed of Settlement with the Crown.

STRUCTURE OF THE PROPOSED PSGE

The proposed PSGE will be named the Moriori Imi Settlement Trust (**MIST**). MIST will be a private trust without charitable status. Therefore, it will be eligible to receive Treaty settlement funds and assets. MIST will also seek Māori Authority taxation status.

This private trust structure has been used in a number of Treaty of Waitangi settlements and it represents the simplest and most cost-effective structure with both commercial flexibility and flexibility in relation to distributions to its beneficiaries.

The Crown has reviewed this proposed trust to confirm that it meets Crown criteria around transparency, accountability and representation.

MIST will provide the overarching governance and strategic direction for the settlement beneficiaries, being Moriori Imi members. MIST will receive all of the Treaty settlement redress rights and assets upon settlement and retain ownership of the cultural lands vested on settlement date.

Objects and Purposes of MIST

As set out in the proposed Trust Deed, the key purpose of establishing MIST is to receive, administer, manage, protect and govern MIST assets on behalf of the Imi.

More specifically, the purposes of MIST will be to:

- Receive, hold and manage settlement property for the benefit of its members;
- Maintain and establish places of cultural or spiritual significance to the Imi;
- Promote the educational, spiritual, economic, social and cultural advancement and well-being of the Imi and its members;
- Provide for the on-going maintenance and establishment of places of cultural or spiritual significance to the Imi;
- Undertake commercial activities to support its objects and purposes; and
- Any other purpose that is considered from time to time to be beneficial to the Imi and its members.

How is MIST formed?

MIST will be formed by a Trust Deed. The Trust Deed lays out MIST's responsibilities, rights, powers and governance structure.

The Trust Deed for MIST can be accessed at www.moriori.co.nz.

Hardcopies are available from:

- Regional Te Puni Kōkiri offices nearest the ratification hui locations;
- The Moriori Imi Office at Kōpinga Marae, Rekohu; and
- At all ratification hui to be held across the country.

A table setting out key points from the MIST Trust Deed can be found in **Appendix A** to this booklet. A diagram setting out the current governance structure for the Imi, and the proposed new structure, can be found at **Appendix B** to this booklet.

MIST Trustees

There will be five (5) trustees for MIST. Trustees will be adult registered Imi members. HMT consider five (5) trustees as an appropriate number to ensure effective governance into the future.

The trustees of MIST will be responsible for the overall governance of MIST. They will act on behalf of all members of Moriori in managing the settlement redress received by Moriori through robust decision-making.

The trustees will be responsible for:

- Receiving the settlement assets;
- Setting the vision and strategic direction of MIST;
- Reporting on the nature and scope of the activities proposed by MIST or its subsidiaries on an annual basis; and
- Preparing short, medium and long-term plans for governance of post-settlement assets.

The trustees will be responsible for the day to day management of MIST settlement assets and will be accountable to Imi members.

Adult registered Imi members (aged 18 years or over) will be entitled to nominate people for election as a trustee and will also be entitled to elect the trustees of MIST.

Elections will be held as required when the term of a trustee ends, or a vacancy arises, and voting will be by way of secret ballot conducted by post and online. The term of office for the trustees will be three (3) years.

MIST will provide at least three (3) months' notice for the election of trustees at which point the trustees will call for nominations. The notice provided will outline the nomination process and how votes may be made.

Initial Trustees

There will be a period from PSGE establishment to first elections where initial trustees will be in place. During the establishment period there will be five (5) initial trustees.

The five (5) initial trustees will be:

- Maui Solomon;
- Thomas Lanauze;
- Paul Solomon;
- Grace Le Gros; and
- Sharon Wadsworth.

To ensure continuity, the initial trustees will all be existing HMT trustees. The initial trustees will serve until the first elected trustees of MIST are determined by the first elections.

Subsidiary Entities

MIST has the power to establish subsidiaries to assist with the management of the settlement assets. The directors or trustees of any subsidiary will be appointed by MIST. The proposed Trust Deed sets out the way Board Members will be appointed to subsidiaries. The Trust Deed requires that MIST trustees must have regard to the activities of the subsidiary and the mix of skills required when appointing directors or trustees to those subsidiaries.

Transparency and Accountability to Moriori Imi Members

MIST will be accountable to Imi members. MIST will prepare an annual plan each year covering, amount other things:

- The strategic vision of MIST;
- Nature and scope of activities proposed by the trustees in the performance of MIST's purpose;
- the ratio of capital to total assets;
- the performance targets and measurements by which the performance of MIST may be judged;
- the proposed manner for dealing with projected income; and
- any proposals for ongoing management of MIST's assets.

MIST will also prepare a Five Year Strategic Plan, to be updated at least every two years, setting out the longer-term vision of MIST.

MIST will be required to hold an annual general meeting (**AGM**) for Imi members. At each AGM, MIST will be required to:

- Report on the operation of MIST (and any subsidiaries) during the previous year;
- Present the Annual Report and audited consolidated financial statements;
- Present the proposed annual plan;
- Announce any newly appointed trustees;
- Approve trustees' remuneration;
- Conduct any other notified business; and
- Undertake any other general business.

Rights of Moriori Imi Members

All Imi members have the right to:

- Receive reports and information from MIST; and
- Attend annual and special general meetings.

Adult registered Imi members have the right to, among other things:

- Put forward proposals for amendments to the Trust Deed for the consideration by MIST;
- Call a special general meeting;
- Be nominated for election and hold office as a trustee subject to the eligibility requirements;
- Vote on ordinary and special resolutions of members; and
- Receive any notice relating to a major transaction.

A special resolution of members will be required to approve:

- A major transaction (a transaction that deals with more than 50% of the value of MIST's assets);
- Amendment to the Trust Deed;
- A resettlement of the Trust's Assets; and
- The termination of MIST.

RATIFICATION PROCESS

The term “ratification” refers to the process of securing formal consent or support from Imi members for the formation of MIST. HMT are seeking ratification of the proposed PSGE from Imi members. There will also be a separate ratification process for the settlement package once the Deed of Settlement has been initialled.

Ratification Hui

There will be 15 ratification hui between Wednesday 15 August and Wednesday 5 September 2018. The purpose of the ratification hui is to ensure members of Moriori Imi are informed in person and have the opportunity to ask questions about the PSGE and the ratification process. Members can cast a vote online or by post as soon as voting opens.

Details of the ratification information hui dates and venues are set out below:

Date	Time	Location
Wednesday 15 August	6.00 pm	Aotea Lodge, 65 Whitford Brown Ave, Papakowhai, Porirua
Thursday 16 August	6.00 pm	Kingsgate Hotel, Whanganui
Friday 17 August	6.00 pm	Sudima Hotel, Auckland Airport, Auckland
Saturday 18 August	6.00 pm	Naumai Marae, Ruawai, Northland
Sunday 19 August	6.00 pm	Captain Cook Motel, Gisborne
Monday 20 August	6.00 pm	Vista Motor Lodge, Wairoa
Tuesday 21 August	6.00 pm	Fountain Court Motel, Napier
Wednesday 22 August	1.00 pm	Gillies residence, 151 East Street, Greytown
Friday 24 August	6.00 pm	Marlborough Quality Hotel, Blenheim
Saturday 25 August	2.00 pm	Hintons Function Centre, Christchurch
Sunday 26 August	5.00 pm	Arowhenua Marae, Temuka
Monday 27 August	6.00 pm	Oaken Café, 538 Great King Street, Dunedin
Tuesday 28 August	6.00 pm	Ascots Hotel, Invercargill
Tuesday 4 September	5.00 pm	Kōpinga Marae, Rekohu
Wednesday 5 September	11.00 am	School house, Rangihaute/Pitt Island (<i>weather dependent</i>)

Independent Returning Officer

To ensure the integrity of the ratification voting process, HMT have engaged Election Services to act as an Independent Returning Officer to conduct the ratification voting process for Imi members. The role of the Independent Returning Officer includes:

- Acting as the Independent Returning Officer to receive, collate and count all votes;
- Cross-referencing voting papers with information held on the Moriori Imi register database;
- Managing special votes and registration forms; and
- Submitting a written report to HMT once the ratification process has concluded.
- Te Puni Kokiri Independent Observers will be in attendance at each hui

RATIFICATION VOTING PROCESS

Resolutions

Registered adult members of the Imi are being asked to vote on the following resolutions:

I, as a member of Moriori Imi, accept:

- 1. MIST as the proposed PSGE to receive and manage the Treaty of Waitangi settlement redress on behalf of Moriori;*
- 2. MIST receives a payment of \$3.6 million from the Crown on-account of the Treaty settlement;*
- 3. MIST will be mandated to negotiate the Deed of Settlement on behalf of Moriori Imi with the Crown instead of HMT.*

We strongly recommend that Imi members vote to accept the proposed PSGE, MIST, and the resolutions set out above.

Resolutions Explained

Accepting the proposed PSGE

The first resolution is to accept MIST as the proposed PSGE to receive and manage the historical Treaty settlement redress on behalf of Moriori.

On-account payment

A PSGE can be formed at any time, but generally will not receive settlement assets until after settlement legislation is passed. However, as a result of negotiations with the Crown, MIST may receive an “on-account” payment. An on-account payment is a part payment of the financial redress amount, made in advance of the settlement being completed. In the case of the Imi, we are seeking an on-account payment of 20% of our agreed financial redress, or \$3.6 million.

The on-account payment to be transferred to MIST from the Crown will be used for reducing some debt and assisting with the acquisition of fishing assets.

Imi Mandate

The fourth resolution relates to the transfer of the negotiations mandate from HMT to MIST. The rationale behind this is that MIST, as the proposed PSGE, would be the most appropriate body to negotiate the final Deed of Settlement with the Crown as any settlement redress would go to it. The initial trustees of MIST are all trustees of HMT, and four of them are Treaty settlement negotiators. This ensures continuity as the negotiations are finalised and the settlement package agreed. Imi will have the opportunity to ratify the Deed of Settlement before it is signed.

Registration

All members of Moriori Imi are eligible to apply to be a registered member. All adult registered Imi members 18 years old and over are eligible to vote in the ratification process.

Prior to the start of ratification voting on Wednesday 15 August 2018 members can register to vote by completing a registration application available on www.moriori.co.nz and submitting that form to HMT either by post to Hokotehi Moriori Trust, P.O. Box 188, Chatham Islands 8942 or by email to office@kopinga.co.nz.

An electoral roll will be created using the details from the member register. Members who want to register and vote after the voting period has begun need to register and cast a special vote. That process is explained below.

Voting Papers

All eligible voters will be sent a voting pack for receipt by Wednesday 15 August 2018. Votes can only be made using the official standard and special voting papers or unique internet voting codes provided by the Independent Returning Officer.

How to Vote

The voting pack you receive will provide details on how you can vote. Votes can be made by:

- Voting online by following the instructions in your voting pack; and
- Posting your completed voting form using the freepost envelope provided in your voting pack.

Voting Period

The voting period will run from 9.00 am on Wednesday 15 August 2018 to 5.00 pm on Saturday 15 September.

To be counted, votes must be received by the Independent Returning Officer by 5.00 pm on Saturday 15 September 2018 or by envelop date-stamped Saturday 15 September 2018 or earlier by the Post Office and received within three (3) days of the closing date.

Special Votes

Voters must complete a special voting form if they:

- Turn 18 years old during the voting period but before the closing date of voting;
- Register during the voting period before the closing date of voting.

Each special voting form will use a unique voting identifier referencing which of the special conditions the person is voting under. If a member is not registered they must complete a member registration form with their special vote. Special votes will be counted subject to verification of the registration application by HMT.

Confidentiality

Voting is anonymous. All completed votes (either paper or electronic) go directly to the Independent Returning Officer. No other party will have access to the information on them.

Counting the Votes

Once voting closes and the votes have been cast, the Independent Returning Officer will count the votes and report the results to HMT. A final ratification report will be sent by HMT to the Office of Treaty Settlements and Te Puni Kōkiri. The Ministers will consider the results and approve or decline the formation of the PSGE and the transfer of the on-account payment based on the support received from the Imi.

Notification of Result

As soon as HMT has been notified of the outcome of the PSGE ratification process and the Crown has verified the results, the result will be notified to Moriori Imi members:

- On the Moriori website: www.moriori.co.nz
- On the Moriori Facebook page

Members should be notified within four weeks of the end of the voting period.

Queries, Questions or Concerns

If you have any queries about your vote or the voting process, please in the first instance contact the Independent Returning Officer by phone on 0800 922 822.

Please remember, you need to be a registered member of the Imi in order to vote.

APPENDIX A

OUTLINE OF KEY POINTS OF MIST TRUST DEED

PSGE Name	Moriōri Imi Settlement Trust
Objects and purpose	<p>To receive, manage, hold and administer the Trust's Assets on behalf of and for the benefit of the present and future Members. Objects include:</p> <ul style="list-style-type: none"> (a) promoting the education, spiritual, economic, social and cultural advancement or well-being of Members; (b) providing for the on-going maintenance and establishment of places of cultural or spiritual significance to Members; (c) encouraging and supporting youth development initiatives and projects for the benefit of Members; and (d) undertaking commercial activities to support the object and purpose of the Trust. <p>(See clause 2.4)</p>
Representation	Imi individual voting by secret ballot via post (see fourth schedule).
Number of Trustees	5 trustees. Note: The trustees can be the same as HMT. (see second schedule)
Initial Trustees	Maui Solomon, Thomas Lanauze, Paul Solomon, Grace Le Gros and Sharon Wadsworth.
Trustee meetings	The Chairperson or any three trustees may at any time summon a meeting of the trustees for the dispatch of business (see third schedule).
Rangata Matua Council	Will be the council responsible for advising the trustees on cultural matters (see clause 4).
Planning Documents	<ul style="list-style-type: none"> • Annual plan (see clause 9.3) • Five-year plan (see clause 9.2)
Meetings	<p>The following plans will need to be prepared:</p> <ul style="list-style-type: none"> • Annual General Meeting • Special meetings – can be convened by the Chairperson and Deputy Chairperson, or the majority of the trustees, or 5% of the Adult Registered Members <p>(see clause 14)</p>
Quorum	<p>Quorum is:</p> <ul style="list-style-type: none"> • 25 Adult Registered Members; and • One or more trustees <p>(see clause 14.9)</p>
Dispute Resolution	For issues regarding membership or otherwise in connection with the tikane, rē, kawa, hokopapa and korero of Moriōri (see clause 31).
Code of Good Conduct for Meetings	Sets out the expected standards of behaviour and tikane values to be observed at meetings by both members and trustees (see fifth schedule).

APPENDIX B

EXISTING AND PROPOSED NEW GOVERNANCE STRUCTURE

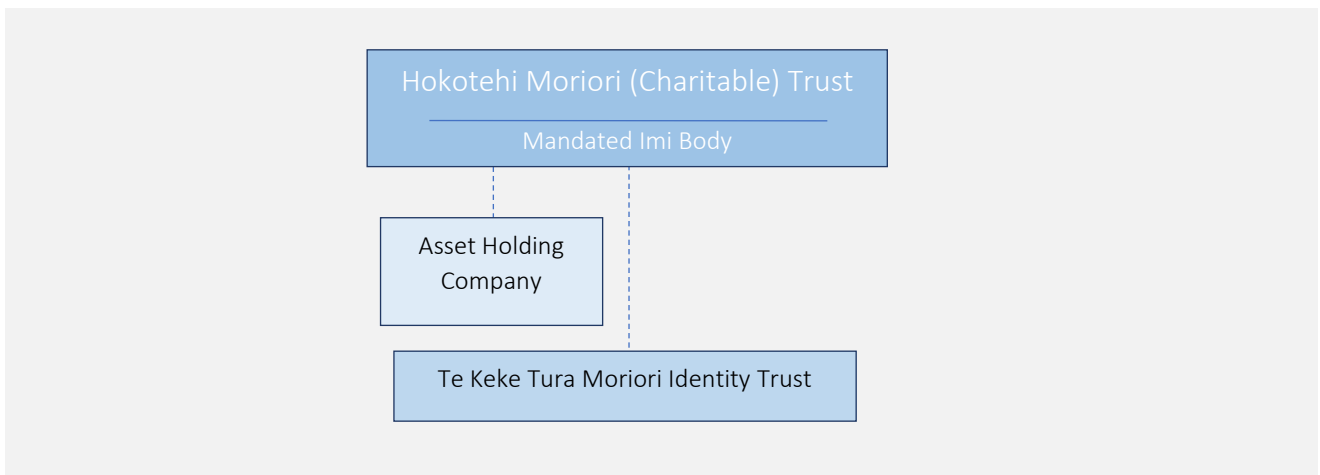
It is proposed that under the ‘umbrella’ of MIST, there will be subsidiary entities to form part of a wider MIST governance structure, including but not limited to:

- A Custodian Trustee Company (**CTC**) to hold the land property assets on behalf of the Imi;
- An Asset Holding Company (**AHC**) to hold and manage commercial assets; and
- A Charitable Trust (**CT**) to distribute benefits for charitable purposes for Imi members.

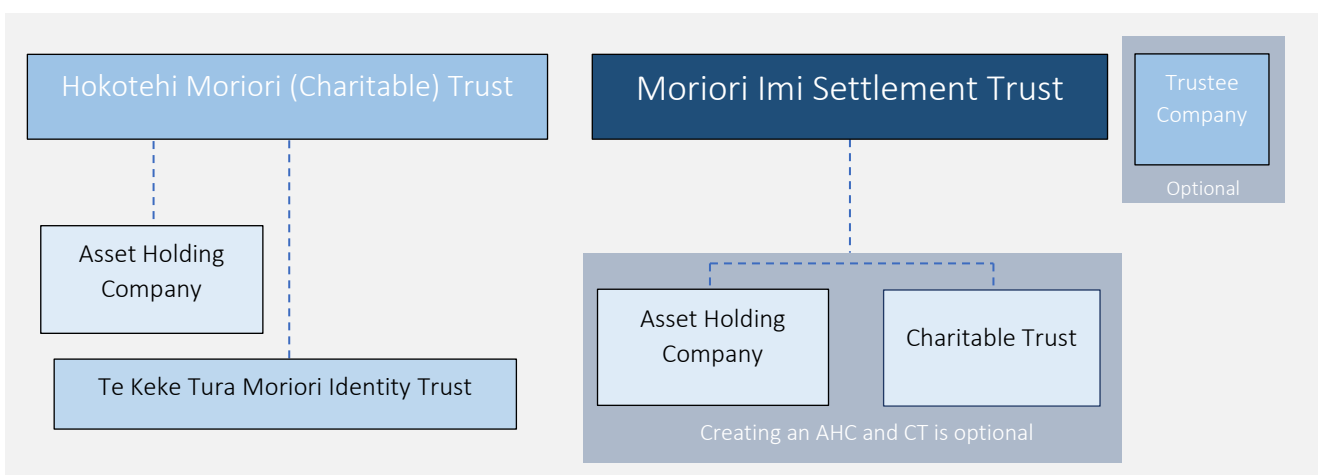
The diagram (**below**) shows the existing governance structure and how the governance structure will look if the Imi ratified MIST.

If the proposed PSGE is approved through this ratification process, it will mean that the Imi will have two trusts in operation to manage Imi affairs. HMT and MIST will be separate but will operate in parallel to each other and run simultaneous elections.

Existing Governance Structure



New Structure





From left, Negotiators are: Tom Lanauze, Susan Thorpe (Claims Manager and Researcher), Paul Solomon, Maui Solomon and Grace Le Gros.

