



25 May 2021

OFFICE OF THE MAYOR

The Directors
Queenstown Airport Corporation Limited
Attention: Adrienne Young-Cooper, Chair

Via email: adrienneyc@me.com

QUEENSTOWN LAKES DISTRICT COUNCIL (QLDC) – QUEENSTOWN AIRPORT CORPORATION LIMITED (QAC) – WANAKA AIRPORT

Background

1. We refer to the deed of lease dated 8 March 2018 between QLDC and QAC for land at Wanaka Airport ("**Lease**") and the High Court judgement by Van Bohemen J delivered on 21 April 2021, which declared that the Lease is set aside and of no legal effect.
2. In response to the Lease being set aside, QLDC and QAC have agreed to, so far as possible, preserve the status quo for the management of Wanaka Airport. This letter sets out the terms of that agreement.

Agreement

3. QLDC and QAC agree to act in good faith and use all commercially reasonable endeavours to negotiate and, subject to decisions by the governing bodies of QLDC and QAC, enter into a management services agreement ("**New Agreement**") by 30 September 2021 under which QAC will continue to manage Wanaka Airport.
4. Until the New Agreement has been agreed and entered into, QLDC and QAC agree that QAC shall continue to manage Wanaka Airport under a temporary management services agreement ("**Temporary Agreement**"), which shall substantially incorporate the terms of the prior management agreement between the parties dated 20 October 2016 ("**Prior Agreement**") as amended by the following terms:

- (a) Term: From 21 April 2021 to 30 September 2021 or such earlier date when the New Agreement is entered into. The Temporary Agreement shall automatically terminate upon entry by the parties into the New Agreement.
- (b) Charges: A fee of [REDACTED] plus GST per annum, payable quarterly in arrears in accordance with clause 4, with part payment on termination if termination occurs on a day other than the last day of the quarter.
- (c) Services: The management services set out for Wanaka Airport to be provided by QAC to QLDC as described in Schedule 1 of the Prior Agreement, with the addition of noise management and compliance under "Operational Management".

- (d) Access: QAC shall have the right to access Wanaka Airport during the Term as reasonably required in order to provide the Services under the Temporary Agreement.
- (e) Notices: QLDC
Name: Richard Pope
Email: richard.pope@qldc.govt.nz
Telephone: 03 450 8410
QAC
Name: Andrew Williamson
Email: andrew.williamson@queenstownairport.co.nz
Telephone: 021 774 464
- (f) Other terms confirmed: All other terms of the Prior Agreement shall apply, with any necessary modifications to reflect the amendments above, to the Temporary Agreement.
5. Until QLDC and QAC agree otherwise, or until a sublease or occupancy arrangement is superseded by a new arrangement, QLDC confirms that they will observe the terms of any subleases and other occupancy agreements and arrangements, at Wanaka Airport, entered into by QAC in reliance on the Lease.
6. QLDC and QAC acknowledge and agree that entry into the Temporary Agreement in accordance with this letter is without prejudice to either party's position and rights in relation to the High Court decision declaring that the Lease is set aside and of no legal effect.

Yours faithfully,



Jim Boulton
Mayor, QLDC



Mike Theelen
CEO, QLDC

QAC confirms its agreement to the terms of this letter, including the Temporary Agreement:



Adrienne Young-Cooper
Chair, QAC