

# **Tender Request for the Purchase of Quota Shares**

## **Tender Number 2006-01**

The Ministry of Fisheries ("The Ministry") invites tenders for the purchase of quota shares as listed in the attached Schedule A. All tenders will be subject to the conditions contained in this Tender Request.

### **CONDITIONS OF TENDER**

Definitions:

<i>"Bid"</i>	<i>means an offer to purchase QUOTA SHARES on the Tender Offer, at a total price (the Bid Price).</i>
<i>"Tender Offer "</i>	<i>means the form on which the tenders are to be submitted, a copy of which is attached as Schedule B.</i>
<i>"Transfer Form"</i>	<i>means the approved form for transfer of Quota Shares.</i>
<i>"Tender Close Date"</i>	<i>means 3.00pm, Tuesday 14 February 2006.</i>
<i>"Counter-Offer"</i>	<i>An offer made by the Ministry to a tenderer where the tenderer's original bid is unable to be fully accepted.</i>

Apart from those definitions provided above, other words, terms and phrases used in this Tender Request and which are also defined in the Fisheries Act 1996 are to be interpreted using the definitions in that Act unless the context otherwise requires.

### **THE TENDER PROCESS**

1. Commercial Fisheries Services Limited (FishServe) has been appointed as the Crown Quota Broker. All decisions in respect of this tender, however, will be made by the Ministry.
2. All bids for quota shares will be opened immediately after the Tender Close Date and are to remain valid and open for acceptance by the Ministry for a period of 30 working days after the Tender Close Date.
3. In the event that there is more than one equally priced bid the successful tenderers' bids will be apportioned on a pro rata basis if required.
4. Eligible bids received will be considered in order of bid price per quota share from highest to lowest.
5. A reserve price will be set by the chief executive for each quota stock prior to the Tender Close Date.

6. Bids that are below the reserve price are unlikely to be accepted. Nevertheless the Ministry reserves the right to accept any bid despite it being below the reserve price.
7. Where the total available quota shares is insufficient to fully satisfy any bid, the tenderer may receive a Counter-Offer but any such offer will be for less quota shares than was bid for.
8. Decisions on successful and unsuccessful bids will be made within 21 working days of the Tender Close Date. However, the Ministry reserves the right to extend this timeframe by written notification to tenderers.
9. The Crown Quota Broker will contact all unsuccessful tenderers after completion of this tender round.

## **GENERAL CONDITIONS**

10. Bids are to be received no later than the Tender Close Date and must be sent to:

The Crown Quota Broker Tender Box  
P O Box 24 346  
Manners Street  
Wellington

or

The Crown Quota Broker Tender Box  
4<sup>th</sup> Floor Feltex House  
156-158 Victoria Street  
Wellington

11. Bids must be on the Tender Offer and marked with the Ministry's tender number 2006-01.
12. The Ministry reserves the right to accept Bids received after the Tender Close Date.
13. No decision will be made to accept Bids before the Tender Close Date.
14. Multiple Bids for different quantities and different bid prices are permitted, however eligible bids received will be considered in order of bid price per quota share from highest to lowest.

15. The Ministry may accept any or none of the tenders it receives at its discretion. The highest Bid will not necessarily be accepted. The Ministry may also withdraw quota shares from the tender at any time.
16. Bids will only be eligible if the following conditions are complied with. They must:
  - a. Be submitted on the Tender Offer form; and
  - b. Be received by The Crown Quota Broker at the address in clause 10 above by the Tender Close Date; and
  - c. Be signed in the appropriate place on the Tender Offer to the effect that the terms and conditions of the tender are accepted in full by the tenderer; and
  - d. Be signed by the tenderer or a person duly authorised to sign on behalf of the tenderer in which case a copy of the power of attorney or authorisation to sign on behalf of the tenderer is required; and
  - e. Clearly show with each Bid:
    - i. The quantity of quota shares being bid for; and
    - ii. The bid price (The total price for the total amount of quota shares) for the quota shares being bid for. Bid prices are to be **exclusive** of Goods and Services Tax.
  - f. Be received in original form (i.e. no facsimiles or emails will be accepted).
17. Withdrawal of Bids is permitted, however the Crown Quota Broker must be informed of the withdrawal **before** the tender close date.
18. **Acceptance of a Bid will be binding.** Successful tenderers will receive written notification of acceptance and must pay full settlement funds (**including Goods and Services Tax**) no later than 5.00pm on Friday, 21 April 2006.
19. In circumstances where there is insufficient quota shares to fully satisfy a bid, the Ministry may make a Counter-Offer to the tenderer or tenderers. Acceptance of any Counter-Offer by the tenderer will be binding.
20. The successful tenderers will not acquire any rights in respect to quota shares until acceptance of their bid is notified by the Crown Quota Broker in writing, full settlement funds have been received, the Transfer Form has been completed and the transfer has been registered.
21. For stocks that are subject to the 1 April to 31 March fishing year, payment must be received by and funds must be cleared by **28 March 2006** in order for the successful tenderer to be allocated the Annual Catch Entitlement (ACE) generated by those quota shares for the 2006/2007 fishing year.

22. It is the responsibility of the tenderer to be aware of the aggregation limit provisions of the Fisheries Act 1996, (refer section 59) and all other legislative provisions relating to the owning of quota shares.
23. It is also the responsibility of the tenderer to be aware of all regulations pertaining to bivalve shellfish made under the Animal Products Act 1999.
24. The following stocks are the subject of a Right of First Refusal as part of Deeds of Settlement negotiated between the Crown and individual iwi: COC3B, COC5, COC7C, DAN7, DAN8, DAN9, MDI8, MDI9, PAD1, PAD9, PPI3, PPI5, PPI7, TUA1A, TUA3, TUA5, TUA7.
25. For the stocks identified in clause 24 all or a portion of the available quota may first be offered to iwi if a Bid is received that is above the reserve price. A tenderer may not be informed of the acceptance of their Bid by the Ministry until the Right of First Refusal is accepted or declined. The period referred to clause 2 may not be applicable to certain Bids received for these stocks.
26. After all payments have been received and all quota share transfers have occurred the Ministry will release details of certain aspects of the tender. Information such as successful bid prices will be publicly available.
27. Except as may be otherwise required by law, information supplied in the Tender Offer and any other supporting material will only be used by the Ministry or its agent for the management of Crown-owned quota shares. Tenderers have the right to access and correct the information held by the Ministry pursuant to the Privacy Act 1993. Any information submitted to the Ministry is subject to the Official Information Act 1982.
28. Payment of full settlement funds must be made to the FishServe Crown Quota Broker Account by the successful tenderers.
29. The Ministry may negotiate with any tenderer on any matter relating to the Bid once the tender has closed.
30. Neither the Ministry nor the Crown Quota Broker shall be liable for any decisions, bids, costs associated with making a bid, completion and registration of any transfer document or any other matter associated with the tender of quota shares.
31. Disclaimer - No previous assurance by either the Ministry or the Crown Quota Broker whether oral or in writing shall be taken into account in the tender process.

## Schedule A

Stock	Common Name	Number of Crown Quota Shares (ITQ)	Current TACC (kg)
ANC1	ANCHOVY	29,092,000	200,000
ANC2	ANCHOVY	80,000,000	100,000
ANC3	ANCHOVY	78,824,000	50,000
ANC7	ANCHOVY	76,839,000	100,000
ANC8	ANCHOVY	80,000,000	100,000
BAR1	BARRACOUTA	155	11,000,456
BUT6	BUTTERFISH	80,000,000	0
BWS1*	BLUE SHARK	3,922,169	1,860,000
CHC3	RED CRAB	37,500,000	4,000
CHC5	RED CRAB	42,500,000	4,000
CHC6	RED CRAB	42,500,000	4,000
CHC7	RED CRAB	50,000,000	4,000
CHC8	RED CRAB	50,000,000	4,000
COC1B	COCKLE	80,000,000	0
COC2	COCKLE	80,000,000	0
COC3B	COCKLE	80,000,000	1,000
COC5	COCKLE	80,000,000	2,000
COC7C	COCKLE	80,000,000	0
COC8	COCKLE	80,000,000	0
COC9	COCKLE	80,000,000	0
CRA8	ROCK LOBSTER	43	603,370
DAN7	RINGED DOSINIA	46,000,000	15,000
DAN8	RINGED DOSINIA	49,696,970	33,000
DAN9	RINGED DOSINIA	49,696,970	33,000
FLA1	FLATFISH	84,225	1,187,300
FLA3	FLATFISH	428,864	2,681,500

Stock	Common Name	Number of Crown Quota Shares (ITQ)	Current TACC (kg)
OYS2A	DREDGE OYSTER	80,000,000	1,000
OYS3	DREDGE OYSTER	80,000,000	2,000
OYS5A	DREDGE OYSTER	80,000,000	3,000
OYS7A	DREDGE OYSTER	80,000,000	1,000
OYS7B	DREDGE OYSTER	80,000,000	1,000
OYS7C	DREDGE OYSTER	80,000,000	2,000
OYS8A	DREDGE OYSTER	80,000,000	1,000
OYS9	DREDGE OYSTER	80,000,000	1,000
PAD1	PADDLE CRAB	13,685,002	220,000
PAD2	PADDLE CRAB	28,916,364	110,000
PAD3	PADDLE CRAB	28,711,000	100,000
PAD5	PADDLE CRAB	33,468,000	5,000
PAD6	PADDLE CRAB	80,000,000	0
PAD8	PADDLE CRAB	38,785,001	60,000
PAD9	PADDLE CRAB	59,431,250	100,000
PIL1	PILCHARD	76,167,900	2,000,000
PIL2	PILCHARD	80,000,000	200,000
PIL3	PILCHARD	80,000,000	60,000
PIL7	PILCHARD	45,298,668	150,000
POR3	PORAE	79,850,000	2,000
POS1*	PORBEAGLE SHARK	1,886,509	215,000
PPI1B	PIPI	80,000,000	0
PPI2	PIPI	80,000,000	0
PPI3	PIPI	80,000,000	0
PPI5	PIPI	80,000,000	0
PPI7	PIPI	80,000,000	1,000

Stock	Common Name	Number of Crown Quota Shares (ITQ)	Current TACC (kg)
FRO1	FROSTFISH	9,933,558	149,000
GAR3	GARFISH	26,400,000	5,000
GLM1	GREEN-LIPPED MUSSEL	76,680,000	10,000
GLM7A	GREEN-LIPPED MUSSEL	79,192,800	1,500,000
GLM7B	GREEN-LIPPED MUSSEL	80,000,000	10,000
GLM8	GREEN-LIPPED MUSSEL	80,000,000	0
GLM9	GREEN-LIPPED MUSSEL	5,614,442	180,000
GMU1	GREY MULLET	2,126,740	925,501
GMU3	GREY MULLET	83,333,333	30,000
GSC1	GIANT SPIDER CRAB	48,200,000	1,000
GSC3	GIANT SPIDER CRAB	62,857,143	14,000
GSC5	GIANT SPIDER CRAB	43,684,211	19,000
GSC6A	GIANT SPIDER CRAB	71,891,892	148,000
GSC6B	GIANT SPIDER CRAB	67,890,295	237,000
JDO3	JOHN DORY	45,141,065	31,900
KAH8	KAHAWAI	17,068,449	520,000
KIC3	KING CRAB	45,000,000	10,000
KIC5	KING CRAB	30,000,000	10,000
KIC6	KING CRAB	30,000,000	10,000
KIC7	KING CRAB	70,000,000	10,000
KIC8	KING CRAB	70,000,000	10,000
KIC9	KING CRAB	10,006,000	10,000
LDO1	LOOKDOWN DORY	14,089,880	168,000
LDO3	LOOKDOWN DORY	36,988,436	614,000
LEA2	LEATHER JACKET	49,722,711	1,136,000
MAK1*	MAKO SHARK	6,485,499	406,000

Stock	Common Name	Number of Crown Quota Shares (ITQ)	Current TACC (kg)
PPI8	PIPI	80,000,000	0
PPI9	PIPI	80,000,000	0
RBM1*	RAYS BREAM	489,372	980,000
RCO7	RED COD	159,945	3,126,075
RIB3	RIBALDO	508	394,000
RSK1	ROUGH SKATE	60,565,765	111,000
RSN1	RED SNAPPER	Withdrawn	Withdrawn
RSN2	RED SNAPPER	32,157,143	21,000
SPD1	SPINY DOGFISH	39,659,819	331,000
SPD5	SPINY DOGFISH	14,548,999	3,700,000
SPO1	RIG	12,138	692,064
SPR3	SPRATS	80,000,000	285,000
SPR7	SPRATS	76,470,588	85,000
SSK1	SMOOTH SKATE	3,670,724	37,000
SUR1A	KINA	5,297,500	40,000
SUR1B	KINA	24,142,858	140,000
SUR7B	KINA	60,000,000	10,000
SWO1	SWORDFISH	73,119,661	885,000
TRE1	TREVALLY	5,110	1,506,887
TRE7	TREVALLY	1,347	2,153,353
TRU7	TRUMPETER	166,667	6,000
TUA1A	TUATUA	80,000,000	0
TUA1B	TUATUA	80,000,000	0
TUA2	TUATUA	80,000,000	0
TUA3	TUATUA	80,000,000	0
TUA5	TUATUA	80,000,000	0

Stock	Common Name	Number of Crown Quota Shares (ITQ)	Current TACC (kg)
MDI8	TROUGH SHELL	21,481,481	27,000
MDI9	TROUGH SHELL	21,481,481	27,000
MOO1*	MOONFISH	8,384,938	527,000
ORH2A	ORANGE ROUGHY	455	1,100,000
OYS1	DREDGE OYSTER	80,000,000	1,000

Stock	Common Name	Number of Crown Quota Shares (ITQ)	Current TACC (kg)
TUA7	TUATUA	80,000,000	0
TUA8	TUATUA	80,000,000	0
WWA2	WHITE WAREHOU	22,104,110	73,000
YEM5	YELLOW-EYED MULLET	80,000,000	0
YEM6	YELLOW-EYED MULLET	80,000,000	0

**Important Note:** Where a stock is marked with an \* the quantity in the 'Number of Crown Quota Shares (ITQ)' column is subject to change. BWS1, MAK1, and MOO1 have changed since the tender was initially advertised.

Important Note: The quantities in the 'Number of Crown Quota Shares (ITQ)' column for PAD3 and SPD5 have changed since the tender was initially advertised.

# Schedule B



Invitation to tender issued by:  
The Crown Quota Broker  
P O Box 24 346  
Manners Street  
Wellington  
Attention: Karen Olver

Tender Offer Number

FishServe use only

## Tender Number 2006-01 Tender Offer for the Purchase of Quota Shares

Client Number

Full Legal Name of  
person or company  
submitting tender

  
  

Business postal  
address of person or  
company submitting  
tender

  
  

Contact Name

Contact telephone  
number

Contact email address

Advertising – specify  
where you first saw  
the advert for this  
tender

FishServe  
website

Received  
copy of ad  
in post

Seafood  
NZ  
Magazine

Other

## Details Of Bid

***Please Note - Acceptance of this bid is binding***

Line	Stock	Number of quota shares	Total Price ( <i>excluding</i> GST)
1			
2			
3			
4			
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20			

I/we the tenderer, hereby offer to purchase quota shares in the quantities entered in the table above and I/we accept the conditions of the tender as specified in the Tender Request for the Purchase Quota Shares Tender Number 2006-01 document.

Full Legal Name	Position	Signature	Date