



THE KIWIFRUIT CLAIM

13 February 2021

Good morning

Today, twelve years after PSA first devastated the kiwifruit industry, the Government has agreed to pay \$40m in compensation to growers who are part of the Kiwifruit Claim.

I know that for many of you this settlement with the Government concludes a very lengthy and stressful fight to achieve accountability. While this agreement will provide some compensation for the losses you suffered, it importantly achieves what we set out to do, which was to hold the Government responsible for MPI's negligence in causing the PSA outbreak (growers will receive the proceeds of the \$40m settlement less claim costs and fees).

The choice to settle was a very tough decision, and I can assure you that we explored every option to ensure the best outcome was achieved for all the growers who are part of the claim. This included the Committee on your behalf:

- Having negotiations with Crown Law and MPI which took place late last year and throughout January; and
- Obtaining independent legal advice on the settlement and whether to accept the Crown's offer or continue with the Supreme Court hearing.

While it was a meritorious and deserving case, as you know any litigation is risky and uncertain, even in cases with strong facts like ours. Even though both the High Court and Court of Appeal confirmed MPI was negligent for the incursion, the Court of Appeal found the Government was not liable for their losses, because they were the Government.

After receiving legal advice that we had a chance our appeal in the Supreme Court may not be successful, we had this reviewed by an independent third party who recommended the Committee and litigation funder, LPF Group agree to the settlement offered, even though it doesn't fully compensate growers for all the losses suffered.

I understand that many of you will have questions about the settlement and what the process might be from here. We are working closely with our legal team, Lee Salmon Long, to determine the next steps and likely timeframes and we will update you as soon as we have further information to share.

There is likely to be a high level of interest in this settlement, and you may receive requests from media for comment or an interview. If you are contacted, and you wish to, you can call Bronwynne Howse on 0274 583 198 as she will assist you with their request.

I would also like to take the opportunity to acknowledge the hard work from our legal team and the enormous commitment from LPF Group. Without their assistance, we would not have received any compensation and the Government wouldn't have been held to account for MPI's negligence.

The Kiwifruit Claim Committee