

The Treasury

South Canterbury Finance Limited Information Release

Release Document

April 2011

www.treasury.govt.nz/publications/informationreleases/scf

Key to sections of the Official Information Act 1982 under which information has been withheld.

Certain information in this document has been withheld under one or more of the following sections of the Official Information Act, as applicable:

- [1] 9(2)(a) - to protect the privacy of natural persons, including deceased people
- [2] 9(2)(b)(i) - to protect trade secrets
- [3] 9(2)(b)(ii) - to avoid unreasonable prejudice to the commercial position of the person who supplied the information or who is the subject of the information
- [4] 9(2)(ba) - to protect information that is subject to an obligation of confidence, or that was or could be provided under legal compulsion, where making the information available would be likely to prejudice the supply of similar information and it is in the public interest for that information to continue to be supplied
- [5] 9(2)(d) - to avoid prejudice to the substantial economic interests of New Zealand
- [6] 9(2)(g)(i) - to maintain the effective conduct of public affairs through the free and frank expression of opinions
- [7] 9(2)(h) - to maintain legal professional privilege
- [8] 9(2)(i) - to enable the Crown to carry out commercial activities without disadvantage or prejudice.

Where information has been withheld, a numbered reference to the applicable section of the Official Information Act has been made, as listed above. For example, an [8] appearing where information has been withheld in a release document refers to section 9(2)(i).

In preparing this Information Release, the Treasury has considered the public interest considerations in section 9(1) of the Official Information Act.

RESTRICTED

“HOYA” WORK PLAN

Project team

Treasury:

- Senior Management: Jeremy Corban, John Whitehead
- FMI Team: Joanna Gordon, Peter Wilding, [1]
- DGS Team: John Park, Stephen Revill, Craig Murphy
- OCE: Sian Roguski
- Legal: William More

Reserve Bank:

- Andy Wood
- Toby Fiennes

This list can only be extended with your explicit agreement. All emails to be sent by SEEMAIL and discussions in meeting rooms only (no open plan) – and no whiteboard use unless in a secure room (e.g. frosted glass).

Any documents on this should be marked RESTRICTED and the read access to documents should be restricted to this list.

Regular Treasury catch ups set up (for Wednesday, 5pm, room 9.3)

Work completed

John Whitehead briefed on the situation (mid-June) (JG)

Process map (AC): [\(Payout/resolution options for large NBDT:1294611\)](#)

File note on liquidity support (WM/PW/AC): [\(File note: Liquidity support for NBDT \(16 June 2009\):1297061\)](#)

Current work

Intervention: Come to a view about whether there is a case for intervention prior to credit rating announcement (starting point, is that there probably is not) (JG)

Inspectors: Scoping documents to inspectors tomorrow (SR/CM to brief JC); daily updates will be received (by CM); and written reports/ oral briefings will be received in due course (via CM). Inspectors asked to focus initially on possible “trip up” points, including how bank covenants may be affected by credit rating downgrade. Reporting will be mid-level (not too high level, but not too much detail).

Briefing Minister: Prepare short Treasury Report on credit rating issue (PW/AC, early week of 22 June). Messages - potential trigger, but still a lot of uncertainty, we are monitoring and undertaking contingency planning. Similar to [3] Strata reports; limited access list (as above); title such as “Update on DGS companies”.

RESTRICTED

Impact assessment/ liquidity support: Follow up with RBNZ on impact assessment and liquidity support options (PW/AC, early week of 22 June)

Payout options: scope out payout options, including: straight payout (like Mascot); streamlined payout (lower quality threshold); contracting receiver to pay out; or making payments when they fall due, using firm's existing infrastructure (SR, early week of 22 June)

Other: Find out more about MoF meeting with rural lenders (PW to discuss with Tom Hall/ James Beard); RB (Ian Woolford) seminar presentation on future of NBDT sector (AC); and investigate how to send restricted document to Peter Kats (via MFAT post in London) (AC).

Future work

Ask Peter Kats (sp?) to review payout options (SR, and BL/AC work)

Potentially could do work on restructuring options (e.g. "bad bank")