

Kath McIndoe

From: Chris Mackenzie [Chris.Mackenzie@parliament.govt.nz]
Sent: Monday, 4 February 2008 8:36 a.m.
To: William Peet
Subject: Fw: Attached image data.

Attachments: 63436.pdf



63436.pdf (127 KB)

Regards

Chris

(Chris Mackenzie
Senior Advisor
Deputy Prime Minister's Office
(04) 471 9935 or (021) 799 499)

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cullenphotocopier
@ministers.govt.nz

04/02/2008 08:32
am

To
chris.mackenzie@parliament.govt.nz

cc

Subject
Attached image data.

This is image data from the scanner. (See attached file: 63436.pdf)



Office of Hon Dr Michael Cullen

Deputy Prime Minister

Attorney-General

Minister of Finance

Minister in Charge of Treaty of Waitangi Negotiations

Leader of the House of Representatives

Cam Moore
Chairman
ONTRACK
P O Box 593
WELLINGTON

Dear Cam

I write to confirm the following:

- I have received further briefings on ONTRACK's discussions with Toll, including the notes forwarded to me on 26 January.
- I am comfortable with ONTRACK revising its indicative offer for the equity in the entire Toll NZ business to \$575 million, and an indication to Toll that any final offer is likely to be within 10% of this figure.
- I understand that this offer will not be binding until it is approved by the Government and this will not occur until ONTRACK has negotiated a sale and purchase contract with Toll, and has had access to necessary due diligence information.
- I understand that Toll proposes to retain TranzLink, albeit in a modified form. This transaction structure would be acceptable to the Government. I understand that you propose to negotiate a price reduction from the indicative offer outlined above to reflect the value of the TranzLink business.

Other than the above, my instructions remain as indicated in my letter of 6 December 2007. You should inform Toll that I reserve the right to terminate these negotiations at any time if I view progress as unsatisfactory.

Yours sincerely

Hon Dr Michael Cullen
Minister of Finance