



15 March 2010

The Treasury
1 The Terrace
WELLINGTON 6011

Attention: John Park Team Leader Guarantee Scheme

By email: [Withheld under s9(2)(a)]

**CROWN RETAIL DEPOSIT GUARANTEE EXTENSION APPLICATION –
SOUTH CANTERBURY FINANCE LIMITED**

1. I refer to your email request of 2 March 2010 regarding this matter.
2. You have asked for information from the Registrar of Companies for the purpose of informing your assessment of whether it is necessary or expedient in the public interest for the purposes of the Crown Retail Deposit Guarantee Schemes Act 2009 to enter into a Crown Deed of Guarantee with **South Canterbury Finance Limited** for the purposes of the extension to the Crown Retail Guarantee Scheme (the "Entity").
3. As Registrar of Companies I do not have any regulatory function in respect of the prudential oversight of non bank deposit taker companies in New Zealand. However, in performing my statutory functions, I have knowledge of such companies carrying on business in the financial sector, and in particular those companies that issue debt securities to the public in New Zealand. This is the context in which I am providing this letter.
4. We have considered the following matters in relation to the Entity. We comment on each matter below:
 - Whether the Entity is up to date with it's filing obligations under the Companies Act 1993 - we confirm that the Entity is up to date with these filing obligations.
 - Whether there are any outstanding issues in relation to the registration of a prospectus, or required amendments to a prospectus, by the Entity in terms of the Securities Act 1978 – the current status of the prospectuses for the Entity is that a Memorandum of Amendments to the current prospectus was registered on 2 March 2010. A further Memorandum of Amendments was received by the Registrar on 3 March 2010 and is awaiting registration. There are no outstanding issues on the content of the latter Memorandum but a required accompanying document has not yet been received.

- Whether there are any ongoing inspections under the Companies Act 1993, Corporations (Investigation and Management) Act 1989 or the Securities Act 1978 – we confirm there are no current investigations by the Registrar of Companies under the above-mentioned legislation.
 - Whether any notice has been issued pursuant to section 30 of the Corporations (Investigation and Management) Act 1989 declaring the Entity to be a "corporation at risk" – we confirm that no such notice has been issued.
 - Whether any enforcement action has been initiated against the Entity or any director of the Entity under the Companies Act 1993, the Securities Act 1978 or the Corporations (Investigation and Management) Act 1989 – we confirm that there is no current enforcement action being taken by the Registrar of Companies under the above-mentioned legislation.
5. As you are aware, the Registrar of Companies has in the past had to give attention to this company. The answers given in paragraph 4 above are current as at 15 March 2010. It should be noted that the position has been different in the past, and continues to change frequently. The future position cannot be predicted by the Registrar.
 6. As the information noted above is current only as at the date of this letter, the Registrar will respond to any further specific requests you may have for the information in paragraph 4 above.
 7. The Registrar of Companies does not express any opinion as to whether a Crown Guarantee should be issued and I note that the ultimate decision of whether to give a Crown Guarantee rests within the Treasury.

Yours sincerely

Neville Harris
Registrar of Companies