

## RETAIL DEPOSIT GUARANTEE SCHEME – NOMINATION

### Trustees Executors Limited

Date: 31 August 2010

### Background

Under the retail deposit guarantee scheme announced by the Minister of Finance on 12 October 2008, and as later extended under the Crown Retail Deposit Guarantee Scheme Act 2009, the Crown entered into three separate deeds of guarantee with South Canterbury Finance Limited (“SCF”), dated 19 November 2008, 11 December 2009 and 1 April 2010, respectively (“Guarantees”).

By agreement dated 12 April 1976 (as subsequently amended and/or restated from time to time), SCF entered into a debenture trust deed (“Trust Deed”) with Trustees Executors Limited (“Trustees Executors”). Under the Trust Deed, SCF acknowledges that it has an obligation to pay to Trustees Executors all principal and interest owing under any debt securities that SCF issues pursuant to the terms of the Trust Deed.

Under the Guarantees, the Crown has guaranteed any obligation SCF has to pay money to a Creditor under a Debt Security.

The Crown now wishes to designate Trustees Executors as a Nominated Beneficiary and, thus, as a “Creditor” (as that term is defined in the Guarantees).

### Notice

The Crown gives notice that Trustees Executors, in its capacity as trustee under the Trust Deed, is a Nominated Beneficiary for the purposes of the Guarantees, to the extent that Trustees Executors is acting as trustee under the Trust Deed in respect of debt securities held by a person other than the Crown.

Under this Nomination, the Crown’s liability to Trustees Executors shall be for the total amount that SCF owes to Trustees Executors under the terms of the Trust Deed, provided that that amount does not exceed NZ\$1,800,000,000 (one billion, eight hundred million New Zealand dollars).

For the avoidance of doubt, by virtue of this Nomination, Trustees Executors is a Nominated Beneficiary even if Trustees Executors is:


- (A) a Related Party of SCF; or
- (B) controlled by a Related Party of SCF; or
- (C) a Financial Institution; or
- (D) neither a New Zealand Citizen nor a New Zealand Resident; or
- (E) acting (directly or indirectly) as a nominee of, or trustee for, a Person referred to in (A), (B), (C) or (D) above.

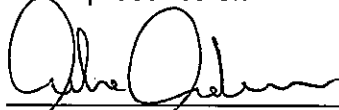
For the further avoidance of doubt, the Crown's liability to Trustees Executors shall include all principal and interest that SCF owes to Trustees Executors in respect of all debt securities issued under the Trust Deed to persons who are not themselves eligible Creditors under the terms of the Guarantees.

For the further avoidance of doubt, Trustees Executors is deemed to have been a Nominated Beneficiary at the time the first Default Event occurred to SCF, even if that first Default Event occurred before the date of this notice.

Capitalised terms used in this Nomination that are not defined in this Nomination have the meaning given to them in the Guarantees.

Her Majesty the Queen in right of  
New Zealand acting by and through  
Gabriel Makhoulf, Deputy Chief  
Executive acting under delegation  
from the Secretary to the Treasury for  
and on behalf of the Minister of Finance  
in the presence of:

  
\_\_\_\_\_  
Gabriel Makhoulf, Deputy Chief Executive  
ACTING SECRETARY TO THE  
TREASURY



Witness' name:

Andre Anderson

Witness' occupation:

Solicitor

Witness' address:

Wellington

Date: 31 August 2010