



A subsidiary of PublicTrust

9 July 2010

**To: The Bondholders**

We refer to the bonds (**Bonds**) issued pursuant to a Deed of Modification and Supplement to Trust Deed Relating to Bonds dated 17 November 2008, supplemental to a Trust Deed Relating to Bonds dated 21 April 2005, in each case between PGG Wrightson Finance Limited (**Issuer**) and New Zealand Permanent Trustees Limited (**Trustee**).

As you will now be aware, the Issuer is proposing to vary the terms of the Bonds so as to:

- allow the Issuer to extend the term of the Bonds, which have a current maturity date of 8 October 2010, by up to 12 months;
- provide a limited opportunity for Bondholders to sell back to the Issuer Bonds up to a certain amount; and
- permit the Issuer to hold Bonds as treasury stock,

**(the Proposal).**

The current maturity date of the Bonds falls within the period covered by the guarantee provided by the Crown dated 8 December 2009. If the maturity date is extended, the maturity date will instead fall within the period covered by the Crown guarantee dated 1 April 2010. There are differences between the two Crown guarantees, in particular the maximum amount which any person can claim under the guarantee. These differences, and other details in relation to the Proposal, are discussed in the short form prospectus (**Prospectus**) and other information provided by the Issuer.

In order for the Proposal to be effective, the Issuer and the Trustee are required to enter into a deed (**the Deed of Variation**) in the form also provided to you. The Trustee may only enter into the Deed of Variation if an Extraordinary Resolution of Bondholders approves the Proposal. This requires not less than 75% of Bondholders voting at the Bondholders' meeting upon a show of hands (or 75% of the votes given on a poll) voting in favour of the Proposal. If the Extraordinary Resolution is passed it will bind all Bondholders and the Conditions of the Bonds will be varied as described above.

As noted above, the Proposal provides a limited opportunity for Bondholders to sell Bonds back to the Issuer. This option relates to Bonds which would not continue to be covered by the Crown guarantee. If the Proposal goes ahead, and the maturity date of the Bonds is extended, you will need to act promptly in order to sell back any Bonds you may hold which would not continue to be covered by the Crown guarantee. The ability to sell those Bonds back to the Issuer is only available for a short time. Details as to how to exercise this option, and when it can be exercised, are in the Prospectus.

As Trustee, we encourage you to read the Prospectus and other material provided to you by the Issuer and to seek advice from your usual financial or legal adviser on any aspects as required.

Yours faithfully

**New Zealand Permanent Trustees Limited**