

29 February 2000

Wellington Regional Council  
142-146 Wakefield Street  
Wellington

### **WRC HOLDINGS – CAPITAL RESTRUCTURING**


- 1 It is proposed that WRC Holdings Limited (“the Company”):
  - issue 15 million ordinary shares for \$1 .00 per share to the Wellington Regional Council (“the Council”) and redeem the 1,200,000 redeemable preference shares issued on 16 August 1991 and the 1,466,600 redeemable preference shares issued on 20 May 1997 for a total of \$14,966,600 (being the total amount due on redemption of those shares);
  - purchase 4.5 million of its own ordinary shares from the Council for \$1 .00 per share upon the repayment by the Council of the \$4.5 million owed to the Company under its current account with the Company, the shares to be purchased being the 100 shares issued on incorporation of the Company, the 1,562,500 issued on each of 7 April 1988 and 7 October 1988 and 1,374,900 of those issued on 7 April 1989; and
  - issue 5 million ordinary shares for \$1 .00 per share to the Council and purchase 5 million of its own ordinary shares from the Council for \$1 .00 per share, the shares to be purchased being 5 million of those issued on 28 March 1994.
- 2 For the purposes of clause 9.1 (Issue of Shares) and clause 14.1 (Acquisition of Own Shares) of the constitution of the Company and section 107 of the Companies Act 1993 (“the Act”), the Company seeks the agreement of the Council as sole entitled person of the Company for the Company to:
  - issue to the Council 20,000,000 ordinary shares in the Company for \$1 .00 per share on a date determined by the Board of Directors of the Company and that the issue of such shares may be otherwise than in accordance with sections 42, 44 or 45 of the Act;

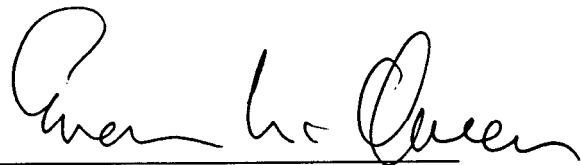
- redeem the 1,200,000 redeemable preference shares issued on 16 August 1991 and the 1,466,600 redeemable preference shares issued on 20 May 1997 on a date determined by the Board of Directors of the Company and that such redemption may be otherwise than in accordance with sections 69 to 72 of the Act; and
  - acquire from the Council 9,500,000 ordinary shares in the Company for \$1 .00 per share (such shares being those as specified above) on a date determined by the Board of Directors of the Company and that the acquisition of such shares may be otherwise than in accordance with sections 58 to 65 of the Act.
3. The Company also seeks the agreement of the Council as the holder of the 1,200,000 redeemable preference shares issued on 16 August 199 1 and the 1,466,600 redeemable preference shares issued on 20 May 1997 that, notwithstanding the terms of issue of those shares, the Company may give less than one month's written notice of its intention to redeem those shares and the date of redemption.

Signed for and on behalf of

**WRC Holdings Limited**

by

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

Accepted and agreed to by

**WELLINGTON REGIONAL COUNCIL**

*by affixing its Common Seal in the presence of:*

\_\_\_\_\_  
*Authorised Person*

*Date:*