

6 March 2009

MASCOT FINANCE LIMITED (IN RECEIVERSHIP) – ‘MASCOT’ OR ‘THE COMPANY’

Following a breach of its trust deed and an extensive review, the Trustee concluded that it was in the best interests of Mascot’s investors and other stakeholders for the company to be placed into receivership. Brett Chambers and I, both Chartered Accountants and partners of Deloitte, were appointed receivers of Mascot on 2 March 2009.

This letter has two purposes:

- To give you a broad outline of how the receivership will work.
- To allow you to confirm Mascot’s records of your investment or, if Mascot’s records are wrong, to get this corrected.

The Receivership

Our role is to act in your best interests. In practise, this means:

- Making sure that Mascot’s loans are managed in a way which sees them either collected as they fall due, or actioned so that the underlying security is dealt with appropriately to maximise realisations within timeframes appropriate to each asset. For example, if we consider that further work to prepare an asset for sale may be appropriate in order to optimise value, we will consider the time, estimated cost and risk associated with this relative to independent estimates of the value that could be added by this course. This may support management of some defaulted loans over an extended period.
- Undertaking our normal examination of pre-receivership matters.
- Remaining in regular communication with the Trustee, advising our intended approaches to receivership matters in principle and updating the Trustee on relevant matters.
- Working with Treasury to ensure that all eligible deposits under the Governments Deposit Guarantee Scheme are confirmed and subsequently paid out.
- Providing ineligible secured and unsecured investors with periodic reports as to progress in the collection of loans, and our estimates of how much we believe ineligible secured and unsecured investors are likely to receive.

For investors that are ineligible under the Governments Deposit Guarantee Scheme we know that our first estimate of the likely payment to investors is very important to you and that you will want this information as quickly as possible. We need to review Mascot’s loans carefully before we provide you with an estimate.

We do not believe that simply relying on the figures prepared by the company prior to the receivership would be doing the job that you expect of us.

Communication and Frequently Asked Questions

We established a receivership website at the time of our appointment located on the Mascot web site www.mascot.co.nz and will post communications and other matters of relevance to investors on this site. A list of frequently asked questions posted to the website when we were appointed has been sent to you with a letter from Perpetual Trust. You can also use this website as a convenient means of asking questions related to Mascot (by emailing enquiry@mascot.co.nz) or, if you prefer, you can call the investor information phone number on number 0800 MASCOT (0800 627 268).

We have attached a form which we want you to check, confirm (or correct) and return to us in the pre-paid envelope provided. This form has your investor number, what Mascot's records show as your current name and address details, and the total principal investment amount as shown in the table on the following page.

If the details on the form are correct, please sign the final page of this letter and return it to us. If you believe they are incorrect, please make the required changes on the form, tick the appropriate box and send it back to us. If you believe the total principal balance is wrong, please also send copies of any relevant supporting documents.

If you have any questions that you would like addressed, please use the email address enquiry@mascot.co.nz or leave a message on phone number 0800 MASCOT (0800 627 268).

Yours faithfully

MASCOT FINANCE LIMITED (IN RECEIVERSHIP)



Paul Munro
Receiver

Mascot Finance Limited (In Receivership)

■ Confirmation of Your Investment Details

Mascot's records show that your principal investments with Mascot are:

CERT. NO	MATURITY	SECURED / UNSECURED	PRINCIPAL BALANCE
Total Principal Balance			



Mascot Finance Limited (In Receivership)

■ *PLEASE COMPLETE THIS PAGE AND RETURN TO US*

Investor Confirmation

Client Number:

Contact Details:

*(If your contact details are incorrect
please put correct details in here)*

Name:		
Address:		
Phone:		

In response to the letter to investors dated 6 March 2009.

(Please tick the appropriate box)

Either:

<input type="checkbox"/>	I agree that Mascot's records are correct and my total principal investment in Mascot is
--------------------------	--

Or:

<input type="checkbox"/>	I advise that Mascot's records appear to be incorrect. The correct total principal investment is \$ <i>(Please attach your reasons with copies of relevant documents)</i>
--------------------------	--

Investor's Name: _____

Investor's Signature: _____

Date: _____

DO NOT WRITE IN THIS SECTION

Received:	Copy to change contact details	Agrees to Mascot's records
		Y/N