

28 March 2013

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Dear Mr Vaughan

OFFICIAL INFORMATION ACT REQUEST

We refer to your request for information set out in your email dated 11 March 2013. You have requested information concerning the issue of bonds by Solid Energy. On 13 March you requested further information regarding the financial covenants contained in the bonds.

Solid Energy has issued three Medium Term Notes (**Notes**) to wholesale investors totalling \$95 million. The Notes are unlisted, unsubordinated and unsecured. The first Note was issued in December 2009 for \$20m, the second Note was issued in March 2011 for \$50m and the third Note was issued in November 2012 for \$25m. The maturity dates for each of the Notes is 7 December 2016, 29 March 2018 and 12 November 2019 respectively. The monies raised have been used for general operational purposes.

Solid Energy does not agree to release the names of the holders, the interest rates for each of the Notes or the details of the covenants contained in the Notes. This information is commercially sensitive and is withheld in accordance with:

- (i) section 9(2)(a) of the Official Information Act (**Act**)– protect the privacy of natural persons;
- (ii) section 9(2)(b)(ii) of the Act – Protect information where making available the information would be likely unreasonably to prejudice the commercial position of the person who is the subject of the information;
- (iii) section 9(2)(i) of the Act – to enable an organisation holding the information to carry out, without prejudice or disadvantage, commercial activities; and
- (iv) section 9(2)(j) of the Act – to enable an organisation holding the information to carry on, without prejudice or disadvantage, negotiations.

In making the decision to withhold the information set out above Solid Energy has considered whether withholding this information is outweighed by other considerations which render it desirable, in the public interest, to make the information available. Solid Energy does not believe this to be the case.

Under section 28(3) of the Act you are entitled to seek an investigation and review of the above decisions by writing to the Ombudsman.

Yours sincerely



Rob Page
SENIOR SOLICITOR