

Harry Farrell

From: Commane, Lisa
Sent: 07 December 2012 11:52
To: West, Chris; Forde, Christine
Cc: Hastie, Barry
Subject: to pick up in Pinsents call and summary of informal Cabinet briefing today - commercial in confidence

Categories: Relevant

Pinsents

Need to find out what CCFC would need to do re football league to move to a new home?

Briefing

Endorsement to have the media war and go on the attack with SISU
Martin briefed that he has briefed Editor of ET on the ACL rent offer – Cabinet supportive
Understand that Joy is not going to “give in” and is going on the attack to try to seize the debt and the asset and control of ACL. She has made a counter offer to YB for the debt.
Ann Lucas said Chris and Martin have full Cabinet support and the risk is the Cabinet’s and that they will not hang Chris and Martin out to dry. Other Members present agreed
We need to start talking about SISU’s intentions being a takeover bid rather than just rent in the media

Meeting with Bank – Member authority given to say CCC will not/never do a deal with SISU
Chris briefed on the worst case scenario – that the Council may have to buy out the loan at a level ACL where ACL may still struggle to service the Council’s debt
Members support to just getting hold and control of the asset, but do understand that at top end of buy out ACL assumptions on ACL’s ability to cut costs/grow business will be needed
Members support going on the offensive around SISU wanting to get hold of the asset that was paid for with public funds
They do understand we may get into a bidding war with SISU
They do understand that the Bank has a lot of control and that they can choose to sell the debt to who they like

Chris explained the hedge. What if SISU do a deal with the Counterparty that owns the Hedge...we were clear that we think ACL consent is needed to sell on the hedge – however Joy may have a way to get around this and purchase the hedge though without consent.

Very clear that there are issues with ACL’s ability to service the debt and there may be some risk and that we are doing more work on this today

We have to think about what an exit strategy may look like – does the Council want to continue to own its stake in the medium term and potentially pump more money in

Are we talking to Richard Keys?

Lisa Commane