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To **Privileged and confidential**  
Morgan Kelly  
Liquidator Date 25 June 2019

From Ian Sutherland

cc Philip Quinlan  
Liquidator

**Halifax Investment Services Pty Limited (In Liquidation) ("Halifax AU")**

**Halifax New Zealand Limited (In Liquidation) ("Halifax NZ")**

**Together the "Halifax Group"**

**Case Study Memorandum**

## Introduction

1. This memorandum is intended to be read in conjunction with the Voluntary Administrators' Report to Creditors in relation to Halifax AU dated 12 March 2019 the Voluntary Administrators' Report to Creditors in relation to Halifax NZ dated 14 March 2019 (the **VA Reports**) and the memorandum concerning funds flow (**Funds Flow Memorandum**) which I have prepared and which provides an outline of investigations and work that has been undertaken to date to determine the extent of the commingling of investor funds across the Halifax Group accounts.
2. Defined terms used in the VA Reports and the Funds Flow Memorandum documents have the same meaning in this document.
3. All amounts in this memorandum are in Australian Dollars unless indicated otherwise.
4. This memorandum is concerned with whether it is possible to identify and trace individual investor's deposits into funds held in relation to the IB AU, IB NZ, MT4 and MT5 platforms. I have considered this on the basis of certain case studies which have involved the review of source documentation behind each step of an Investor's lifecycle, including the original opening of an account, deposits of investor funds, credit to the trading platforms, trading on the platforms and redemption of investor's funds.
5. My investigations (which are outlined in the Funds Flow Memorandum) have identified that the majority of funds held on behalf of investors (Client Monies) were held in commingled accounts, meaning they were held in and operated as a single mixed fund.
6. My investigations outlined in the Funds Flow Memorandum further outline that that single mixed fund was in deficiency, either when each deposit went into that fund or become



deficient at a later point in time.

7. My investigations which are outlined in this memorandum have determined that it is not feasibly practical to trace the majority of individual client deposits considered in the case studies, as funds have been deposited or transferred into this deficient single mixed fund. This means that these deposits cease to be feasibly traceable to any individual client.
8. I have, however, identified two possible categories of clients which may be able to be feasibly traced:
  - a. Clients who transferred stocks into IB through other stockbrokers, and have not sold or traded the stocks; and
  - b. Potentially, client deposits where a similar or the same amount of funds were transferred into IB on the same date. However, issues arise with tracing such deposits where the deposit was made or transferred from (or to) a commingled account which is part of the single deficient mixed fund, meaning the deposit appears to have ceased to be feasibly traceable to the entitlement on the part of the individual client.
9. In preparing this memorandum, I have used documents prepared by employees of the Halifax Group (**Halifax Employees**), together with relevant bank statements (sourced directly from the banks).
10. The Halifax Employees have generated information from the following sources:
  - a. InfusionSoft customer relationship management (**CRM**) system;
  - b. The ACT database (an offline CRM system maintained by Halifax AU);
  - c. Bank accounts of the Halifax Group;
  - d. IB;
  - e. MT4 and MT5 platforms; and
  - f. Various spreadsheets maintained by the Halifax Employees
11. All conclusions drawn in this memorandum are based on the information presently available and the investigations conducted to date by myself and my team. This information is subject to change should further information be provided or further investigations be undertaken.

## **Overview of investor lifecycle process**

12. I have undertaken work to review source documents relating to specific clients to identify whether deposits from particular clients are able to be traced into their account on the IB AU, IB NZ, MT4 or MT5 platforms.
13. To undertake this exercise, I witnessed the processes that the Halifax Employees undertook throughout the entire investor lifecycle, including the opening of an account, deposits into the account, credits to the trading platform, placing of trades and client redemptions (**Investor Lifecycle**). I witnessed the Halifax Employees generate these source documents for a sample of MT4, MT5, IB AU and IB NZ clients from the sources outlined in paragraph 10 above.
14. I instructed the Halifax Employees to select at random clients fitting into the following categories:



- a. MT4, MT5, IB AU and IB NZ clients who transferred funds in and out of these platforms prior to June 2016, in around February 2017 and in September/October 2018;
  - b. An example of the account opening/flow of funds in circumstances where a client has transferred their holdings from another broker for the periods of June 2016, February 2017 and September/October 2018;
  - c. A client who has deposited and redeemed funds through the Chinese Merchant Facilities;
  - d. A client who deposited funds into the BWA Merchant Account;
  - e. A client who deposited funds into one of the Various NAB Foreign Currency Accounts;
  - f. A client who opened their account and deposited funds prior to June 2016 and has made various deposits, withdrawals and trades post June 2016;
  - g. A New Zealand client who invested through the MT4 platform;
  - h. A New Zealand client who invested through the MT5 platform;
  - i. A New Zealand client who invested through the IB AU platform; and
  - j. Certain specific clients who have been in regular communication with the Liquidators (i.e. not random investors).
15. Through this exercise, the Halifax Employees selected 41 clients. I then requested that the Halifax Employees compile all documents relating to the Investor Lifecycle (limiting documentation relating to client deposits to one deposit per client).
16. In reviewing the 41 case studies prepared by the Halifax Employees, I have excluded several from this memorandum for the following reasons:
- a. Some clients that were randomly selected are no longer clients of the Halifax Group, and therefore are unaffected by the Court application. Although they have not been included in this memo, I can confirm that the information contained in the case studies for those ex-clients and the conclusions drawn do not differ from the final case studies presented in this memorandum; and
  - b. Some source information, particularly around account opening processes, is not available for certain clients. As a result the case studies for those clients were not complete. Although these clients have not been included in this memorandum, I confirm that the critical information required to assess the ability to trace investor deposits (in particular bank statements and evidence of the trading platforms being credited) was available. Despite the absence of some documents, I was able to complete these case studies to a sufficient level of detail for me to conclude that the outcome of those case studies and the conclusions drawn do not differ materially from the final case studies presented in this memorandum.
17. Once the case studies described in paragraph 16 were excluded, 20 finalised case studies remained (the **Case Studies**).
18. The general process for each stage of the Investor Lifecycle is as follows:

Stage	Process
<b>Account opening</b>	<ol style="list-style-type: none"> <li>1. Client is sent a link to apply for an account through Infusionsoft. The client enters their personal information directly into Infusionsoft.</li> <li>2. The Halifax Admin team (<b>Admin Team</b>) ensures that all appropriate information is collected (including trust deeds where appropriate).</li> <li>3. The Admin Team undertakes an ID check.</li> <li>4. Client details are entered into the ACT database.</li> <li>5. Client details are entered into a spreadsheet maintained by the Admin Team.</li> <li>6. Account set up either in the IB AU platform, IB NZ platform, MT4 platform or MT5 platform:               <ol style="list-style-type: none"> <li>a. With respect to the IB AU and the IB NZ platforms, only limited information is entered into IB in order for IB to generate a U-Number.</li> <li>b. With respect to the MT4 and MT5 platforms, a new account is entered into the platform by the Admin Team and an account number is generated by Halifax AU.</li> </ol> </li> <li>7. A welcome email is sent to the client.</li> </ol>
<b>Client deposit</b>	<p>The process for client deposits varies by client and is outlined in further detail on a client by client basis.</p>
<b>Credit to platform</b>	<p>The process for crediting the platforms varies by client and is outlined in further detail on a client by client basis.</p> <p>In relation to IB Clients, it appears as though IB Client Sub-Accounts on the IB platform were credited from the IB AU Master Account or IB NZ Master Account with no corresponding transfer to the platform of the funds deposited by a client. This appears to have occurred in order to facilitate an investment being made without waiting for the client's funds to clear or to be transferred to a trading platform account.</p> <p>It appears as though the MT4 and MT5 platform was credited upon receipt of a client deposit into a Halifax Group controlled account.</p>
<b>Client places trade</b>	<p>Trades are executed on the IB and the MT4 / MT5 platforms by the client. All trades are outlined on account statement reports.</p> <p>All trades on the IB platform are executed within IB. There is no further information available beyond the account statement reports.</p> <p>Trades on the MT4 and MT5 platforms are at times hedged either in the IB Prop Account (held with IB) or through an external hedging provider.</p>
<b>Redemption process</b>	<p>A client sends an email to the Halifax Treasury Team requesting redemption. The process varies by client and is outlined in further detail on a client by client basis.</p>

## Summary of each case study

19. Outlined below is a summary of each Case Study, including the key conclusions. When I refer to tracing of funds being feasible, I am outlining whether it is feasible to trace a client's deposit beyond the commingled accounts subject to the deficiency in client funds held in one of the Halifax Group accounts relevant to the individual platform.

Annexure	Client number	Category	Tracing of funds feasible?	Key comments
B1	██████	IB investor	✗	Tracing of funds is not feasible as funds go into the commingled IB Allocated Account.
B2	██████	MT4 / MT5 investor	✗	Tracing of funds is not feasible as funds go into the commingled Halifax Pro Allocated Account.
B3	██████	MT4 / MT5 investor	✗	Tracing of funds is not feasible as funds go into the commingled Halifax Pro Allocated Account.
B4	██████	MT4 / MT5 investor	✗	Tracing of funds is not feasible as funds go into the commingled Halifax Pro Allocated account.
B5	██████	MT4 / MT5 investor	✗	Tracing of funds is not feasible as funds go into the commingled Halifax Pro Allocated account.
B6	██████	IB NZ investor	✗	Tracing of funds is not feasible as funds go into the commingled ANZ HNZ Account.
B7	██████	IB investor	✗	Tracing of funds is not feasible as funds go into the commingled Halifax Pro Allocated Account.
B8	██████	IB investor	✗	Tracing of funds is not feasible as funds go into the commingled IB Allocated Account.
B9	██████	MT4 / MT5 investor	✗	Tracing of funds is not feasible as funds go into commingled Halifax Pro Allocated account.
B10	██████	IB investor – transfer from another broker	✓	Stock transferred in through another broker and does not appear to go through the IB AU Master Account or any other Halifax controlled commingled account, so can potentially be traced.
B11	██████	IB investor – transfer from another broker	✓	Stock transferred in through another broker and does not appear to go through the IB AU Master Account or any other Halifax controlled commingled account, so can potentially be traced.
B12	██████	IB investor – entire lifecycle of investor	✗	Tracing of funds is not feasible as funds go into commingled IB Allocated Account.
B13	██████	IB investor – transfer from Foreign Currency account	Potentially	Transfer to IB AU Master Account for same value of deposit made on the same date. Potentially linked to the client's deposit. Potentially not practically feasible to trace due to transfer from commingled IB AU Master Account.

B14	██████	IB investor – Foreign Currency Account and transfer from another broker	✓	Stock transferred in through another broker and does not appear to go through the IB NZ Master Account or any other Halifax controlled commingled account so can potentially be traced.
B15	██████	IB investor – Unallocated Funds	✗	Funds traced into the Unallocated Account, but once they were identified, funds were transferred into the commingled IB Allocated Account.
B16	██████	IB NZ investor	✗	Tracing of funds is not feasible as funds go into the commingled ANZ HNZ Account.
B17	██████	NZ MT4 investor	✗	Tracing of funds is not feasible as funds go into the commingled ANZ HNZ Account.
B18	██████	IB Investor	Potentially	Transfer to the IB NZ Master Account for a similar value of deposit made on the same date. Potentially linked to the client's deposit. Potentially not practically feasible to trace due to transfer from commingled IB AU Master Account.
B19	██████	MT5 investor	✗	Tracing of funds is not feasible as funds go into the commingled Halifax Pro Allocated Account.
B20	██████	Chinese investor	✗	Tracing of funds is not feasible as funds go into the commingled Halifax AU NAB USD Account.

20. Through this work, it has become evident that tracing of the majority of client deposits to funds held on the MT4, MT5 and IB platforms is not practically feasible. However, I have identified two possible categories of clients which may be able to be traced:

- a. Clients who transferred stocks into IB through other stockbrokers (for example, clients ██████, ██████ and ██████); and
- b. Client deposits where a similar or the same amount of funds were transferred into IB on the same date (for example, clients ██████ and ██████). However, due to the transfer coming from the commingled IB AU Master Account, which is part of the deficient single mixed fund, it may not be practically feasible to trace the deposit to the individual client.

21. In addition, we have previously identified clients who deposited funds into IB prior to there being a deficiency in Client Moneys as a potential category of investors. From the information contained in the Case Studies and my investigations into the operation of the accounts and flow of funds in the Halifax Group, I am of the view that these investors are unlikely to be traceable, however given IB holds funds segregated in client accounts, if the funds were held prior to there being a deficiency it could be argued that those investors are not affected by the deficiency.

22. For each of those clients referred to in paragraphs 20a and 20b above, I have expanded our analysis to look at all deposits, redemptions and trades over the course of the client's investment with Halifax to identify the quantum of potentially traceable assets which may remain at today's date. Although these amounts may be traceable when originally



deposited into the platforms, this analysis has identified several complexities associated with tracing what funds remain as at today's date, including:

- a. How subsequent currency exchanges are dealt with;
- b. How any revenue earned from traceable assets may be dealt with; and
- c. The order in which assets held by clients are sold (i.e. if some stocks are traceable and some are not, whether the traceable or non-traceable stocks are sold first).

### **Detailed explanation of each Case Study**

23. A more detailed analysis of each Case Study is outlined over the following pages. The elements of which indicate:

- a. amounts that are not feasible to be traced are underlined and with the words "**NOT TRACEABLE**" added in the "Key Conclusion" column; and
- b. amounts that indicate traceable aspects are underlined and with the words "**POTENTIALLY TRACEABLE**" added in the "Key Conclusion" column.



Annexure	Client number	Platform and CSA	Welcome email	Client deposit process	Crediting of platform	Redemption	Key Conclusion
B1	[REDACTED]	Australian CSA. IB AU platform.	Issued by Kim Adie with Halifax Investment Services noted.	<ul style="list-style-type: none"> <li>Client deposited funds into the IB Suspense Account.</li> <li><u>Funds transferred to IB Allocated Account (commingled account).</u></li> </ul>	IB Platform credited from the IB AU Master Account, with no transfer between the Halifax Group controlled accounts and the IB AU Master Account.	<ul style="list-style-type: none"> <li>Funds transferred from the client's IB account to the IB AU Master Account.</li> <li>No transfer of funds from the IB AU Master Account to the IB Allocated Account.</li> <li>Funds transferred from the IB Allocated Account to the investor.</li> </ul>	<ul style="list-style-type: none"> <li>Confirms previous assumptions on investor funds flow.</li> <li><u>Funds paid into commingled IB Allocated Account - NOT TRACEABLE.</u></li> <li>Not practically feasible to trace funds from client into the IB AU platform (with client's IB account credited from the IB AU Master Account).</li> </ul>
B2	[REDACTED]	Australian CSA. MT4.	Issued by Stella Li with Halifax Investment Services noted.	<ul style="list-style-type: none"> <li>Client deposited funds into the Halifax Pro Suspense Account.</li> <li><u>Funds transferred to Halifax Pro Allocated Account (commingled account).</u></li> </ul>	MT4 platform credited upon funds being transferred into the Halifax Pro Allocated Account. No movement of funds.	<ul style="list-style-type: none"> <li>Balance deducted from the MT4 account.</li> <li>Funds transferred from Halifax Pro Allocated Account to the investor.</li> </ul>	<ul style="list-style-type: none"> <li>Confirms previous assumptions on client funds flow.</li> <li><u>Funds paid into the commingled Halifax Pro Allocated Account - NOT TRACEABLE.</u></li> </ul>





Annexure	Client number	Platform and CSA	Welcome email	Client deposit process	Crediting of platform	Redemption	Key Conclusion
B3	[REDACTED]	Australian CSA. MT4.	Issued by Pradika Ghimire with Halifax Investment Services noted.	<ul style="list-style-type: none"> <li>Client deposited funds into the Halifax Pro Suspense Account.</li> <li><u>Funds transferred to Halifax Pro Allocated Account (commingled account).</u></li> </ul>	MT4 platform credited upon funds being transferred into the Halifax Pro Allocated Account. No movement of funds.	<ul style="list-style-type: none"> <li>Balance deducted from MT4 account.</li> <li>Funds transferred from Halifax Pro Allocated Account to the investor.</li> </ul>	<ul style="list-style-type: none"> <li>Confirms previous assumptions on client funds flow.</li> <li><u>Funds paid into commingled Halifax Pro Allocated Account - NOT TRACEABLE.</u></li> </ul>
B4	[REDACTED]	Australian CSA. MT4.	Issued by Pradika Ghimire with Halifax Investment Services noted.	<ul style="list-style-type: none"> <li>Client deposited funds into the Halifax Pro Suspense Account.</li> <li><u>Funds transferred to Halifax Pro Allocated Account (commingled account).</u></li> </ul>	MT4 platform credited upon funds being transferred into the Halifax Pro Allocated Account. No movement of funds.	N/a - no redemptions.	<ul style="list-style-type: none"> <li>Confirms previous assumptions on client funds flow.</li> <li><u>Funds paid into commingled Halifax Pro Allocated Account - NOT TRACEABLE.</u></li> </ul>
B5	[REDACTED]	Australian CSA. MT5.	Issued by the Admin Team with Halifax Investment Services noted.	<ul style="list-style-type: none"> <li>Client deposited funds into the Saxo Suspense Account.</li> <li><u>Funds transferred to Halifax Pro Allocated Account (commingled account).</u></li> </ul>	MT5 platform credited upon funds being transferred into the Halifax Pro Allocated Account. No movement of funds.	<ul style="list-style-type: none"> <li>Balance deducted from MT5 account.</li> <li>Funds transferred from Halifax Pro Allocated Account to the investor.</li> </ul>	<ul style="list-style-type: none"> <li>Confirms previous assumptions on client funds flow.</li> <li><u>Funds paid into commingled Halifax Pro Allocated Account - NOT TRACEABLE.</u></li> </ul>



Annexure	Client number	Platform and CSA	Welcome email	Client deposit process	Crediting of platform	Redemption	Key Conclusion
B6	[REDACTED]	NZ CSA. IB NZ platform.	Issued by the Admin Team with Halifax Investment Services noted.	<ul style="list-style-type: none"><li><u>Client deposited funds into the ANZ HNZ Account (commingled account).</u></li></ul>	IB NZ credited upon funds being received into the ANZ HNZ Account.	<ul style="list-style-type: none"><li>Balance deducted from IB NZ account.</li><li>Funds transferred from ANZ HNZ Account to the investor.</li></ul>	<ul style="list-style-type: none"><li>Confirms previous assumptions on client funds flow.</li><li><u>Funds paid into commingled ANZ HNZ Account - NOT TRACEABLE.</u></li><li>Not practically feasible to trace funds from client into the IB platform (with IB account credited from IB NZ Master Account).</li></ul>



Annexure	Client number	Platform and CSA	Welcome email	Client deposit process	Crediting of platform	Redemption	Key Conclusion
B7	[REDACTED]	Australian CSA. IB AU platform.	Issued by Kim Adie with Halifax Investment Services noted.	<ul style="list-style-type: none"><li>• <u>Client deposited funds into the Halifax Pro Suspense Account (incorrect account).</u></li><li>• <u>Funds transferred to Halifax Pro Allocated Account (commingled account).</u></li></ul>	IB platform credited from IB AU Master Account, with no transfer between Halifax Group controlled accounts and IB AU Master Account.	N/A – no redemptions.	<ul style="list-style-type: none"><li>• <b>Confirms previous assumptions on client funds flow.</b></li><li>• Funds paid into Halifax Pro Suspense Account incorrectly.</li><li>• <u>Funds paid into commingled Halifax Pro Allocated Account - <b>NOT TRACEABLE.</b></u></li><li>• Not practically feasible to trace funds from client into IB platform (with client IB account credited from IB AU Master Account).</li></ul>



Annexure	Client number	Platform and CSA	Welcome email	Client deposit process	Crediting of platform	Redemption	Key Conclusion
B8	[REDACTED]	Australian CSA. IB AU platform.	Issued by Kim Adie with Halifax Investment Services noted.	<ul style="list-style-type: none"><li>Client deposited funds into the IB Suspense Account.</li><li><u>Funds transferred to IB Allocated Account (commingled account).</u></li></ul>	IB Platform credited from IB AU Master Account, with no transfer between Halifax controlled accounts and IB AU Master Account.	<ul style="list-style-type: none"><li>Funds transferred from client's IB account to IB AU Master Account.</li><li>No transfer of funds from IB AU Master Account to IB Allocated Account.</li><li>Funds transferred from IB Allocated Account to the investor.</li></ul>	<ul style="list-style-type: none"><li><b>Confirms previous assumptions on client funds flow.</b></li><li><u>Funds paid into commingled IB Allocated Account - NOT TRACEABLE.</u></li><li>Not practically feasible to trace funds from client into the IB platform (with client's IB account credited from IB AU Master Account).</li></ul>
B9	[REDACTED]	Australian CSA. MT5.	Issued by Pradika Ghimire with Halifax Investment Services noted.	<ul style="list-style-type: none"><li>Client deposited funds into the Saxo Suspense Account.</li><li><u>Funds transferred to Halifax Pro Allocated Account (commingled account).</u></li></ul>	MT5 platform credited upon funds being transferred into the Halifax Pro Allocated Account. No movement of funds.	<ul style="list-style-type: none"><li>Balance deducted from MT5 account.</li><li>Funds transferred from Halifax Pro Allocated Account to the investor.</li></ul>	<ul style="list-style-type: none"><li><b>Confirms previous assumptions on client funds flow.</b></li><li><u>Funds paid into commingled Halifax Pro Allocated Account - NOT TRACEABLE.</u></li></ul>



Annexure	Client number	Platform and CSA	Welcome email	Client deposit process	Crediting of platform	Redemption	Key Conclusion
B10	[REDACTED]	Australian CSA. IB AU platform.	Issued by Kim Adie with Halifax Investment Services noted.	<ul style="list-style-type: none"> <li>• <a href="#">Stock transferred from Commsec directly into the IB Platform.</a></li> </ul>	IB Platform credited when stock received.	<ul style="list-style-type: none"> <li>• Funds transferred from client's IB account to IB AU Master Account.</li> <li>• No transfer of funds from IB AU Master Account to IB Allocated Account.</li> <li>• Funds transferred from IB Allocated Account to investor.</li> </ul>	<ul style="list-style-type: none"> <li>• <a href="#">POTENTIALLY TRACEABLE to the extent stock which was transferred from another broker is still held.</a></li> </ul>
B11	[REDACTED]	NZ CSA. IB AU platform.	Issued by Kim Adie with Halifax Investment Services noted.	<ul style="list-style-type: none"> <li>• <a href="#">Stock transferred from Commsec directly into IB.</a></li> <li>• Funds paid into IB Suspense Account.</li> <li>• <a href="#">Funds transferred to IB Allocated Account (commingled account).</a></li> </ul>	<ul style="list-style-type: none"> <li>• IB platform credited when stock received and cash received into IB Allocated Account.</li> </ul>	<ul style="list-style-type: none"> <li>• Funds transferred from client's IB account to IB Master Account.</li> <li>• No transfer of funds from IB AU Master Account to IB Allocated Account.</li> <li>• Funds transferred from IB Allocated Account to client.</li> </ul>	<ul style="list-style-type: none"> <li>• <a href="#">POTENTIALLY TRACEABLE to the extent stock which was transferred from another broker is still held.</a></li> <li>• <a href="#">Cash funds paid into commingled IB Allocated Account - NOT TRACEABLE.</a></li> <li>• Not practically feasible to trace funds from client into IB platform (with client's IB account credited from IB AU Master Account).</li> </ul>



Annexure	Client number	Platform and CSA	Welcome email	Client deposit process	Crediting of platform	Redemption	Key Conclusion
B12	[REDACTED]	Australian CSA. IB AU platform.	Issued by Pradika Ghimire with Halifax Investment Services noted.	<ul style="list-style-type: none"><li>Client deposited funds into the IB Suspense Account.</li><li><u>Funds transferred to IB Allocated Account (commingled account).</u></li></ul>	IB platform credited when cash received into IB Allocated Account.	<ul style="list-style-type: none"><li>Funds transferred from client's IB account to IB AU Master Account.</li><li>No transfer of funds from IB AU Master Account to IB Allocated Account.</li><li>Funds transferred from IB Allocated Account to client.</li></ul>	<ul style="list-style-type: none"><li><b>Confirms previous assumptions on client funds flow.</b></li><li><u>Funds paid into commingled IB Allocated Account - NOT TRACEABLE.</u></li><li>Not practically feasible to trace funds from client into IB platform (with client's IB account credited from IB AU Master Account).</li></ul>



Annexure	Client number	Platform and CSA	Welcome email	Client deposit process	Crediting of platform	Redemption	Key Conclusion
B13	[REDACTED]	NZ CSA. IB NZ platform.	Issued by Halifax Admin with Halifax Investment Services noted.	<ul style="list-style-type: none"><li>Client deposited funds into the NAB HKD Account (Foreign Currency Account).</li><li><a href="#">Transfer of the same amount into IB NZ Master Account on the same date.</a></li></ul>	IB platform credited when cash received into NAB HKD Account.	N/A – no redemptions.	<ul style="list-style-type: none"><li><a href="#">A transfer into IB NZ Master Account occurs on the same date funds are received from the client into Foreign Currency Account. This transfer could be viewed as being linked to this client - POTENTIALLY TRACEABLE.</a></li><li><a href="#">Issue that funds were transferred from an account that was part of the single mixed fund that was in deficit, such that it may not be practically feasible to trace the deposit to the individual client.</a></li></ul>



Annexure	Client number	Platform and CSA	Welcome email	Client deposit process	Crediting of platform	Redemption	Key Conclusion
B14	[REDACTED]	NZ CSA. IB NZ platform.	Issued by Halifax Admin with Halifax Investment Services noted.	<ul style="list-style-type: none"> <li>• <a href="#">Stock transferred from broker directly into IB.</a></li> <li>• <a href="#">Funds paid into NAB USD Account (commingled account).</a></li> </ul>	IB platform credited when stock received and cash received into NAB USD Account.	N/A – no redemptions	<ul style="list-style-type: none"> <li>• <a href="#">POTENTIALLY TRACEABLE to the extent that stock, which was transferred from another broker is still held.</a></li> <li>• <a href="#">Cash funds paid into commingled NAB USD Account - NOT TRACEABLE.</a></li> <li>• Not practically feasible to trace funds from client into IB platform (with client's IB account credited from IB NZ Master Account).</li> </ul>
B15	[REDACTED]	Australian CSA. IB AU platform.	Issued by Kim Adie with Halifax Investment Services noted.	<ul style="list-style-type: none"> <li>• Client deposited funds into the IB Suspense Account.</li> <li>• Funds originally not identified and transferred to Unallocated Account.</li> <li>• <a href="#">Funds subsequently identified and transferred to IB Allocated Account (commingled account).</a></li> </ul>	IB platform credited when funds identified and transferred to IB Allocated Account.	<ul style="list-style-type: none"> <li>• Funds transferred from client IB account to IB AU Master Account.</li> <li>• No transfer of funds from IB AU Master Account to IB Allocated Account.</li> <li>• Funds transferred from IB Allocated Account to client.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Confirms previous assumptions on client funds flow.</b></li> <li>• <a href="#">Funds paid into commingled IB Allocated Account - NOT TRACEABLE.</a></li> <li>• Not practically feasible to trace funds from client into IB platform (with client's IB account credited from IB AU Master Account).</li> </ul>





Annexure	Client number	Platform and CSA	Welcome email	Client deposit process	Crediting of platform	Redemption	Key Conclusion
B16	[REDACTED]	NZ CSA. IB NZ platform.	Issued by Halifax Admin with Halifax Investment Services noted.	<ul style="list-style-type: none"><li><a href="#">Client deposited funds into the ANZ HNZ Account (commingled account).</a></li></ul>	IB NZ platform credited upon funds being received into the ANZ HNZ Account.	<ul style="list-style-type: none"><li>N/A – no redemptions.</li></ul>	<ul style="list-style-type: none"><li>Confirms previous assumptions on client funds flow.</li><li><a href="#">Funds paid into commingled ANZ HNZ Account - NOT TRACEABLE.</a></li></ul>
B17	[REDACTED]	NZ CSA. MT4.	Issued by Stella Li with Halifax Investment Services noted.	<ul style="list-style-type: none"><li><a href="#">Client deposited funds into the ANZ HNZ Account (commingled account).</a></li></ul>	MT4 platform credited upon funds being received into the ANZ HNZ Account.	Payment made out of ANZ HNZ Account.	<ul style="list-style-type: none"><li>Confirms previous assumptions on client funds flow.</li><li><a href="#">Funds paid into commingled ANZ HNZ Account - NOT TRACEABLE.</a></li></ul>



Annexure	Client number	Platform and CSA	Welcome email	Client deposit process	Crediting of platform	Redemption	Key Conclusion
B18	[REDACTED]	NZ CSA. IB AU platform	Issued by Pradika Ghimire with Halifax Investment Services noted.	<ul style="list-style-type: none"> <li>Client deposited funds into the ANZ HNZ Account.</li> <li><a href="#">Transfer of the similar amount into IB NZ Master Account on the same date.</a></li> </ul>	IB platform credited when cash received into ANZ HNZ Account.	<ul style="list-style-type: none"> <li>Funds transferred from client's IB account to IB NZ Master Account.</li> <li>No transfer of funds from IB NZ Master Account to IB Allocated Account.</li> <li>Funds transferred from IB Allocated Account to client.</li> </ul>	<ul style="list-style-type: none"> <li><a href="#">A transfer into IB NZ Master Account for a similar amount occurs on the same date funds are received from client. This transfer could be viewed as being linked to this client - POTENTIALLY TRACEABLE.</a></li> <li><a href="#">Issue that funds were transferred from an account that was part of the single mixed fund that was in deficit, such that it may not be practically feasible to trace the deposit to the individual client.</a></li> </ul>
B19	[REDACTED]	Australian CSA. MT5.	Unable to be located.	<ul style="list-style-type: none"> <li>Client deposited funds into the Halifax Pro Suspense Account.</li> <li><a href="#">Funds transferred to Halifax Pro Allocated Account (commingled account).</a></li> </ul>	MT5 platform credited upon funds being transferred into Halifax Pro Allocated Account. No movement of funds.	N/A - no redemptions	<ul style="list-style-type: none"> <li><b>Confirms previous assumptions on client funds flow.</b></li> <li><a href="#">Funds paid into commingled Halifax Pro Allocated Account - NOT TRACEABLE.</a></li> </ul>



Annexure	Client number	Platform and CSA	Welcome email	Client deposit process	Crediting of platform	Redemption	Key Conclusion
B20	[REDACTED]	Chinese CSA. MT5.	From New Account China noting both Halifax China and Halifax Investment Services.	<ul style="list-style-type: none"><li>Client deposited funds into the Chinese Merchant Providers.</li><li><u>Funds transferred to NAB USD Account (commingled).</u></li></ul>	MT5 platform credited upon funds being received into NAB USD Account.	Insufficient documentation to outline full process. Payment made through Payment Asia.	<ul style="list-style-type: none"><li><b>Confirms previous assumptions on client funds flow.</b></li><li><u>Funds paid into commingled NAB USD Account - <b>NOT TRACEABLE.</b></u></li></ul>

