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UPDATE TO INVESTORS AND CREDITORS – 31 July 2019

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

Halifax New Zealand Limited (In Liquidation) (Halifax NZ) (together the Halifax Group)

Update on Court applications

As previously advised to investors, we have carefully considered the legal strategy in conjunction with our Australian and New Zealand legal advisors in relation to seeking directions as to how to proceed and to enable distribution to investors as promptly as possible.

We filed an application with the Federal Court of Australia on 3 July 2019 requesting direction as to how we should proceed to move forward towards a final hearing. Given the commingling and deficiency across two jurisdictions, the Liquidators are of the view that co-ordinated Court direction is required in both Australia and New Zealand to determine (amongst other things):

- How the Liquidators should deal with the fact that the Client Monies are commingled;
- Whether open or unrealised investments should be realised, and if so how;
- The date at which each Client's entitlement should be calculated;
- Whether the Administrators' and Liquidators' remuneration, costs and expenses should be paid out of trust property; and
- How investors will be given an opportunity by the Court to make submissions in the proceedings, either themselves or through a legal representative.

Update on outcome of initial application hearing

On 29 and 30 July 2019 the Federal Court of Australia heard our initial application that the Federal Court issue to the High Court of New Zealand a letter of request seeking cooperation from the High Court in relation to coordination of the Australian and New Zealand hearings. The Federal Court has reserved judgement.

Once each of the Federal Court of Australia and the High Court of New Zealand have given directions as to the process and procedure for hearing the proceedings (including how investors can have their views heard), we will provide a further update to investors.

We anticipate that the application in the High Court of New Zealand will be filed within the next 4 weeks.

Court documents

To ensure all investors are kept informed, various Court documents, including those listed below, have been made available to investors at the following link: <https://www.ferrierhodgson.com/au/creditors/halifax-investment-services-pty-ltd>

- The interlocutory process, being the Application by the Liquidators for the orders it seeks from the Federal Court of Australia;



- Affidavits filed in support of the initial application for a letter of request to be issued to the High Court of New Zealand in relation to coordination of hearings; and
- Non-confidential exhibits accompanying the affidavits filed with the Court.

In certain instances, these documents have been redacted where they contain personal and confidential investor information. This is in line with Orders of the Court.

Submissions on Court applications

As previously advised, the Liquidators expect that in due course investors and other interested parties will be given an opportunity by the Court to make submissions in the proceedings, either themselves or through a legal representative.

The Liquidators are seeking to ensure that the opportunity is given for all relevant arguments to be presented to the Court, and that the different interests of all clients and other interested parties are taken into account.

We will deal with this in more detail in a subsequent communication.

Further information

Please visit the links to the following websites for a copy of the correspondence issued to investors:

- **Halifax Australia:** <https://www.ferrierhodgson.com/au/creditors/halifax-investment-services-pty-ltd>
- **Halifax New Zealand:** <https://www.ferrierhodgson.com/au/creditors/halifax-new-zealand-limited>