

*Corporations Act 2001
Sections 436DA, 449CA*

**Halifax Investment Services Pty Ltd (In Liquidation) (the Company)
ACN 096 980 522**

Declaration of Independence, Relevant Relationships and Indemnities

This document requires the practitioner(s) appointed to an insolvent entity to make declarations as to:

- A. Their independence generally;
- B. Relationships, including
 - (i) The circumstances of the appointment;
 - (ii) Any relationships with the Company and others within the previous two years;
 - (iii) Any prior professional services for the Company within the previous two years;
 - (iv) That there are no other relationships to declare; and
- C. Any indemnities given or upfront payments made to the practitioner(s).

This declaration is made in respect of ourselves, our partners, and the related entities of Ferrier Hodgson (including Azurium, DealDocs, Ferrier Hodgson Corporate Advisory, Ferrier Hodgson Forensics, Ferrier Hodgson Management Consulting, National Consulting Group, SecuriSearch and Shield Docs) (collectively **Ferrier Hodgson**).

On Thursday 14 March 2019 it was announced that, in Australia, Ferrier Hodgson will merge with KPMG with the majority of Ferrier Hodgson's partners and staff to join the combined business (**Merger**).

A. Declaration of independence

We, Morgan Kelly, Phil Quinlan and Ferrier Hodgson, have undertaken a proper assessment of the risks to our independence prior to accepting the appointment as Administrators and subsequently Liquidators of the Company in accordance with the Corporations Act 2001 (Cth) (**the Act**), the Australian Restructuring Insolvency & Turnaround Association (**ARITA**) Code of Professional Practice (**the Code**) and applicable professional standards.

This assessment identified no real or potential risks to our independence. We are not aware of any reasons that would prevent us from accepting this appointment.

It remains the case, following the announcement of the Merger, that we are not aware of any reasons that would prevent us from accepting this appointment.

If any conflict arises, we will seek independent legal advice or court directions if appropriate.

If this declaration needs to be updated we will issue written notice to all known creditors as set out in the records of the Company or as otherwise known to us.

B. Declaration of relationships

- (i) Circumstances of appointment

This appointment was referred to us by Johnson Winter & Slattery acting on behalf of the Company. That firm is known to us on a professional basis.

We believe that this relationship does not result in a conflict of interest or duty because:

- Referrals from solicitors, business advisors and accountants are commonplace and do not impact on our independence in carrying out our duties as liquidators.
- Ferrier Hodgson has never undertaken any work for Johnson Winter & Slattery in respect of the Company.
- The work that we, or Ferrier Hodgson, undertake for Johnson Winter & Slattery will not influence our ability to fully comply with the statutory and fiduciary obligations associated with the Company's liquidation in an objective and impartial manner.

On Wednesday 21 November 2018, Morgan Kelly, Phil Quinlan and Martie Livanos (Ferrier Hodgson) met with Marcus Clarke (Johnson Winter & Slattery) and Jeffrey Worboys (the Director).

On Thursday 22 November 2018, Morgan Kelly (Ferrier Hodgson) conducted a telephone conversation with Marcus Clarke (Johnson Winter & Slattery) and Jeffrey Worboys (the Director).

We received no remuneration for any of the meeting or telephone conversations outlined above. The purpose of these meetings was as follows:

- To explain the various options available to the Company and the nature and consequences of an insolvency appointment.
- To discuss various issues which may impact the appointment.
- To obtain sufficient information about the financial position of the Company to advise the Company, its officers and its advisors on the Company's solvency.
- To provide a consent to act.

This meeting does not affect our independence for the following reasons:

- Ferrier Hodgson's advice was limited to assessing the Company's financial position, the consequences of insolvency and restructuring options.
- Advice was given to the Company only. We did not advise the directors personally or others.
- The Courts and the Code specifically recognise the need for practitioners to provide advice on the insolvency process and the options available and do not consider that such advice results in a conflict or an impediment to accepting the appointment.
- The nature of the advice is such that it would not be subject to review and challenge during the liquidation.
- The pre-appointment advice will not influence our ability to fully comply with the statutory and fiduciary obligations associated with the liquidation in an objective and impartial manner.

We have provided no other information or advice to the Company, its director and its advisors prior to our appointment beyond that outlined in this DIRRI.

(ii) Relevant relationships (excluding professional services to the Company)

We, or Ferrier Hodgson, have, or have had **within** the preceding two years, a relationship with:

Name	Nature of relationship	Reasons why no impediment or conflict of interest or duty
Halifax New Zealand Limited (Halifax NZ)	We were appointed Voluntary Administrators of Halifax NZ on 27 November 2018 and subsequently Liquidators of Halifax NZ on 22 March 2019.	<p>We believe that this relationship does not result in a conflict of interest or duty because:</p> <ul style="list-style-type: none"> - Halifax NZ operates in conjunction with the Company. The nature of the business operations mean that the liquidations can be conducted more efficiently by one practitioner. - At the time of our appointment, we were not aware of any conflicts of interest between Halifax NZ and the Company. - Should such a conflict arise, we will keep creditors informed and take appropriate action to resolve the conflict.

(iii) Prior professional services to the Company

Ferrier Hodgson Forensics, have undertaken the following engagements for the Company prior to the acceptance of this appointment outside the preceding two years.

Name	Nature of relationship	Reasons why no impediment or conflict of interest or duty
Halifax Investment Services Pty Ltd	<p>On 23 November 2012, Ferrier Hodgson Forensics were engaged to review the brokerage accounts and interest calculations of an associated entity.</p> <p>The engagement was finalised in April 2013.</p>	<p>We believe that this relationship does not result in a conflict of interest or duty because:</p> <ul style="list-style-type: none"> - The previous role undertaken by Ferrier Hodgson Forensics will not influence our ability to be able to fully comply with the statutory and fiduciary obligations associated with the liquidation of the Company in an objective and impartial manner. - Is not material to the insolvency; - Does not create a potential litigation claim against the practitioner; and - Is not related to structuring of financial affairs of the Company in order to

		avoid the consequences of insolvency.
Halifax Investment Services Pty Ltd	<p>On 21 March 2016, Ferrier Hodgson Forensics were engaged to undertake the following:</p> <ul style="list-style-type: none"> - Review and testing of Halifax Pro trading platform through demo account details; and - Inspection of debit and credit balances reflected in the trading platform and bank account deposits as performed by the Company. <p>This engagement was finalised in October 2016.</p>	<p>We believe that this relationship does not result in a conflict of interest or duty because:</p> <ul style="list-style-type: none"> - The previous role undertaken by Ferrier Hodgson Forensics will not influence our ability to be able to fully comply with the statutory and fiduciary obligations associated with the liquidation of the Company in an objective and impartial manner; - Is not material to the insolvency; - Does not create a potential litigation claim against the practitioner; and - Is not related to structuring of financial affairs of the Company in order to avoid the consequences of insolvency.
Halifax Investment Services Pty Ltd	<p>In May 2016, Ferrier Hodgson Forensics were engaged to provide assistance to the Company in their dealings with the liquidators of BBY.</p> <p>This engagement was finalised in October 2016.</p>	<p>We believe that this relationship does not result in a conflict of interest or duty because:</p> <ul style="list-style-type: none"> - The previous role undertaken by Ferrier Hodgson Forensics will not influence our ability to be able to fully comply with the statutory and fiduciary obligations associated with the liquidation of the Company in an objective and impartial manner; - Is not material to the insolvency; - Does not create a potential litigation claim against the practitioner; and - Is not related to structuring of financial affairs of the Company in order to avoid the consequences of insolvency.
Halifax Investment Services Pty Ltd	<p>In July 2016, Ferrier Hodgson Forensics were engaged to review contingent liabilities.</p> <p>This engagement was finalised in October 2016.</p>	<p>We believe that this relationship does not result in a conflict of interest or duty because:</p> <ul style="list-style-type: none"> - The previous role undertaken by Ferrier Hodgson Forensics will not

		<p>influence our ability to be able to fully comply with the statutory and fiduciary obligations associated with the liquidation of the Company in an objective and impartial manner;</p> <ul style="list-style-type: none"> - Is not material to the insolvency; - Does not create a potential litigation claim against the practitioner; and - Is not related to structuring of financial affairs of the Company in order to avoid the consequences of insolvency.
<p>Halifax Investment Services Pty Ltd</p>	<p>On 20 July 2016, Ferrier Hodgson Forensics were engaged to preserve an external register of the notifications forwarded to the Company's clients in respect to transferring clients.</p> <p>This engagement was finalised in October 2016.</p>	<p>We believe that this relationship does not result in a conflict of interest or duty because:</p> <ul style="list-style-type: none"> - The previous role undertaken by Ferrier Hodgson Forensics will not influence our ability to be able to fully comply with the statutory and fiduciary obligations associated with the liquidation of the Company in an objective and impartial manner.; - Is not material to the insolvency; - Does not create a potential litigation claim against the practitioner; and - Is not related to structuring of financial affairs of the Company in order to avoid the consequences of insolvency.

(iv) No other relevant relationships to disclose

There are no other known relevant relationships, including personal, business and professional relationships, within the previous two years with the Company, an associate of the Company, a former insolvency practitioner appointed to the Company or any person or entity that has a security interest over the whole or substantially the whole of the Company's property that should be disclosed.

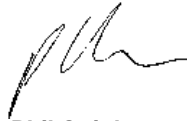
C. Indemnities and up-front payments

We have not been indemnified in relation to this liquidation, other than any indemnities that we may be entitled to under statute. We have not received any upfront payments in respect of our remuneration or disbursements.

Dated this 12th day of June 2019



Morgan Kelly
Liquidator



Phil Quinlan
Liquidator

Note:

If circumstances change, or new information is identified, we are required under Subsection 436DA(5) and 449CA(5) of the Act and the Code to update this declaration and provide a copy to creditors with our next communication as well as table a copy of any replacement declaration at the next meeting of the Company's creditors.

Any relationships, indemnities or up-front payments disclosed in the declaration must not be such that the practitioner is no longer independent. The purpose of components B and C of the declaration is to disclose relationships that, while they do not result in the practitioner having a conflict of interest or duty, ensure that creditors are aware of those relationships and understand why the practitioner nevertheless remains independent.