



Ferrier
Hodgson

 **HALIFAX**
Stocks - Foreign Exchange - CFDs - Futures

Halifax Investment Services Pty Ltd
(Administrators Appointed) (the Company)
ACN 096 980 522

First creditors meeting

5 December 2018



CHAIRMAN'S INTRODUCTION

Chairman's introduction

- Administrators: **Morgan Kelly, Stewart McCallum and Phil Quinlan**
- Appointed on **23 November 2018** over Halifax Investment Services Pty Ltd
(Administrators Appointed) ("**Halifax**")
- **Johnson Winter & Slattery (JWS)** act as Administrators' Lawyers
- First meeting of creditors has been called pursuant to **Section 436E** of the
Corporations Act 2001 ("**the Act**")
- **Live webcast** where creditors can view and hear the creditors meeting remotely

Chairman's introduction

Chairperson

- Pursuant to Insolvency Practice Rules (Corporations) **(IPR) 75-50** Stewart McCallum to act as Chairman
- Opportunity to **ask questions** later on

Chairman's introduction

General Housekeeping



MOBILE PHONES

Please turn off mobile phones during the meeting



MEDIA

Media has been asked to not enter the meeting. If any media is still in the room, they will be asked to leave



YELLOW ATTENDANCE CARD

Only individuals holding a yellow card can ask questions



WEBCAST

Only creditors that have lodged a proof of debt or proxy can ask questions via webcast. Please include your User ID (if investor), full name and or the person you are acting as proxy for.



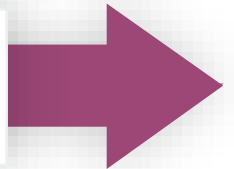
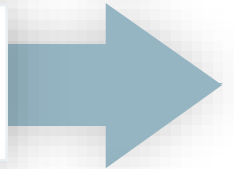
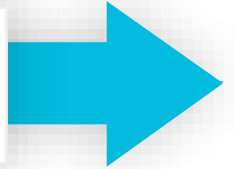
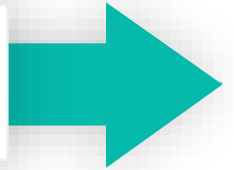
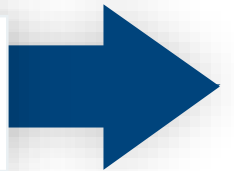
QUESTIONS

Questions will be asked at a later time. Please clearly outline your name and details (including your User ID) prior to asking the question.

Chairman's introduction

Agenda

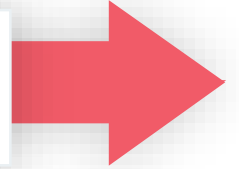
- 1** Procedural matters
- 2** Voluntary Administration process
- 3** Company overview
- 4** Events leading to the appointment
- 5** Actions taken by the Administrators



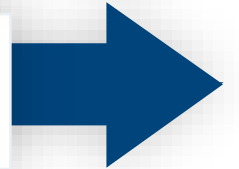
Chairman's introduction

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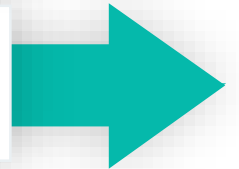
6 Frequently asked questions



7 Resolutions



8 Closure of meeting





1. PROCEDURAL MATTERS

1 Procedural matters

Formal items

- Present at the meeting
- Quorum
- Notice of meeting
- Convening the meeting
- Purpose of the meeting
- Tabling of documents

1 Procedural matters

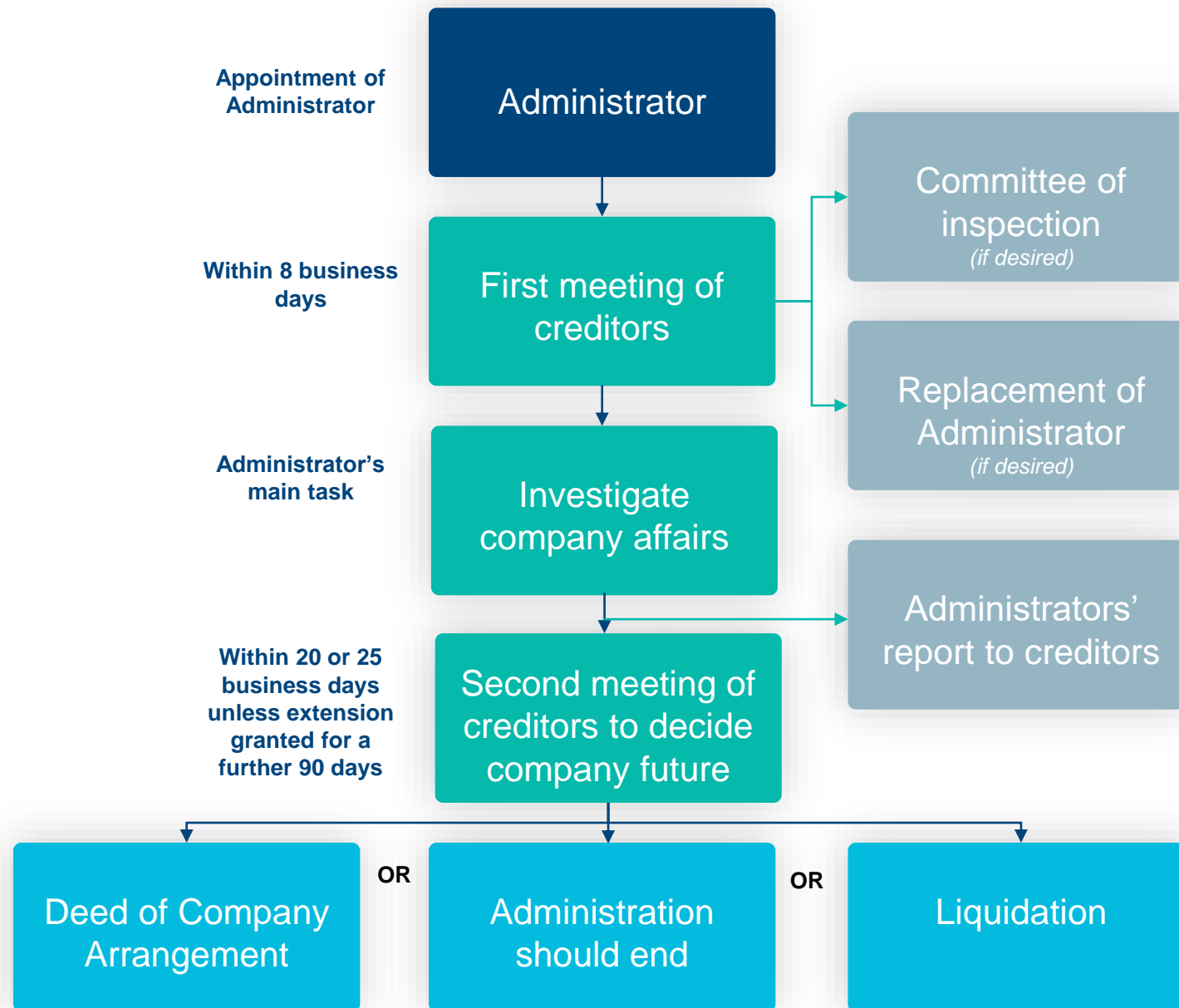
Declaration of Independence, Relationships and Indemnities (DIRRI)

- DIRRI dated 23 November 2018 attached to Notice of Meeting and included in first circular to creditors
- Replacement DIRRI dated 27 November 2018 was completed and lodged with ASIC and is available on our website
- No prior relationship with Company or related parties within the last two years
- No conflict of interest



2. ADMINISTRATION PROCESS

2 Administration process

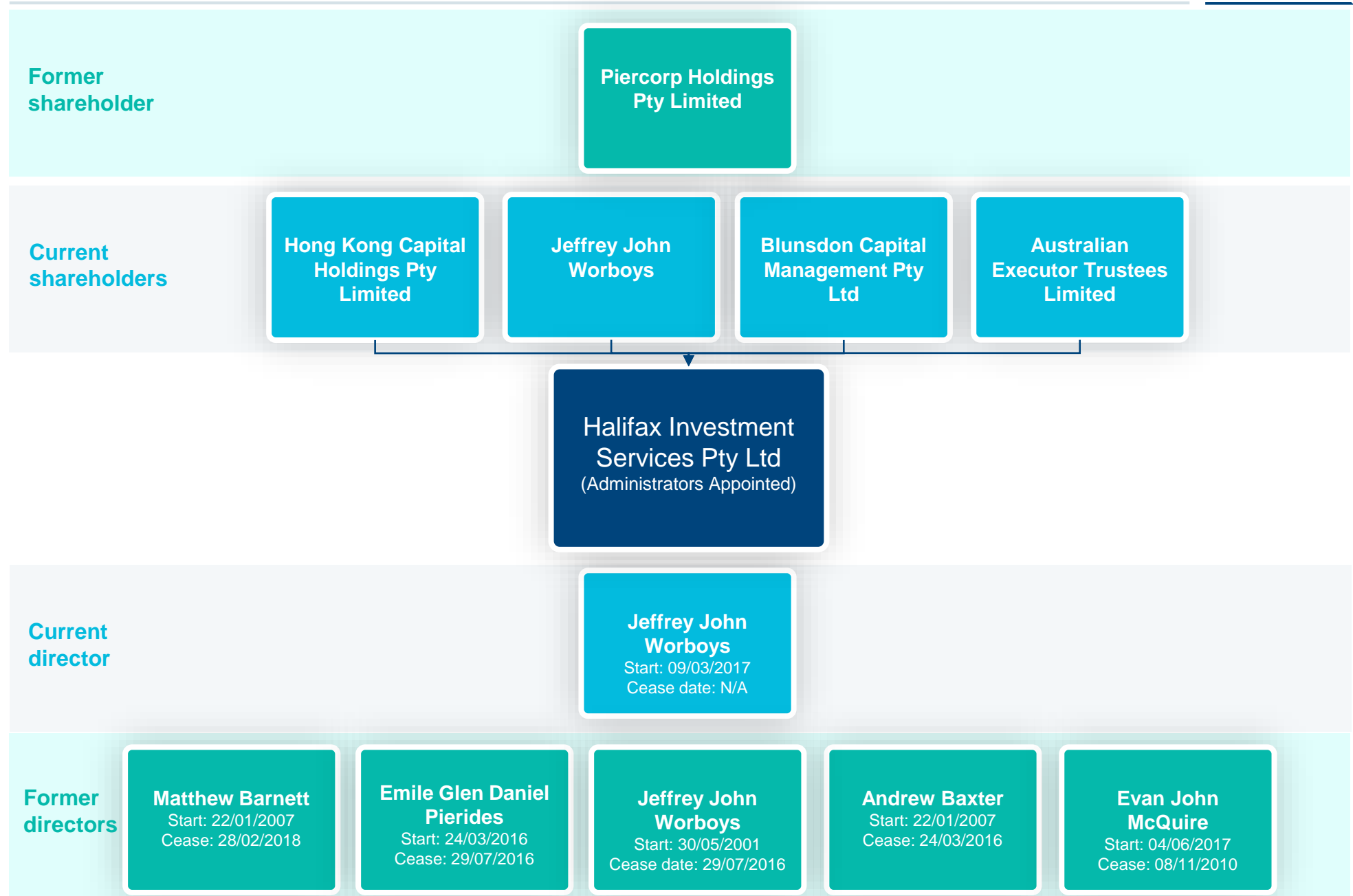


The December public holidays impact the Voluntary Administration timeline



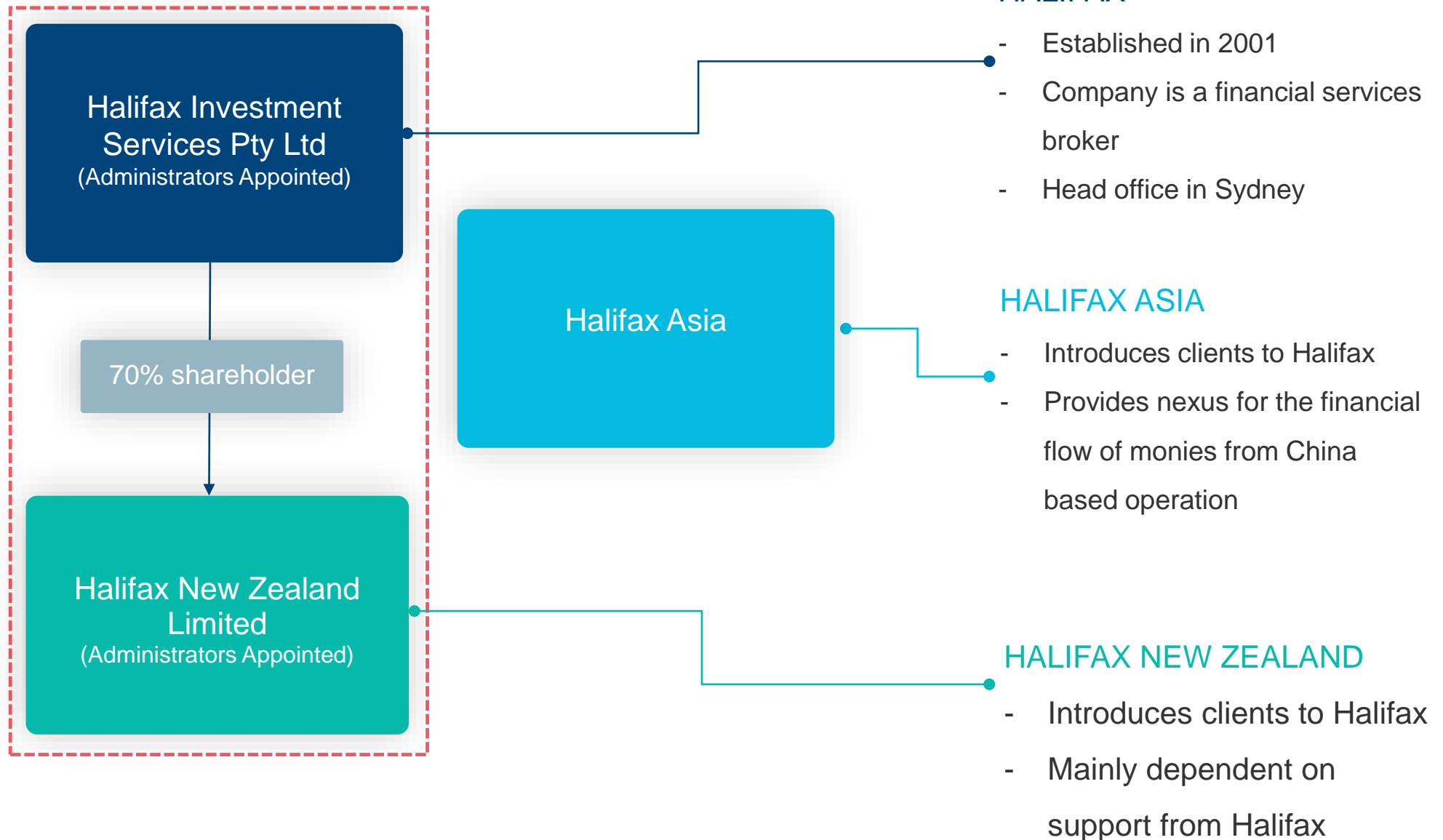
3. COMPANY OVERVIEW

3 Company overview

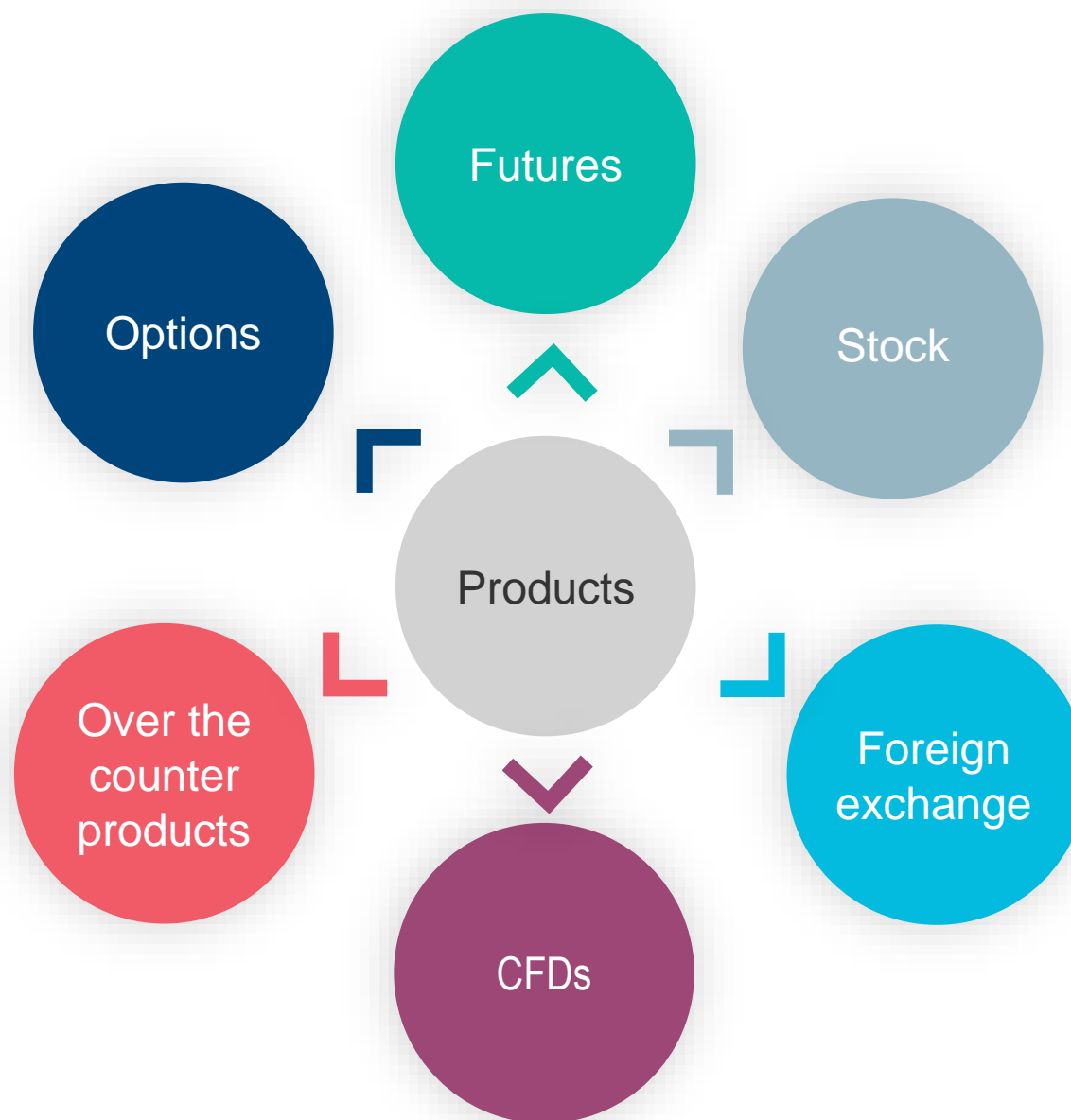


3 Company overview

Company structure



3 Company overview



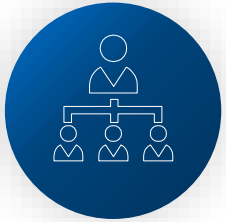
3 Company overview

Location



3 Company overview

Employees



ON APPOINTMENT

There were 15 employees on appointment. 14 located in Sydney and 1 located in Shanghai



DURING ADMINISTRATION

6 employees were terminated throughout the first week of the administration



CURRENT EMPLOYEES

Currently 8 located in the Sydney Office and 1 in Shanghai

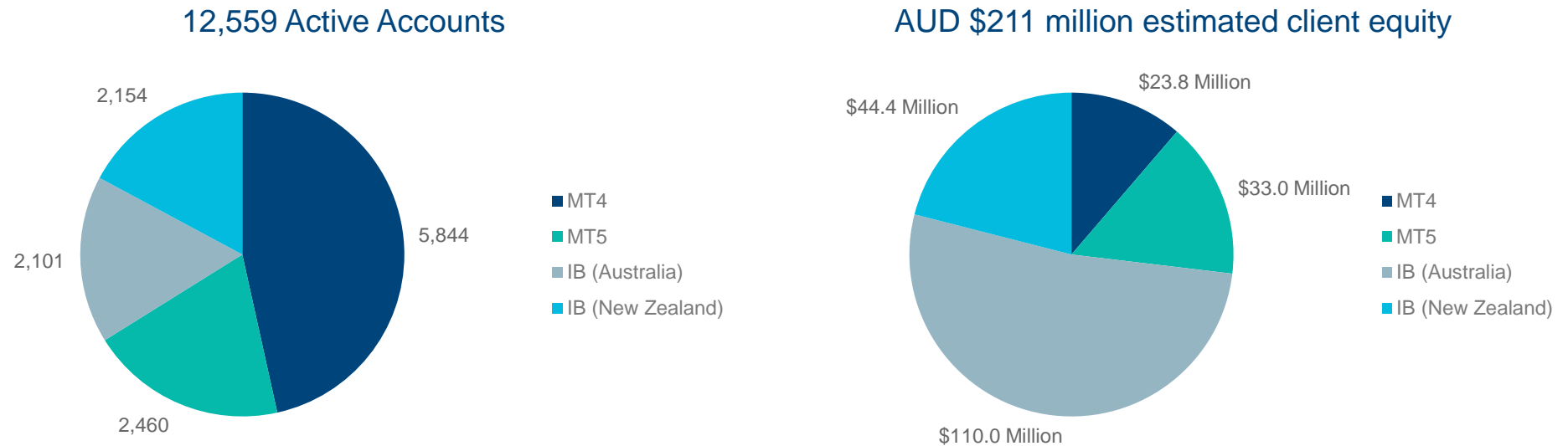
3 Company overview

The company operates three trading platforms



3 Company overview

Profile of investors (across Australia and New Zealand):



Disclaimer

- This information has been prepared from the Company's books and records and has not been verified in any detail by the Administrators.
- The Administrators do not provide any warranties or representations that the figures provided are accurate or complete and are continuing their investigations in this regard.



4. EVENTS LEADING UP TO OUR APPOINTMENT

4 Events leading up to our appointment

TIMELINE



5. ACTION TAKEN BY THE ADMINISTRATORS

5 Action taken by the Administrators

Action taken to date

- ✓ Froze bank accounts and secured assets immediately on appointment
- ✓ Suspended all trading (other than closing out positions) to minimise any further exposure to clients
- ✓ Forensically imaged all of the Company's computer records, laptops etc
- ✓ Interviewed the director and staff
- ✓ Met with ASIC (and FMA in New Zealand)
- ✓ Obtained court order to circulate notice of meeting by email
- ✓ Issued preliminary notices to all unsecured creditors, investors, and landlords

5 Action taken by the Administrators

- ✓ Completed analysis of data from each trading platform to understand quantity and quantum of investor claims
- ✓ Commenced investigations
- ✓ Wrote and spoke with all counterparties and platform providers
- ✓ Met with the Company's accountant
- ✓ Investor and creditor correspondence
- ✓ Reviewed the Company's books and records & accounting system
- ✓ Restructured head office operations
- ✓ Set up 2 dedicated communication channels with clients and creditors

5 Action taken by the Administrators

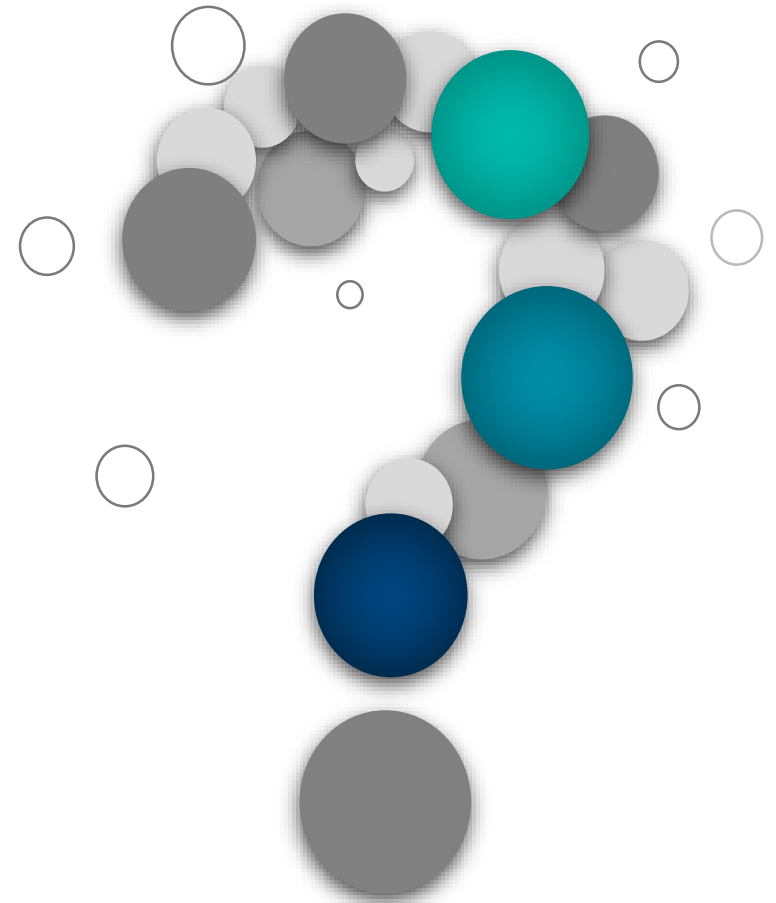
- Appointed on **27 November 2018** as Administrators of Halifax New Zealand Limited (In Administration) (“**Halifax New Zealand**”)
- Administrators: **Morgan Kelly, Stewart McCallum and Phil Quinlan**
- First meeting of creditors on **Friday 7 December 2018**



6. FREQUENTLY ASKED QUESTIONS

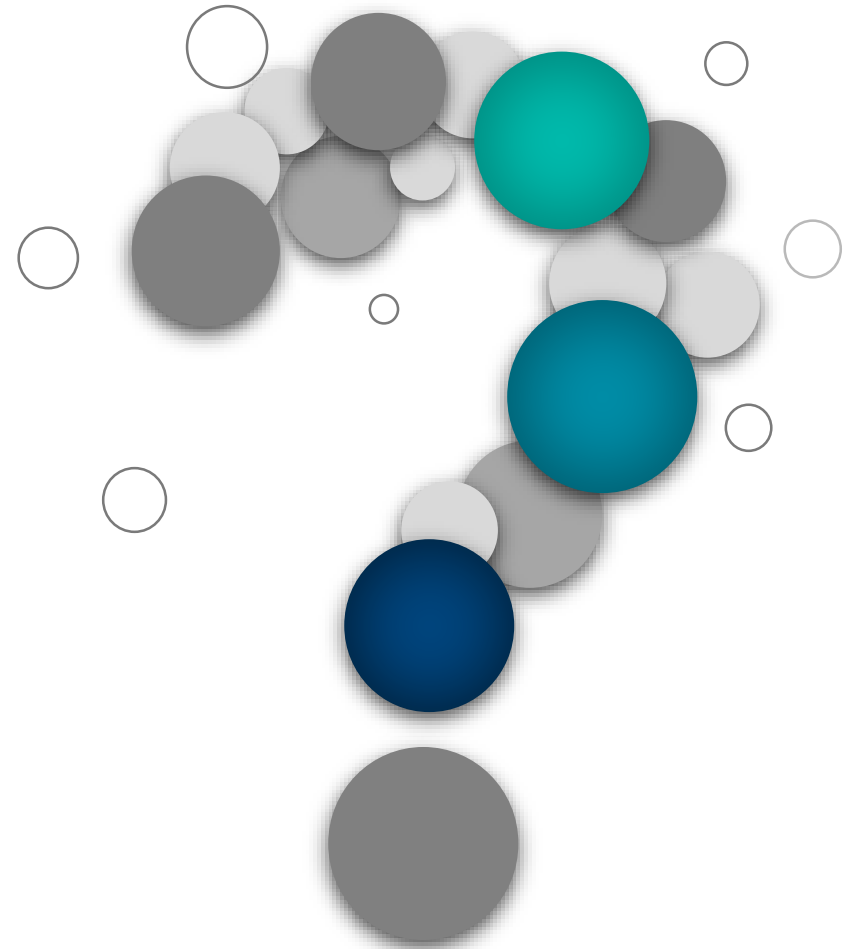
6 Frequently Asked Questions (FAQs)

Common questions asked



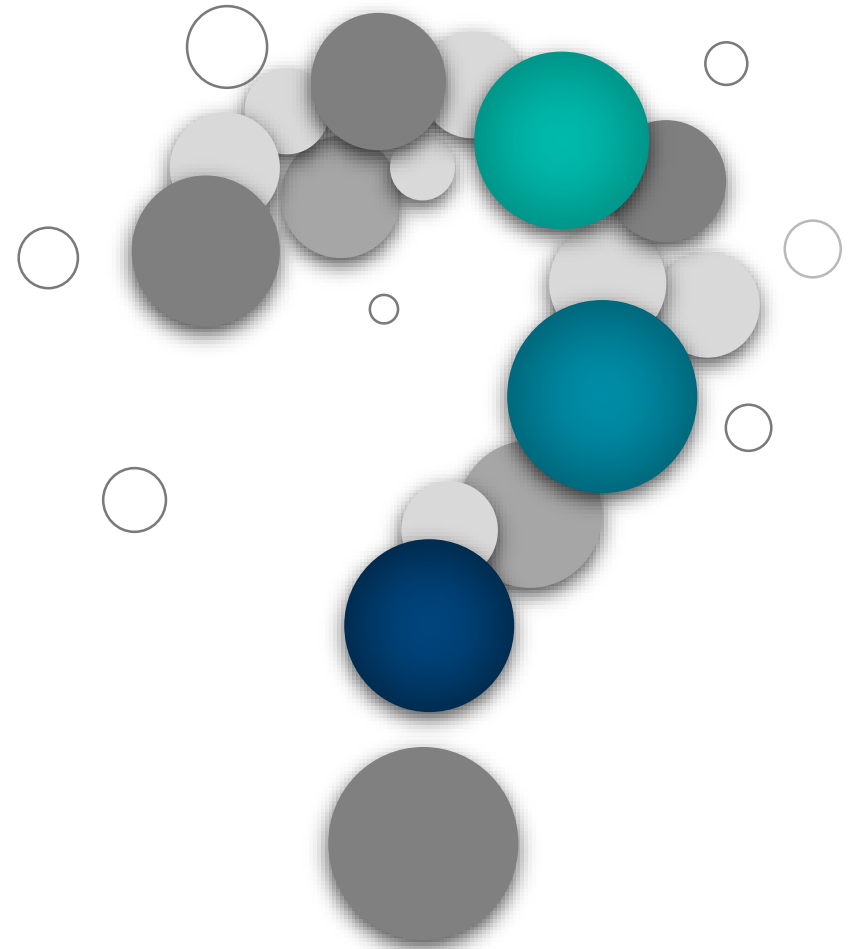
6 Frequently Asked Questions (FAQs)

Questions from the floor



6 Frequently Asked Questions (FAQs)

Questions via webcast





7. RESOLUTIONS

7 Resolutions

How to vote at a creditors meeting



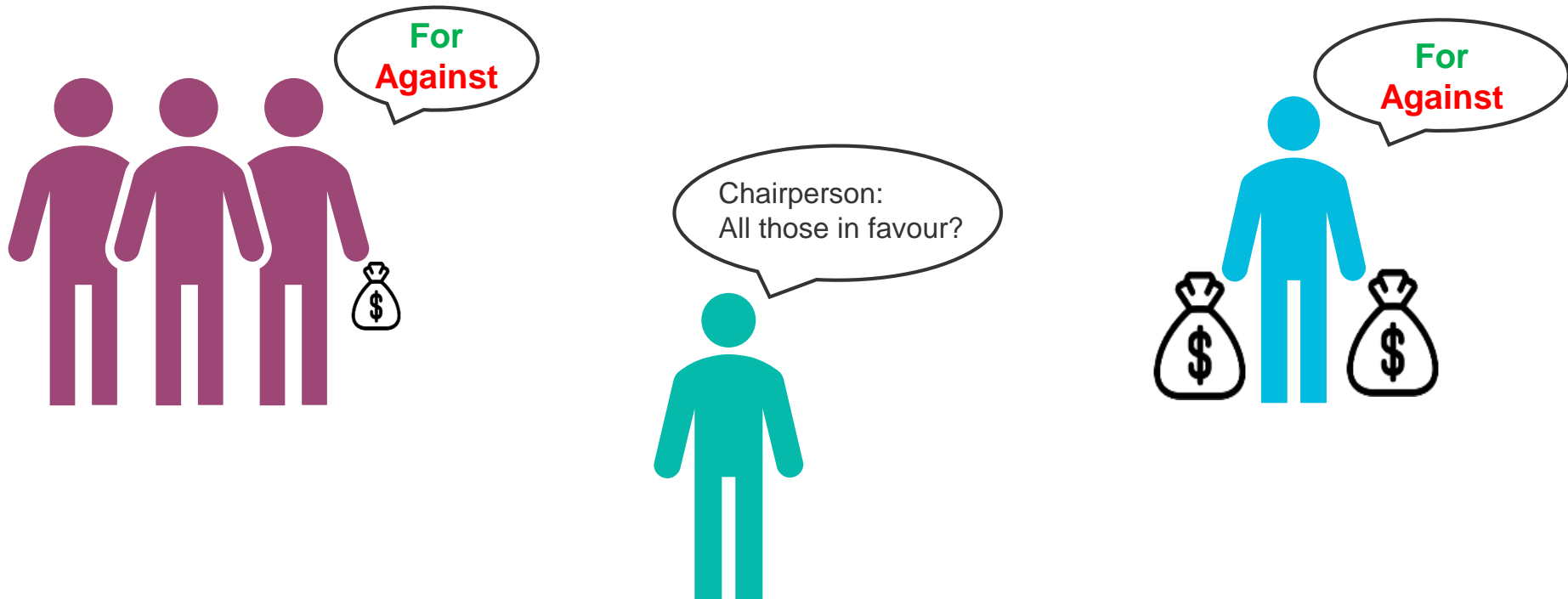
Majority in number of creditors and majority in dollar value vote in favour of resolution



Majority in number of creditors vote for and majority in dollar value vote against the resolution

7 Resolutions

How to vote at a creditors meeting



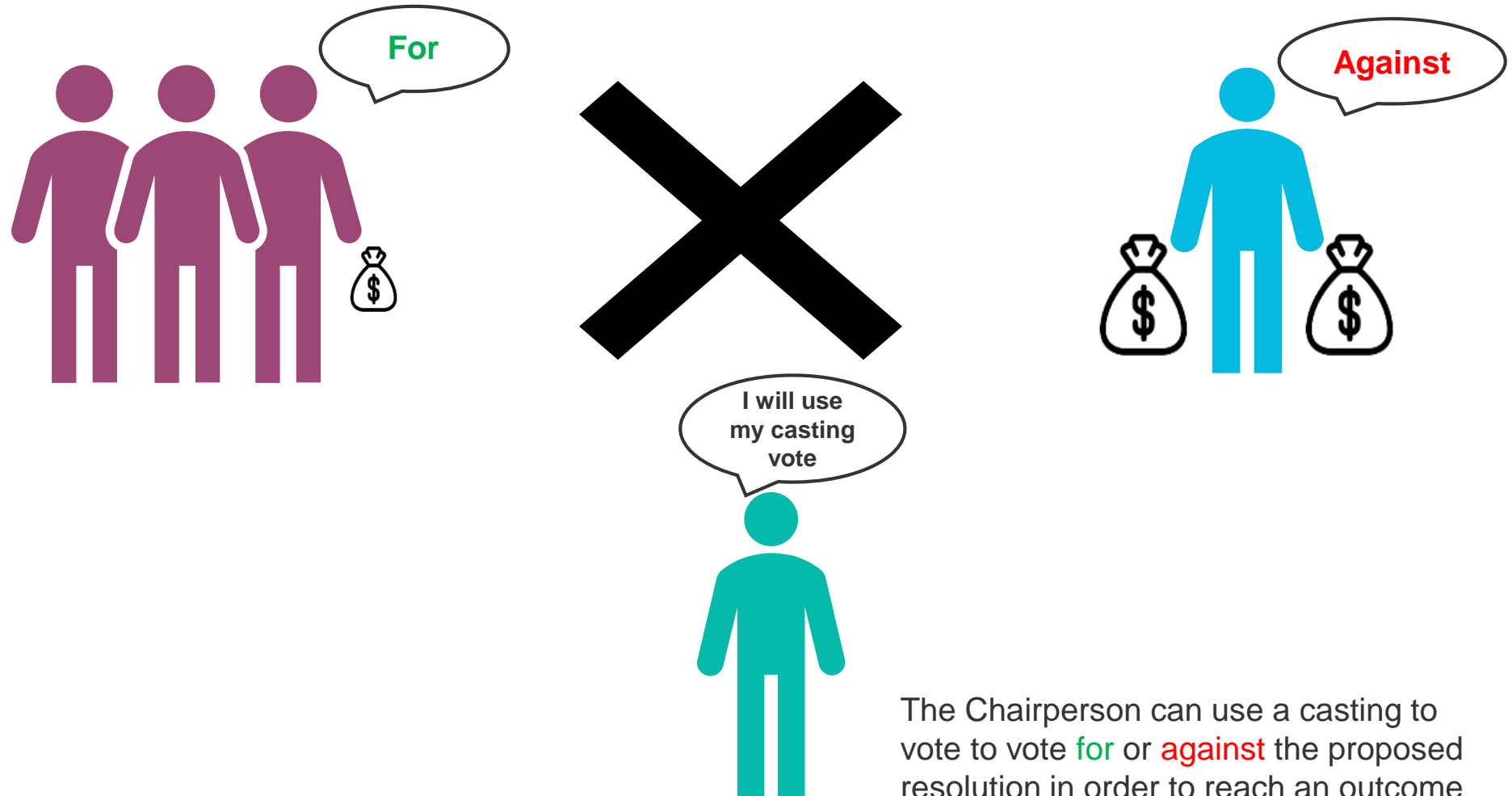
Majority in number of creditors and majority in dollar value vote in favour of resolution



Majority in number of creditors vote for and majority in dollar value vote against the resolution

7 Resolutions

Deadlock



Appointment of Administrators

- Creditors to resolve pursuant to Section 436E(4) of the Corporations Act 2001 whether or not:
 - a. To remove the Administrators from office
 - b. To appoint an Alternate Administrator of the Company

7 Resolutions

Committee of Inspection

- That a Committee of Inspection be appointed
 - Creditors have the right to appoint a COI under Insolvency Practice Schedule (Corporations) **IPS 80-10**
 - The COI is **voluntary** and are not paid
 - It is used as a **consultative advisory board** and is elected to represent the **interests of all creditors**
 - **Consult** with and receive reports from the Administrators
 - Assist the Administrators as a **“sounding board”** for proposals
 - **Approve** the Administrators’ remuneration



8. CLOSURE OF MEETING

8 Closure of meeting

- Final questions
- Next steps
 - Report to creditors
 - Extension of the convening period
 - Second creditors meeting
- Thank you for your attendance