

The views contained within this document do not necessarily reflect the views of the liquidators

IMPORTANT NOTICE:

REQUEST FOR YOUR COMMENT ON THE POSITIONS THAT ELYSIUM WILL PUT ON BEHALF OF CATEGORY 2 INVESTORS

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

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

Elysium Business Systems Pty Ltd (Elysium)

Part 1: Purpose of this Notice

Elysium is the representative defendant for 'Category 2' investors in proceedings in the Federal Court of Australia and the High Court of New Zealand. The representative defendants are required to file and serve any evidence upon which they intend to rely in these proceedings by 17 August 2020. Any evidence is to be confined to the issues identified in the list of issues filed by the relevant defendant. Elysium would like to hear from Category 2 investors about the positions it wishes to advocate for on their behalf at the hearing on 30 November 2020.

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Part 2: Who is a Category 2 Investor?

Please refer to the FAQ Investor update posted by the Liquidators on 15 November 2019. If you still require further clarification to determine which category of investor you belong to, please contact the Liquidators.

Part 3: Elysium's Submissions

Elysium proposes to make the following submissions at the hearing on 30 November 2020:

1. The Liquidators must value all investors' proportionate entitlements out of the fund that is to be distributed to investors at the value of the investor's account balance as at the close of business on 23 November 2018, being the date that administrators were appointed to Halifax Investment Services Pty Ltd (in Liq);
2. All assets and positions of investors must be assessed on the one date;
3. That the date of conversion of foreign currency into AUD or NZD for the purposes of making distributions to investors is the date of distribution having regard to the fact that entitlements are

to be valued as at the close of business on 23 November 2018;

4. The affidavit of Morgan John Kelly affirmed on 22 June 2020 indicates that an in specie distribution is not practically feasible and would be very costly. On 31 July 2020 the Federal Court of Australia made orders that the first defendant, Choo Boon Loo, be appointed to represent all clients of Halifax AU and Halifax NZ who seek an in specie distribution from Halifax AU in respect of part or all of their entitlements, in order to propound any proper argument that it is in the interests of the investors that they be entitled to elect to receive their entitlements by way of an in specie distribution. If investors are entitled to elect to retain assets in specie as part of their entitlement, Elysium will make submissions as to the appropriate date to value the asset having regard to the fact that entitlements are to be valued as at the close of business on 23 November 2018;
5. There ought to be a minimal value at which the Liquidators ought to be under no obligation to calculate and disburse an entitlement. We think that the value of that entitlement ought to be \$100;
6. The Liquidators should set off positive net account balances credited to a particular investor against negative account balances incurred by the same investor.

Part 4: Information We Need From You By 13 August 2020

1. Please let us know if you disagree with any of the above positions, and if so, the reason why you disagree. We need you to tell us this information so we can inform the Courts if there are members in category 2 who have an alternative view to the position Elysium is advancing.
2. If you are an investor who has closed out positions on your account please tell us why you have done so. We need you to tell us this information as it may be evidence which we rely upon in making submissions about the date on which entitlements should be valued.
3. Please let us have any comments you would like us to take into account in making our submissions to the Courts at the hearing on 30 November 2020.

Please contact TurksLegal and provide your comments by no later than **Thursday 13 August 2020**.

You can contact TurksLegal by email as follows:

Email: halifaxcat2@turkslegal.com.au

Alternatively you can contact TurksLegal by telephone as follows

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