

FXOPEN NZ LIMITED (IN LIQUIDATION)

(the "Company")

LIQUIDATORS' THIRD SIX -MONTHLY REPORT ON THE CONDUCT OF THE LIQUIDATION

(Section 255(2)(d) of the Companies Act 1993) ("Act")

Reporting Period: 17 June 2016 to 16 December 2016

1 Introduction

At 9:20am on 17 June 2015 Mark Hector Norrie, Insolvency Practitioner of Norrie & Daughters, Penrose, Auckland was appointed liquidator of FXOPEN NZ Limited (in liquidation) by a special resolution of the Company's shareholder.

This report has been prepared in accordance with section 255(2)(d) of the Companies Act 1993 for the purposes of reporting on the conduct of the liquidation during the preceding 6 months and reporting of further proposals we have for completing the liquidation.

The statements and opinions expressed in this report have been made in good faith and are based on information available as at the date of this report. We have not conducted any form of audit in respect of the Company. In preparing this report we have relied on information made available to us. We have not independently verified, and express no opinion as to, the completeness, reliability or accuracy of that information. We reserve the right, but will be under no obligation, to review or amend our report if it subsequently comes to light that information we have relied upon is incomplete or inaccurate.

2. Report on the Conduct of the Liquidation during the Preceding 6 months

Assets

Assets have been identified in overseas jurisdictions however those assets are under the control of administrators and/or receivers/liquidators. Some recoveries have been made during the period under report. Refer to Appendix 1

Distributions

The liquidator has not made any distributions.

Investigations

The liquidator has received some Company records that were held overseas in various jurisdictions and information contained within those documents and information obtained from a contingent creditor has resulted in further investigations. The liquidator continues to work with the Register of Companies on issues arising in the liquidation.

Solvency

Based upon financial records obtained it is probable that the Company was not solvent at the time the certificate of solvency was signed however investigations as to the veracity of the quantum of the creditor claims continues and as indicated elsewhere in this report the directors have advised the liquidator that an agreement was reached with a significant creditor on a full and final payment prior to liquidation. Further documentation in respect to that agreement is being sought.

3 Further Proposals for Completing the Liquidation

A number of issues have arisen in the liquidation, namely:

Creditor claims: The Company directors claim that the creditors in the liquidation were settled by agreement prior to the liquidation commencing. All creditors in the liquidation claim otherwise and have filed claims accordingly. The disputes are under investigation and no creditors claim has been admitted or denied in the liquidation. The liquidator has written to the creditors concerned but has not received any replies. Further information is being sought.

An investigation into complex creditor claims arising from FX trading in numerous currencies is underway with further information being sought from certain creditors re their claim and trades claimed to form the basis of the creditor claims.

Phoenix Company: A creditor has raised the issue as to whether or not the directors of the Company established a Phoenix company trading under the name FXOPEN LP Limited. The directors of the Company deny the creditors claim as to FXOPEN LP Limited being a Phoenix company.

The matter is under investigation however no evidence other than the similarity of name of the Phoenix Company has been brought to the liquidator's attention. The matter has been discussed with the Registrar of Companies. The liquidator does not intend to further investigate unless new evidence becomes available to the liquidator.

The Liquidator continues to review and investigate the Company financials and correspondences received from various sources including the Company Directors. Due to the amount of information received and obtaining responses to questions from foreign jurisdictions it is not practical to estimate when this task will be completed.

Continuation of the investigations as indicated at section 2 above.

4 Estimated date of completion of the liquidation:

It is not practicable to estimate a date for completing the liquidation.

Enquiries should be directed during normal business hours to: Norrie & Daughters – Attention Jennifer Xu, PO Box 12516 Penrose Auckland 1642 Telephone: (09) 551 3631 F: (09) 579 9805 Email: liquidations@norrie.co.nz

Dated this 26th day of January 2017



Mark Hector Norrie
Liquidator

Appendix 1

FXopen NZ Limited (in Liquidation)

Recoveries		19,560.00
Less		
Printing & Stationary	32.34	
Administrative Overhead	1,000.00	<hr/>
Liquidators fees	13,806.50	14,838.84
Balance		<hr/> <hr/> 4,721.16