

123Kiwi.com Limited (In Receivership and In Liquidation)

Receivers' Third Report

1 INTRODUCTION AND APPOINTMENT

Iain McLennan and Boris van Delden, Insolvency Practitioners of Auckland, were appointed jointly and severally as receivers and managers of 123Kiwi.com Limited ("the company") on 6 May 2014. The receivers and managers were appointed under the powers contained in an agreement dated 30 December 2010, where the company granted a general security interest to the secured creditor.

Pursuant to section 24 of the Receiverships Act 1993 ("the Act"), the receivers report herewith on the progress of the receivership. This third report should be read in conjunction with the receivers' previous reports.

A Statement of Realisations and Distributions is not attached as no assets have been realised.

The Company was placed into liquidation on 8 August 2014.

2 RESTRICTIONS

This report has been prepared in accordance with Section 24 of the Act. Whilst all care and attention has been taken in compiling this report, we do not accept any liability whatsoever to any party as a result of the circulation, publication, reproduction or use of this report.

We reserve the right (but are under no obligation) to review and, if we consider necessary, revise this report in respect of any information existing at the date of this report which becomes known to us after that date.

3 CONDUCT OF THE RECEIVERSHIP DURING THE PRECEDING SIX MONTHS

As advised previously, the appointment arose as a result of the company's default in not meeting the obligations set out in the 30 December 2010 agreement,

Asset Realisations

3.1 The receivers have not traded on the business. However, the receivers are assisting the secured creditor with realisation of the company's assets. The assets include certain items of intellectual property that we say is secured and the benefit of a broking agreement dated 30 December 2010.

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4 PROPOSALS FOR DISPOSAL OF RECEIVERSHIP PROPERTY

No property has been disposed of as at the date of this report. The secured creditor has commenced legal proceedings against the company, its director and others, claiming damages alleging wrongful conduct of the company and related companies, in respect of the 30 December 2010 agreement.

The proceeding is scheduled for a 4 day hearing commencing 10 July 2015. The secured creditor has provided its evidence in support and the defendants' evidence is awaited. A settlement of the case seems inherently unlikely.

5 CREDITORS' CLAIMS

5.1 *Secured Creditor*

At the date of this report the receivers have been advised that the amount claimed by the secured creditor has been amended and totals \$887, 629 plus interest and costs. The claim is a mix of debt, damages and an accounting being sought of a payment received in breach of the December 2010 broking agreement.

5.2 *Preferential Creditors*

No preferential claims have been received.

5.3 *Unsecured Creditors*

To date we have received 2 unsecured claims which total \$29,411.77. We have been advised that one of these claims may have been paid by a party related to this company director.

We have also dealt with one claim from the IRD which related to another company that had used the name of this company prior to May 2014.

It is the responsibility of the liquidator to deal with these claims.

6 MATTERS DELAYING THE COMPLETION OF THE RECEIVERSHIP

The following matters are outstanding:

- Legal proceedings against the director
- Any distributions
- Completion of receivership

7 ESTIMATED DATE OF COMPLETION

It is currently too early to estimate a date of completion for the receivership.

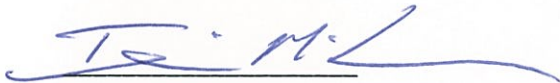
8 CONTACT DETAILS

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IAIN MCLENNAN
RECEIVER

DATED this ^{2nd} day of June 2015