



**Mr Chris Marco, AMS Holdings (WA) Pty Ltd in its own right and as trustee for the AMS Holdings Trust
(Receivers and Managers Appointed) (In Liquidation)
Together, the Scheme (Receivers and Managers Appointed) (In Liquidation)
ACN 164 700 485
Initial Information for Creditors**

On 7 December 2020, the Federal Court of Australia declared (among other things) that:

- Mr Chris Marco and AMS Holdings (WA) Pty Ltd had operated a scheme (**the Scheme**) in contravention of section 911A of the Corporations Act, i.e. that a financial services business was conducted without an Australian Financial Services Licence between 1 January 2014 and 31 October 2018; and
- Mr Marco and AMS operated the Scheme in contravention of section 601ED(5) of the Corporations Act in circumstances where the Scheme was required to be registered.

As a result, the Court ordered the appointment of Rob Kirman and I as **Receivers and Managers** of:

- AMS Holdings (WA) Pty Ltd in its own capacity and in its capacity as trustee for the AMS Holdings Trust (**AMS**);
- Mr Chris Marco (DOB: 23 June 1958); and
- The Scheme.

On the same day, the Federal Court also appointed Rob Kirman and I as **Liquidators** of:

- AMS; and
- The Scheme.

A copy of the Court Order is enclosed.

We have been appointed to represent the interests of all creditors. We are responsible for locating the assets of AMS, Mr Marco and the Scheme, investigating the affairs of the Scheme and AMS, reporting to the Australian Securities and Investments Commission (**ASIC**) and, if funds become available, paying money owed to creditors (including investors).

According to the records of the Scheme and AMS, you may be a creditor.

The purpose of this document is to provide you with information about the liquidation and your rights as a creditor.

Declaration of Independence, Relevant Relationships and Indemnities (DIRRI)

We enclose our DIRRI. Our independent status and who appointed us is outlined in our DIRRI.

What do you need to know?

Question	Answer
What is a court liquidation?	<p>A court liquidation is where a party (such as a creditor, member, or in this case ASIC) successfully applies for an order that the company (and also in this instance, the Scheme) be placed into liquidation on the grounds that the company is insolvent, or it is just and equitable to do so.</p> <p>A liquidator is appointed by the court for the purpose of winding up the affairs and distributing property of the company.</p>



Question	Answer
<p>What are your rights as a creditor?</p>	<p>We enclose a copy of the information sheet “Creditor Rights in Liquidations” issued by the Australian Restructuring Insolvency & Turnaround Association (ARITA). It includes information on your rights to:</p> <ul style="list-style-type: none"> ▪ make reasonable requests for a meeting; ▪ make reasonable requests for information; ▪ give directions to the Liquidators; ▪ appoint a reviewing liquidator; and ▪ replace us as Liquidators.
<p>What happens to your debt?</p>	<p>All creditors of the Scheme and AMS are now creditors in the liquidation and will now be dealt with in the liquidation.</p> <p>The amount of money you receive depends on the amount we recover, including from locating, securing and selling the assets of Mr Marco, the Scheme and AMS. After paying our fees, creditors share in any remaining money proportionally. If funds are available, the amount paid is called a dividend.</p> <p>A dividend can vary between creditors because the law entitles different types of creditors to be paid before other types of creditors. In addition, a dividend will only be paid where there are sufficient recoveries in the liquidation, which will not always be the case.</p> <p>If you have leased property to the parties subject to our appointments, have a retention of title claim or have a registered personal property securities interest in relation to AMS, please contact Phoebe Donaldson on 08 6363 7619 as soon as possible.</p>
<p>Do you have to do anything?</p>	<p>You should read this information. You can choose to participate in the liquidation process, but you don't have to.</p> <p>If we need you to take action, we will write and ask you. For example, we may ask you to provide proof of your debt before we can pay you a dividend.</p> <p>If you do not think you are a creditor, please let us know.</p>
<p>What has happened in the liquidation so far?</p>	<p>We are in the process of securing books and records of AMS the Scheme, and any other information to assist us in the discharge of our duties in liquidation.</p> <p>We have contacted all statutory and government bodies to notify them of our appointment and to request any information on debts owed by AMS or the Scheme.</p>



Question	Answer
What is the cost of the liquidation?	<p>We get paid out of the Scheme's pooled money, including realisations from assets or from money paid to us by others. If there is not enough money in the liquidation, we are not paid in full.</p> <p>We enclose our Initial Remuneration Notice, which provides you with information about how we propose to be paid for undertaking the liquidation.</p> <p>In accordance with the orders of the Federal Court of Australia, our remuneration may be approved by the Court on the application of Liquidators. Alternatively, we may write and ask that you approve our remuneration for the work that we do in completing the liquidation. If we do, we will provide you with detailed information about what tasks we have undertaken and the costs of those tasks.</p>
What further communication will you receive?	<p>We will write to you within three months of our appointment advising whether a dividend is likely and update you on the progress of our investigations.</p> <p>We may also send you updates on the progress of the liquidation, or proposals to approve certain matters in the liquidation, at any time.</p> <p>We consider it to be in the interests of creditors to hold a meeting on Thursday 18 February 2021. You will be sent a notice of meeting in due course providing further details.</p>
What happens next?	<p>We will proceed with the liquidation, which will include:</p> <ul style="list-style-type: none">▪ recovering and selling any available property;▪ investigating the affairs of AMS and the Scheme;▪ reporting to the corporate regulator, ASIC; and▪ distributing any available funds to creditors in accordance with their priority.
Where can you get more information?	<p>ARITA provides information to assist creditors and investors to understand liquidations and insolvency. This information is available from ARITA's website at www.arita.com.au/creditors.</p> <p>A copy of the information sheet, "Insolvency information for directors, employees, creditors and shareholders", issued by ASIC is also enclosed for your information.</p>



Information from investors

Since our appointment, several investors have contacted the Liquidators to provide information relating to potential additional assets that have not yet been disclosed, or regarding the operation of the Scheme. If investors have any information they wish to share with the Liquidators, they may do so (anonymously or otherwise) by contacting:

- Email: marcoinvestors@mcgrathnicol.com
- Investor hotline: +61 8 6363 7619.

All contact with the Liquidators is strictly confidential.

If you have any queries, please contact Phoebe Donaldson on (08) 6363 7619.

Dated 23 December 2020

Rob Brauer
Liquidator

Enclosures:

- 1 ARITA Information Sheet - Creditor Rights in Liquidations
- 2 Declaration of Independence, Relevant Relationships and Indemnities
- 3 Initial Remuneration Notice
- 4 ASIC Information Sheet - Insolvency information for directors, employees, creditors and shareholders