



# McGrathNicol

7 October 2014

## **Banksia Securities Limited (Receivers and Managers Appointed)(In Liquidation) ("BSL")**

### **Mediation Update**

The Receivers of BSL provide the following update in relation to the recent mediation.

- The mediation was initially held on 21 and 22 July 2014, and further adjourned to 28 August 2014.
- All parties attended and participated in the mediation.
- No successful outcome was reached at the mediation, and as such, the mediation framework has been terminated.
- As a result of the unsuccessful outcome to the mediation the Receivers are currently liaising with their legal advisors and the Debenture Holder Committee to determine the most appropriate path forward, and importantly, whether to commence litigation proceedings against the parties.
- It is unlikely there will be any further dividends in the short term whilst the litigation strategy is being finalised.

### **Other matters**

We also note that the Liquidators of BSL have now conducted initial public examinations of ex Trust employees, with further examinations to be held in late October 2014 and early November 2014. Following the outcome of these examinations, the Liquidators will likely update the Debenture Holder Committee on their findings and subsequent planned course of action.