

**IN THE HIGH COURT OF NEW ZEALAND  
AUCKLAND REGISTRY**

**CIV-2019-404**

In the matter of Part 19 of the High Court Rules and Sections 255, 257, 280,  
284(1)(a) and 286 of the Companies Act 1993

And

In the matter of an application concerning **TRENDS PUBLISHING  
INTERNATIONAL LIMITED (IN RECEIVERSHIP)** having its  
registered office at Restructuring Services Limited, 12  
Findlay Street, Ellerslie, Auckland, 1051.

And

In the matter of an application by **KARE JOHNSTONE AND ANDREW JOHN GRENFELL** of  
Auckland both Insolvency Practitioners, for an orders under  
sections 255 and 257 of the Companies Act 1993.

Applicants

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**ORIGINATING APPLICATION WITHOUT NOTICE FOR ORDERS UNDER  
SECTIONS 255 AND 257 OF THE COMPANIES ACT 1993**

**Dated: 30 October 2019**

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**BUDDLE FINDLAY**  
NEW ZEALAND LAWYERS

Barristers and Solicitors  
Wellington

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**To:** The Registrar of the High Court at Auckland

**This document notifies you that –**

1. The applicants, **Kare Johnstone** and **Andrew John Grenfell** of Auckland, Chartered Accountants and Accredited Insolvency Practitioners, apply for orders:
  - (a) Granting permission to commence this proceeding by way of originating application without notice.
  - (b) That, in the event of their appointment as liquidators of Trends Publishing International Limited (in receivership) (**Trends**), the requirements under ss 255(2)(c)(ii) and (d) and 257(1) of the Companies Act 1993 ("**Act**") relating to the sending of the liquidators' reports and all other documents required to be sent under those sections (together, the "**Liquidators' Reports**"), be modified such that where the applicants hold an email address for a creditor or shareholder of the entities that are the subject of this application:
    - (i) the applicants are not required to send that creditor or shareholder the Liquidators' Reports; and
    - (ii) if the applicants do not send that creditor or shareholder the Liquidators' Reports, the applicants must send that creditor or shareholder an email with a link to a website where copies of the Liquidators' Reports can be downloaded.
  - (c) That, where the applicants hold an email address for a creditor or shareholder of the entities that are the subject of this application, the applicants are permitted to send any other documents or correspondence to those creditors and shareholders by electronic means, in addition to all other methods permitted by the Act.
  - (d) That the Liquidators' Reports be uploaded to the website of McGrathNicol at <https://www.mcgrathnicol.com/> as soon as practicable after they have been prepared.
  - (e) That the applications and sealed orders in this proceeding be sent to every known creditor and shareholder of the entities that are the subject of this application at the same time and in the same manner (as

modified by 1(a) above) as the documents listed in s 255(2)(c)(ii) of the Act.

- (f) That any creditor or shareholder of the entities that are the subject of this application is granted leave to apply to the Court within 15 working days of such service referred to in 1(d) above to modify or discharge these orders on appropriate notice being given to the applicants.
- (g) That leave is reserved for the applicants to apply further in respect of any ancillary orders.
- (h) That the applicants' solicitor-client costs of this application be an expense incurred by the applicants in carrying out their duties as liquidators.

2. The grounds on which each order is sought are as follows:

- (a) Callaghan Innovation has applied to place Trends into liquidation in proceedings CIV 2019-404-1899. That application is scheduled to be determined by the High Court at Auckland on 1 November 2019 at 10am.
- (b) Callaghan Innovation has asked Ms Johnstone and Mr Grenfell to accept an appointment to act as liquidators of Trends.
- (c) Ms Johnstone and Mr Grenfell have previously been granted permission by the High Court to act as liquidators of Trends.
- (d) This application is necessary because:
  - (i) If appointed, the applicants must prepare and send to every known creditor, every shareholder and the Registrar:
    - (1) Within 25 working days of their appointment, a first report, a notice and list of creditors (under s 255(2)(c)(ii) of the Act);
    - (2) further six-monthly reports on the conduct of the liquidation and their proposals for completing the liquidation (under s 255(2)(d) of the Act); and
    - (3) as soon as practicable after the conclusion of the liquidation, a final report, statements and a summary of grounds on which the creditor or shareholder may object to

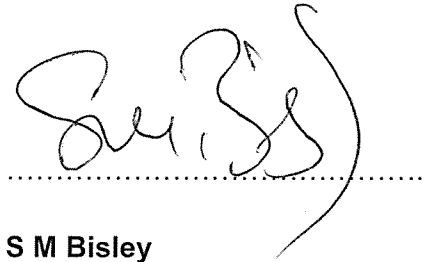
the removal of the company from the register (under s 257(1) of the Act),

(together, the "**Liquidators' Reports**"); and

- (ii) under s 391 of the Act, the Liquidators' Reports cannot be sent by electronic means to shareholders and creditors who are natural persons, unless such service has been requested.
  - (e) The number of Trends' creditors is not currently known.
  - (f) The cost to send by post separate Liquidators' Reports to each shareholder and the creditors of Trends could be expensive on each occasion that the Liquidators' Reports are required to be sent.
  - (g) The applicants consider that the cost of sending by post the Liquidators' Reports to every shareholder and creditor would be a disproportionate expense in the liquidation, and would unnecessarily diminish any return available to shareholders and creditors.
  - (h) It would be efficient and cost-effective if the Liquidators' Reports were not sent to Trends' shareholders and creditors but, instead, an electronic link to a website where copies of the Liquidators' Reports can be downloaded is emailed to those shareholders and creditors. That would also reduce or avoid the risk that the Liquidators' Reports are too large to be received by email.
3. This application is filed in reliance on:
- (a) the affidavit of Kare Johnstone filed in support of this application;
  - (b) Rules 7.23 and 7.46 and Part 19 of the High Court Rules;
  - (c) Sections 255(3)(c), 255(4) and 257(2) of the Companies Act 1993; and
  - (d) the decisions in *Perpetual Trust Limited v Strategic Finance Limited (In Receivership)* HC Wellington CIV-2010-485-1085, 27 July 2010; *Re FCS Loans Limited (In Liquidation)* [2013] NZHC 1190; *Re Dominion Finance Holdings Limited (In Liquidation)* HC Auckland CIV-2009-404-6606, 1 October 2009 and *Re Pumpkin Patch Limited (In Receivership and Administrator Appointed)* [2016] NZHC 2771.

4. The application is made without notice to any other party on the following grounds:
  - (a) that requiring the applicants to proceed on notice would cause undue delay or prejudice to the applicants;
  - (b) that the application relates to a routine matter; and
  - (c) that the interests of justice require the application to be determined without serving notice of the application.
  
5. I certify that—
  - (a) the grounds set out in paragraph 4 on which the application relies are made out; and
  - (b) all reasonable inquiries and all reasonable steps have been made or taken to ensure that the application contains all relevant information, including any opposition or defence that might be relied on by any other party, or any facts that would support the position of any other party.

Dated: 30 October 2018

A handwritten signature in black ink, appearing to read 'S M Bisley', is written above a horizontal dotted line. The signature is fluid and cursive.

**S M Bisley**

Solicitor for the applicants