

23 June 2009

<Name>
<Street>
<Suburb>
<City>
<Postcode>
<country>

Dear <salutation>

Five Star Consumer Finance Limited (In Receivership); Vintage Finance Limited (In Receivership); Vintage Rentals Limited (In Receivership); Beverage Rentals Limited (In Receivership); together – “the Companies” or “the Group”

Investor number <client no>

1. Introduction

We last wrote to you on 17 December 2008 to provide you with an update as to the receiverships of the Companies. We now take this opportunity to update you on progress since our last update.

On 27 January 2009 Anthony David Kenneth Boswell resigned as a receiver of the Companies as he has relocated overseas. He was replaced by Colin Thomas McCloy, Chartered Accountant of Auckland.

2. Estimated Recovery Range

All secured debenture investors have received repayments totalling 22.5 cents in the dollar. We continue to estimate that secured debenture investors could receive up to a further 2.5 cents in the dollar of their outstanding investment, bringing the total possible repayment to 25 cents in the dollar (excluding recoveries from the legal action discussed below). It is difficult to quantify both the quantum and timing of any further distributions to secured debenture investors as they are dependant on the outcome of the legal action and actions we are currently taking to recover certain commercial loans.

3. Investigations

As you are aware from our previous correspondence Five Star Consumer Finance Limited (In Receivership) issued civil proceedings on 3 July 2008 against the directors and an alleged shadow / de facto director for breaches of duties owed to Five Star Consumer Finance Limited, including duties of care. This claim was commenced after taking advice from a Queen’s Counsel and after considering various matters including the costs of litigation and recovery issues.

A trial date of 31 May 2010 has been set down by the Court. At this stage, and while the matter is before the Court, it is too early to comment further on the claim.

The receivers have provided assistance and information to Government Authorities in respect of their investigations and will continue to co-operate and assist as required.

We continue to look at other potential actions against other parties in respect of their conduct prior to receivership. Such actions will only be pursued with ongoing assessment of the legal position and available remedies, including (but not limited to) any potential recoveries for secured debenture investors through Court action. Potential quantum of litigation costs, risks and timeframes will also be assessed.

4. Prohibition of the Directors

On 23 March 2009 the Deputy Registrar of Companies prohibited each of the Companies' directors, Nicholas Kirk, Anthony Bowden and Marcus Macdonald from being directors or promoters of, or taking part, whether directly or indirectly, in the management of any company for a period of five years.


On 29 May 2009 a further person involved with Five Star Consumer Finance Limited, Neill Williams, was prohibited from being a director or promoter of, or taking part, whether directly or indirectly, in the management of any company for a period of five years. This was on the basis that the Deputy Registrar of Companies was satisfied that Mr Williams was a de facto director or manager of two or more companies to which section 385 of the Companies Act 1993 applies.

5. Other Matters

We will provide you with a further update prior to 31 December 2009. In the meantime, should you wish to contact us please do so via our website, telephone, facsimile, or private bag address, as follows:

Five Star Consumer Finance Limited (In Receivership)
c/- PricewaterhouseCoopers
Private Bag 92-162, AUCKLAND
Telephone: +64 9 355 8855
Facsimile: +64 9 355 8013
Website: www.pwc.com/nz/fivestarfinance

Yours faithfully



R D Agnew
Receiver



C T McCloy
Receiver