

## **Strategic Finance Limited (In Receivership) and related entities**

### **Frequently Asked Questions**

#### **1. What has happened to Strategic Finance Limited?**

John Fisk and Colin McCloy, partners of PricewaterhouseCoopers, were appointed receivers of Strategic Finance Limited (“Strategic”) on 12 March 2010. The receivership ends the moratorium which had been in place since December 2008.

The following entities were put into receivership on 12 March 2010.

- Strategic Finance Limited
- Strategic Nominees Limited
- Strategic Nominees Australia Limited
- Strategic Mortgages Limited
- Strategic Advisory Limited  
(collectively, “the Companies”)

#### **2. Why were receivers appointed to Strategic?**

Earlier this year Strategic announced to its investors that it would be unable to meet its milestone payment on 7 January 2010. It also advised that as a result of further provisioning, its total loan book value (net of provisioning) had fallen below 75% of the aggregate of principal monies owed to debenture holders, depositors and subordinated note holders. Both of these were “Review Events” under the moratorium terms.

Following negotiations between Strategic and the Trustee, the Trustee concluded that it was in the best interests of debenture holders that a receiver be appointed to the Companies.

#### **3. I am a Debenture holder in Strategic, what happens to my investment?**

As part of the receivership, principal repayments will not be made until further notice.

#### **4. What about interest on my investments?**

Similar to principal repayments, no interest payments to Debenture holders will be made until further notice.

#### **5. What will the receivers do now?**

We have secured the assets of the Companies (subject to the charge held by Perpetual Trust Limited) and are currently determining its financial position. Given the size of Strategic and the complexity of some of the loans, this will take some time. The Receivers will prepare and send a report to Debenture holders on their initial findings of the Companies’ financial position as soon as possible. At that stage we hope to be in a position to advise Debenture holders of potential returns on their investments.

#### **6. How much money does Strategic owe to Debenture holders?**

Strategic has approximately 10,000 Debenture holders who are owed approximately \$368 million.

#### **7. How much money does Strategic owe to noteholders and depositors?**

Strategic has approximately 1,000 noteholders owed \$22 million and 66 depositors owed \$1.5 million.

**8. My contact details have changed. Who do I notify of my change of address?**

If your postal details have changed, please advise your updated address details to Strategic Finance Limited (In Receivership), C/- PricewaterhouseCoopers, PO Box 243, Wellington in writing and your details will be updated accordingly.

**9. Can I receive updates on the receivership via email?**

Investors will receive a hard copy of any formal updates on the Strategic receivership via post.

A soft copy version of these updates and any other information released can also be found on our website at: [www.pwc.com/nz/strategicfinance](http://www.pwc.com/nz/strategicfinance)

**10. Can the ownership of investments be transferred?**

Ownership of investments can be transferred. Please provide us with your request in writing and we will send out the appropriate transfer documents.

**11. What action will be taken by the Receivers in respect of the conduct of Strategic and others prior to receivership to recoup lost funds for Strategic investors?**

If, during the course of our investigations, the Receivers identify any matters which they believe may give rise to breaches under the Trust Deed, legislation, common law or otherwise by any party, they will take direct action if applicable and notify the relevant Government authorities of their findings. Those authorities may take such actions as they deem appropriate.

**12. I have a question re my investment. How do I communicate it to the Receivers?**

You can choose to either

1. Email us via our Strategic specific website [www.pwc.com/nz/strategicfinance](http://www.pwc.com/nz/strategicfinance)

2. Write to the Receivers at:

Strategic Finance Limited (In Receivership)  
c/o PricewaterhouseCoopers  
113-119 The Terrace  
PO Box 243  
Wellington  
New Zealand

3. Call the dedicated investor telephone line

(09) 355 8030

Messages will be cleared regularly and one of the receivers' staff will contact you to discuss your enquiry.