

Ross Group - Final distribution and concluding the liquidations

The Liquidators of the Ross Group are now in a position to conclude the liquidations and make a final distribution to investors and creditors in the Ross Group of companies. They have requested some further directions from the Court on how that final distribution should be paid.

As is required before the liquidations can be formally concluded, the liquidators have also sought approval from the Court of their fees in the liquidation.

What directions are being sought in respect of the final distribution?

The Liquidators are seeking directions that they are to pay the final distribution to the general unsecured creditors and investors of RAM and Dagger on the same basis as set out in the Court's order of 8 August 2018 (which set out the methodology for the two previous distributions), save that:

- (a) Any final distribution will only be made to those Creditors and Investors who would be eligible to receive a distribution of \$100.00 or more.
- (b) Where a final distribution is to be made to an Investor who has been unable to be located by the Liquidators for the purpose of paying the previous two distributions, the Liquidators may pay such monies to the Inland Revenue Department pursuant to the Unclaimed Monies Act 1971 at the time of paying the final distribution.

The Liquidators anticipate holding funds of approximately \$150,000 at the end of the liquidations. While this is a reasonable sum of money, given that there are over 600 RAM investors and creditors who would otherwise be eligible for a distribution and the value of claims in the liquidation (\$128 million) the Liquidators consider that a payment to all Investors and Creditors on a pro-rata basis is not economic or practicable. Applying a threshold of \$100.00 for any final distribution (and assuming a residual fund of \$150,000) would result in 351 Investors being eligible for a final distribution.

What are the other orders sought?

There are two other orders being sought.

As is the usual process at the end of a court-ordered liquidation, we are applying to the Court for approval of our fees in the liquidation.

We are also seeking a minor procedural direction to regularise the parties to the proceeding, following the appointment of a new liquidator, Malcolm Hollis. Mr Hollis was appointed as liquidator following the retirement of Marcus McMillan last year. John Fisk remains a liquidator. This order simply reflects that there has been a change to the liquidators since the Court gave its previous orders in this matter and that it is appropriate that any court orders be made in favour of the current liquidators.

Can an Investor or Creditor oppose the application?

If you wish to oppose the application, we recommend you seek legal advice.

Have the liquidations finished?

This court application, and payment of the final distribution, are expected to be the final matters in these liquidations. Therefore, once this application has been determined by the Court, we expect to pay the final distribution and conclude the liquidations promptly.