



To All Investors and Creditors

11 April 2018

***Subject: Ross Asset Management Limited (In Liquidation) - “the Company or RAM”***

***Distribution Application***

We write to advise that the Court has now set down a hearing date to consider how and on what basis to distribute the funds held by the liquidators to investors and the other matters outlined in our update of 14 December 2017. The matter is scheduled for a one day hearing in the High Court at Wellington on 22 June 2018.

One investor has advised the Court they intend to seek leave to have their solicitor be heard at the hearing. This is the investor referred to as “Investor A” in the affidavit of John Fisk dated 11 December 2017. As no formal application has yet been filed by Investor A, it is not yet clear what form of involvement in the proceedings Investor A is seeking. If an application is made, that application will be available on our website.

We are not aware of any other investors who are seeking to be joined as a party to the proceeding or seeking to be heard at the hearing of the application, however, should you wish to do so you should seek your own independent legal advice.

A copy of the Judge’s minute and supporting memoranda from the relevant solicitors can be located on our website.

<https://www.pwc.co.nz/services/business-recovery/liquidations/ross-group.html>

The next steps will be for the Liquidators to file a further affidavit detailing some further analysis on the various distribution models and subsequently, their written legal submissions on the distributions application. These documents will be published on the website above.

**Clawback action**

In relation to clawback action we advise that we have entered into settlements with 175 investors where the total settlement value is approximately \$18.5 million. We have agreed settlements, but not yet finalised agreements with a further six investors. There remain only 23 investors where we continue to pursue claims valued at approximately \$9.1 million. To date, we have commenced legal proceedings against 13 of those investors who have claims valued at approximately \$6 million.

**Estimated Outcome**

Based on the recoveries we have received to date, we estimate a dividend being available to investors of between 12 and 24 cents in the dollar. We emphasise this range is still an estimate and will change depending upon the final distribution model approved by the Court and net recoveries from the remaining clawback claims.



In conclusion, we are focused on obtaining Court approval for a distribution model and making an interim distribution to investors as soon as possible. We appreciate your ongoing patience throughout this process.

Yours faithfully

A handwritten signature in black ink, appearing to read "John Fisk", with a large, looping flourish at the end.

John Fisk  
Liquidator