Our Reference: 06-60019
28 August 2015

Dear

1. I refer to my letter dated 24 March 2014 and provide the following update.

2. The Proceedings

2.1. You will recall that in 2009 the Australian Securities and Investments Commission (ASIC) commenced representative proceedings in the Federal Court of Australia (the Court) against Brighton Hall (the Proceedings).

2.2. You were identified as a group member in the Proceedings (Group Member).

2.3. The Proceedings are currently adjourned.

3. The Liquidation of Brighton Hall

3.1. The liquidator of Brighton Hall, Mr Russell Morgan (the Liquidator), has since advised ASIC that he intends to distribute any entitlement Group Members may have arising out of the Proceedings through the liquidation of Brighton Hall.

3.2. Accordingly, the Liquidator is currently determining the potential claimants to the insurance proceeds received from Brighton Hall's insurer in response to the Proceedings (the Insurance Proceeds).

4. Letter from the Liquidator

4.1. Enclosed is the Liquidator's letter in which he explains how he has determined the amount of your claim to the Insurance Proceeds from information provided to him by ASIC (the Liquidator's Letter). You should read the Liquidator's Letter very carefully.
5. Your Claim

5.1. Attached is a schedule titled "My Claim" (the ASIC Schedule).

5.2. The ASIC Schedule sets out:

5.2.1. the amount you potentially may claim in the liquidation of Brighton Hall as calculated by ASIC; and

5.2.2. the amount admitted by PricewaterhouseCoopers, the liquidator of the relevant mezzanine company.

6. What if I disagree with the information in the ASIC Schedule?

6.1. If you disagree with the information set out in the ASIC Schedule, you should complete the enclosed formal proof of debt with information you believe is accurate. Please note that if the information you provide to the Liquidator is different to the information set out in the ASIC Schedule, you may be required to prove, to the satisfaction of the Liquidator, that the information is accurate.

7. What do I need to do?

7.1. You need to:

7.1.1. provide your name and address or other contact details directly to the Liquidator. Due to Privacy Act provisions, ASIC is unable to provide your contact details to the Liquidator; and

7.1.2. advise the Liquidator whether or not you agree with the amount of your claim as shown on the ASIC Schedule.

7.2. If you disagree with the amount of your claim set out in the enclosed ASIC Schedule then you need to submit a formal proof of debt to the Liquidator containing the amount that you consider you are entitled to (the form is enclosed).

7.3. If you agree with the amount of your claim set out in the enclosed ASIC Schedule then you do not need to do anything else because the Liquidator is prepared to accept this amount as your claim without formal proof of debt.

8. What will happen after I submit my contact details to the Liquidator?

8.1. If you agree with the amount of your claim shown on the ASIC Schedule then the Liquidator will proceed on the basis that this is the amount of your claim and you do not have to provide any additional proof or evidence of your claim.

8.2. If you disagree with the amount of your claim shown on the ASIC Schedule then you need to submit a formal proof of debt to the liquidator outlining the amount that you consider to be your claim, together with a calculation of the amount claimed and evidence of your claim. The Liquidator will either admit or reject your formal proof of debt and will advise you directly of his decision (you have the right to appeal against the Liquidator's decision).
9. How much money will I receive?

9.1. ASIC cannot advise you of the amount of money you may receive (if at all) from the Liquidation at this time. However, ASIC has been informed by the Liquidator that:

9.1.1. the Insurance Proceeds is $2 million dollars (there is also unspecified accrued interest);

9.1.2. potential claimants to the Insurance Proceeds are:

9.1.2.1. the Liquidator, for fees and expenses (to be determined by the Court);

9.1.2.2. the Group Members;

9.1.2.3. the State Trustees Limited; and

9.1.2.4. other Westpoint investors with a claim against Brighton Hall;

9.1.3. a distribution of the Insurance Proceeds will only be made in respect of claims after taking into account:

9.1.3.1. any dividends paid to a claimant (including Group Members) by the liquidator of the relevant mezzanine company;

9.1.3.2. any monies recovered by a claimant (including Group Members) in other proceedings against Brighton Hall; and

9.1.3.3. the insurance policy deductible of $25,000.

10. When will I receive my money?

10.1. ASIC cannot advise you when you may receive a distribution from the Insurance Proceeds (if at all).

11. What will happen to the Proceedings?

11.1. Once the Liquidator has distributed the Insurance Proceeds, Brighton Hall will have no assets. Accordingly, the Proceedings will be discontinued.

12. Can I obtain legal advice?

12.1. If you wish, you may seek independent legal advice at your expense.

13. Who Can I Speak to at ASIC?

13.1. If you require any additional information regarding the above, please contact ASIC’s Customer Contact Centre on 1300 736 419 or by email at westpointinvestorliaison@asic.gov.au.
14. This letter is not intended to be relied upon as legal advice.

Yours faithfully

Tim Mullaly
Senior Executive Leader, Financial Services Enforcement
Australian Securities & Investments Commission
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