

123Kiwi.com Limited (In Receivership and In Liquidation)

Receivers' Second Report

1 INTRODUCTION AND APPOINTMENT

Iain McLennan and Boris van Delden, Insolvency Practitioners of Auckland, were appointed jointly and severally as receivers and managers of 123Kiwi.com Limited ("the company") on 6 May 2014. The receivers and managers were appointed under the powers contained in an agreement dated 30 December 2010, where the company granted a general security interest to the secured creditor.

Pursuant to section 24 of the Receiverships Act 1993 ("the Act"), the receivers report herewith on the progress of the receivership. This second report should be read in conjunction with the receivers' previous report.

A Statement of Realisations and Distributions is not attached.

2 RESTRICTIONS

This report has been prepared in accordance with Section 24 of the Act. Whilst all care and attention has been taken in compiling this report, we do not accept any liability whatsoever to any party as a result of the circulation, publication, reproduction or use of this report.

We reserve the right (but are under no obligation) to review and, if we consider necessary, revise this report in respect of any information existing at the date of this report which becomes known to us after that date.

3 CONDUCT OF THE RECEIVERSHIP DURING THE PRECEDING SIX MONTHS

As advised previously, the appointment arose as a result of the company's default in not meeting the obligations set out in the 30 December 2010 agreement,

Asset Realisations

3.1 The receivers have not traded on the business. However, the receivers are assisting the secured creditor with realisation of the company's assets. The assets include certain items of intellectual property and the benefit of a broking agreement dated 30 December 2010.

4 PROPOSALS FOR DISPOSAL OF RECEIVERSHIP PROPERTY

No property has been disposed of as at the date of this report. The secured creditor has commenced legal proceedings against the company, its director and others, claiming damages alleging wrongful conduct of the company and related companies, in respect of the 30 December 2010 agreement.

5 CREDITORS' CLAIMS

5.1 *Secured Creditor*

At the date of this report the amount claimed by our appointer total \$913,480 plus interest and costs.

5.2 *Preferential Creditors*

No preferential claim have been received.

5.3 *Unsecured Creditors*

To date we have received 2 unsecured claims which total \$29,411.77.

6 MATTERS DELAYING THE COMPLETION OF THE RECEIVERSHIP

The following matters are outstanding:

- Legal proceedings against the director
- Completion of receivership

7 ESTIMATED DATE OF COMPLETION

It is currently too early to estimate a date of completion for the receivership.

8 CONTACT DETAILS

Enquiries should be directed to Iain McLennan on (09) 303 9512 or by email to imclennan@mvp.co.nz.

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IAIN MCLENNAN
RECEIVER

DATED this ^{25th} day of November 2014