

CBL Corporation Limited (In Liquidation) ('the Company')

Company No. 3888838

1 June 2022 | 01148

Introduction

The liquidation of the Company commenced on 13 May 2019 at 10.12am when the High Court, Auckland appointed Neale Jackson and Brendon Gibson, Licensed Insolvency Practitioners, Joint and Several Liquidators in accordance with Section 241(2)(c) of the Companies Act 1993.

This report covers the period 13 November 2021 to 12 May 2022 ('the relevant period') and should be read in conjunction with all other liquidator reports we have issued.

Restrictions

This report has been prepared by us in accordance with and solely for the purposes of Section 255(2) of the Companies Act 1993.

In compiling this report, we have relied on the accuracy of all relevant information provided by the Company. We have not independently audited or verified that information and express no opinion on its accuracy, completeness or reliability.

We do not accept any liability whatsoever from this report.

All information contained in this report is for the confidential use of the parties to which it is provided in accordance with Section 255(2) of the Companies Act 1993 and is not to be disseminated or passed to any other person without prior written authority or in accordance with law.

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

Background

The Company was incorporated on 18 June 2012. It is the ultimate parent company of the CBL Group of Companies.

The Company was publicly listed. It listed on the New Zealand Stock Exchange ('NZX') and the Australian Stock Exchange ('ASX') on 12 October 2015.

The group included a number of trading subsidiaries operating globally in the business of insurance and re-insurance services. The group was an integrated and international credit surety and financial risk insurer, with a focus on offshore construction and property industries. The group carried on business in New Zealand and offshore, generally through subsidiaries in local jurisdictions and throughout the UK, Europe and Australia. The group built up an international distribution network, establishing eight offices on four continents and writing business in 25 countries. Underwriting, accounting, treasury, claims and management were all run from the Company's head office in Auckland.



Two of the group's subsidiaries provided re-insurance and insurance. All re-insurance services were carried out by CBL Insurance Limited (In Liquidation) ('CBLI'). CBL Insurance Europe (In Liquidation) ('CBLIE') carried out the business of insurance in Europe. CBLI and CBLIE are under the control of other insolvency practitioners.

The Company was placed in Voluntary Administration ('VA') on 23 February 2018. During the VA period the Administrators commenced sale processes for some of the group's businesses.

An explanation of what happened in the VA can be found in the Administrators' final report, which is available at calibrepartners.co.nz or on the Companies Office website (<https://companies-register.companiesoffice.govt.nz/>).

Conduct of the liquidation

During the relevant period the Liquidators:

- Continued to manage the Company's involvement in the various legal actions that have been filed against the Company and its directors, including two competing shareholder class actions;
- Continued efforts to realise the Company's residual assets; and
- Filed a claim against the directors of the Company for breaches of directors' duties, and one of the Company's advisors for breach of contract, in respect of the acquisition of Securities and Financial Solutions Europe SA and IMS Expert Europe SA for approximately €94 million in January 2017.

Should any creditors have any information of any matter that they feel warrants an investigation, please advise the Liquidators in writing.

Creditor claims

We confirm:

- No distributions have been made to any creditors to date.
- Claims have not been adjudicated given there are no funds currently available for distribution.

Statement of receipts and payments

A statement of receipts and payments for the relevant period is attached to this report.

Summary and estimated date of completion of liquidation

The nature of the events surrounding the CBL group, its insolvency, and the multiple legal cases underway mean that the liquidation is likely to be long and complex. It is too early to assess the date by which the liquidation will be finished.

Should you have any queries regarding the liquidation of the Company, please do not hesitate to contact Samuel Malloy of this office.

Yours faithfully

Neale Jackson
Joint and Several Liquidator



CBL Corporation Limited (In Liquidation)

Statement of Receivers' receipts and payments 13 November 2021 to 12 May 2022

	\$
Opening Balance	50,537
Receipts	
Debtor receipts	75,533
Total receipts	75,533
Payments	
Administration Charges	2,100
Bank fees	11
Intercompany payments	17,679
Legal costs	482
Liquidator's remuneration	69,989
Other expenses	622
Total payments	90,883
Net cashflow	(15,350)
Closing balance	35,187
Comprises of	
Bank balance	33,749
GST receivable	1,437
Closing balance	35,187



CBL Corporation Limited (In Liquidation) Time Based Charging Report

For period 13 November 2021 to 12 May 2022
Time costs by position and work type

	Hourly rate (\$)	General liquidation		Reports		Tax/IRD related		Total	
		Hours	Charge (\$)	Hours	Charge (\$)	Hours	Charge (\$)	Hours	Charge (\$)
Partner	685	42.6	29,169	1.4	935	-	-	43.9	30,104
Executive Director	610	23.6	14,419	1.5	937	0.5	312	25.7	15,669
Senior Manager	475	-	-	-	-	1.7	811	1.7	811
Senior Analyst	350	43.5	15,237	2.5	866	3.8	1,314	49.8	17,418
Finance Staff	295	1.0	302	-	-	0.1	25	1.1	327
Business Analyst	295	10.2	3,021	4.1	1,196	3.5	1,045	17.8	5,261
Support Staff	120	3.3	399	-	-	-	-	3.3	399
Total		124.3	62,548	9.4	3,934	9.6	3,507	143.4	69,989

Detail of work completed

General liquidation	General case administration including attending to creditor queries, formulating and lodging the claim against the directors and their advisors, and dealing with matters arising from the three legal claims currently being pursued by shareholders and the FMA.
Reports	Compiling statutory reports to creditors and any other reporting requirements.
Tax/IRD related	Tax related matters including liaison with advisors and the IRD.

Liquidators' disbursements	Cost
Administration charge	2,100