



McGrathNicol

23 October 2024

ABN 41 945 982 761  
Level 19, 2 The Esplanade  
Perth WA 6000,  
GPO Box 9986  
Perth WA 6848,  
T +61 8 6363 7600  
F +61 8 6363 7699  
mcgrathnicol.com

**Brite Advisors Pty Ltd (In Liquidation) (Receivers and Managers Appointed)**  
**ACN 135 024 412**  
**(Brite Advisors)**

**Update – October Application**

I refer to our update of 16 October 2024 and confirm the Receivers have filed an application with the Court which comprises the following:

- Minute of Proposed Orders; and
- Twelfth Affidavit of Linda Smith affirmed 19 October 2024 (**Twelfth Smith Affidavit**),  
(together, **the Application**).

The Court has listed the Application for a hearing at 9am (Australian Western Standard Time) / 11.30am (Australian Central Daylight Time) on Tuesday, 29 October 2024.

We expect that the hearing will be livestreamed via the Court's YouTube channel which can be accessed at <https://www.youtube.com/@FederalCourtAus>.

The Receivers have asked the Court to make orders in the Application as follows:

- That the Receivers can adjust the transactional data set obtained by the Receivers showing the value of each Beneficiaries' investments they ought to have had as at 13 December 2023 to:
  - correct the data for errors identified relating to dividends and coupons paid; and
  - remove withholding tax (meaning withholding tax will be applied by an adjustment at a later date).
- That the Receivers can engage an expert to value structured notes at fair value.
- That the Receivers can value the Minerva notes at cost price.
- That the date by which the Receivers are to file the Explanatory Memorandum be extended to 4 December 2024.
- That the Receivers can move certain cash held in the accounts of Brite Advisors existing prior to the Receivers' appointment to an alternate Australian ADI to allow those funds to earn an increased return.
- Providing directions to the Receivers on the appropriate approach where an error is identified in a Beneficiary's Valuation Notice after the Notice has already been confirmed by the Beneficiary.



- That the Receivers may sell the Bespoke holding of one specific Beneficiary where instructions are given, and hold the proceeds as cash pending the Court's final determination of the appropriate distribution of the Client AuM.

The Receivers have obtained orders from the Court to publish the Twelfth Smith Affidavit so that the Beneficiaries, Corporate Trustees and other interested parties have the benefit of the detailed information contained in the Twelfth Smith Affidavit which provides the basis for the orders sought by the Receivers.

The Twelfth Smith Affidavit sets out the Receivers' position on the proposed orders sought in relation to the various issues identified by the Receivers in Brite Advisors' recording of historical data, including in relation to:

- the steps taken by the Receivers to verify the 13 December Data to ensure its accuracy before issuing Valuation Notices to Beneficiaries;
- the Receivers' proposed amendments to the 13 December Data;
- the Receivers proposed treatment of withholding tax;
- the Receivers proposed steps to value structured notes and Minerva notes; and
- the Receivers proposed future and immediate steps with respect to bespoke assets.

The Twelfth Smith Affidavit is available on our website, which can be accessed here:

<http://www.mcgrathnicol.com/creditors/brite-advisors-pty-ltd>.

The Receivers will provide a further update to Beneficiaries and Corporate Trustees following the hearing of the Application.

Yours faithfully

*Brite Advisors Pty Ltd (In Liquidation) (Receivers and Managers Appointed)*

Linda Smith  
*Receiver and Liquidator*