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BISHOP WARDEN UNSUCCESSFUL IN BID TO OUST LIQUIDATOR

Debt buying company Bishop Warden's attempt at a creditors meeting held yesterday, to have Waterstone appointed as liquidators of Cranston Homes (Auckland) Ltd (In Liquidation) received significant support, but not enough to replace the current shareholder appointed liquidators.

"Naturally, we are disappointed that the motion did not gain enough support, said Matthew Blomfield, director of Bishop Warden. "But it was always going to be a major hurdle to overcome."

"We took this action because we were concerned that McDonald Vague had elected not to call a creditors meeting, when the Courts have expressed a general view that the appointed liquidator must call a meeting of the company's creditors," Matthew Blomfield said.

"The creditors' meeting was only called after Bishop Warden exercised its right as a creditor to hold such a meeting.

"The fact that McDonald Vague was appointed on a resolution of its shareholders gave us enough cause for concern to seek to have an independent liquidator appointed who could act in the interests of all creditors.

"Our concern was solely about the appointment of an independent liquidator acting in the best interests of all creditors.

"We need to decide whether to refer the matter to the High Court for resolution, which will ultimately depend on an assessment as to how many of the creditors who voted may have been, in fact, related parties to Cranston Homes (Auckland) Ltd.

S245A "authorises the High Court to set a creditors' resolution aside where it was passed by the votes of creditors related to the company in liquidation and its passage is contrary to the interests of creditors, or a class of them, as a whole and it is reasonably likely to prejudice the interests of creditors who voted against it..."

Bishop Warden is a debt buying company that specialises in the purchase and collection of commercial debts over \$10,000. The company recently wrote and released a White Paper entitled 'The Debt Buying Industry in NZ: Myth & Reality in the Age of Credit.' (available for download at www.bishopwarden.com) The White Paper is intended to educate the market about the benefits of selling debts as opposed to traditional 'agency' debt collection.

The company was established in 2016 and currently has around \$3m in assigned debt.

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