



McGrathNicol

6 November 2025

ABN 41 945 982 761
Level 38, 2 The Esplanade
Perth WA 6000, Australia
GPO Box 9986
Perth WA 6848, Australia
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)

Further Update – Interim Distribution Application

I refer to our previous circulars to Corporate Trustees and Beneficiaries and adopt the defined terms contained in those circulars regarding the Interim Distribution Application.

1 Materials filed with the Court on the Interim Distribution Application

Materials filed by interested parties

Since our last circular, two interested parties have filed material with the Court in relation to the Interim Distribution Application as follows:

- Joanne Wild and Adrian Hyde of Begbies Traynor (**Begbies Traynor**), in their capacity as administrators of Relay Administration Limited (**Relay**), Corinthian Pension Trustees Limited (**Corinthian**) and Pantheon Pension Trustees Limited (**Pantheon**) filed an affidavit of Joanne Wild dated 28 October 2025 and an outline of written submissions dated 28 October 2025; and
- Interactive Brokers Australia Pty Ltd (**IBAU**) filed an affidavit of Camilla Clemente dated 29 October 2025 and an outline of written submission dated 30 October 2025.

The other interested parties (being Alltrust Services Ltd and Bourse Pension Administrators (Malta) Limited) have confirmed to the Court that they do not intend to file any material or appear at the Interim Distribution Application hearing.

As the Receivers understand the material, and in summary terms:

- Begbies Traynor asserts that a further application for the Payment Orders is not required and, if it is, that it should be heard and determined prior to 12 December 2025; and
- IBAU asserts that the Receivers should withhold approximately AUD\$95 million from the Interim Distribution on account of potential future liabilities that it says may be owed to it if the Receivers pursue the foreshadowed claims against IBAU.

The Receivers oppose the requests made by Begbies Traynor and IBAU and have filed submissions in reply.

Reply materials filed by the Receivers

On 4 November 2025, in accordance with the Court's orders, the Receivers filed their material in reply, comprised of:

- the thirty-first affidavit of Linda Methven Smith dated 4 November 2025 (**Thirty-First Smith Affidavit**);



- an outline of the Receivers' reply submissions dated 4 November 2025; and
- a revised minute of proposed orders for the Interim Distribution (**Revised Minute**).

The Receivers confirm that all materials that were provided to them by 28 October 2025 in accordance with order 7 of the orders made on 15 September 2025, have been put before the Court as annexures to the First Basso Affidavit dated 30 October 2025.

The Receivers also intend to file a further affidavit on or around 7 November 2025 to provide a general update to the Court on the status of the receivership.

The Receivers will seek orders permitting the publication of their materials so that they may be accessed on our website.

2 Revised Minute - what are the changes?

By the Revised Minute, the Receivers have made two changes to the orders that they propose the Court makes on the Interim Distribution Application, which we explain below:

- The Receivers seek orders that enables the amount retained on account of Australian tax liabilities (presently AUD\$175million) to be reduced where the ATO has issued a private binding ruling and the ATO does not object to that lesser amount (see further section 4 below in relation to the status of the Receivers' applications for private binding rulings and our update dated 28 October 2025).
- The Receivers seek orders to retain amounts totalling approximately USD\$131.1m in aggregate (which includes the AUD\$175m provision for Australian tax, along with the provision for US tax and unresolved claims to the client AuM), then distributing 90% of the remainder. The remaining 10% which is not distributed as part of the interim distribution will be retained until there is greater certainty as to the path to finalisation of the Receivership and a final distribution.
- The Receivers have included an additional proposed order to clarify that Direct Beneficiaries who have a trustee in place as part of a self-managed superannuation fund or similar arrangement, may nominate the trustee to whom their Interim Distribution payment is to be paid.

3 Hearing will be livestreamed on YouTube

The Interim Distribution Application will be heard by the Court at 10am (AWST) / 12:30pm (ACDT) on 13 November 2025.

As previously notified, the Court changed the hearing date to this date (it was originally listed on 12 November 2025).

The Court has confirmed that the Interim Distribution Application hearing will be livestreamed on the Court's YouTube channel which can be accessed here: [Federal Court of Australia - YouTube](#)

4 Update on engagement with Australian Taxation Office

In our circular dated 28 October 2025, we advised that the Receivers had lodged the First PBR Application relating to Brite Advisors' capital gains tax liability for the 2025/2026 financial year, and that they intended to lodge a Second PBR Application in relation to the balance of the tax issues set out in the Receivers' Position Paper to the ATO.

First PBR Application

The ATO has now issued a private binding ruling on the First PBR Application, confirming the Receivers' view that no capital gains tax is payable by Brite Advisors or the Receivers in respect of the liquidation and distribution of the Deficient Mixed Fund during the 2025/2026 financial year.

The ATO has asked that the Receivers consult with them before reducing the amount that the Receivers propose to withhold on account of Australian taxation liabilities from the Interim Distribution. The Receivers



have asked the ATO to confirm that it does not object to the Receivers reducing the amount proposed to be withheld on account of potential Australian tax liabilities from AUD\$175million to AUD\$100million.

Second PBR Application

The Receivers will submit the Second PBR Application to the ATO on 6 November 2025. The ATO has indicated, via its solicitors, that it will use all reasonable endeavours to provide a private binding ruling on the Second PBR Application by 5 December 2025.

If and when the ATO provides its private binding ruling, the Receivers will consult with the ATO as to further reducing the amount to be withheld on account of potential Australian tax liabilities. The Receivers' intention is to do so ahead of any Interim Distribution, to maximise the amount to be returned to Corporate Trustees and Beneficiaries in these payments, however this will depend on the timing of the ATO's consideration of the Second PBR Application and the outcome of consultation with the ATO following the private binding ruling.

5 Ongoing updates

The Receivers will continue to keep Corporate Trustees and Beneficiaries apprised of the conduct of the receivership and issue further updates when there are material developments. Correspondence issued to Trustees and Beneficiaries can be downloaded from our website at the following link - <https://www.mcgrathnicol.com/creditors/brite-advisors-pty-ltd>.

If you have any queries, please refer to the Frequently Asked Questions page on our website, which can be accessed here: <https://www.mcgrathnicol.com/creditors/brite-advisors-pty-ltd>. This page will be continually updated as new information that is relevant to Beneficiaries and Trustees becomes available.

If you have any queries which are not addressed in the Frequently Asked Questions, please contact the Receivers at briteadvisors@mcgrathnicol.com.

Yours faithfully

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

A handwritten signature in cursive script that reads "Linda Smith".

Linda Smith
Receiver and Liquidator