

COMPANY NO. 1671845

**PAKIRI INVESTMENTS LIMITED (IN LIQUIDATION)**

(the “Company”)

**LIQUIDATORS’ FOURTH 6-MONTHLY REPORT ON THE CONDUCT OF THE  
LIQUIDATION**

(Section 255(2)(d) of the Companies Act 1993)

**Reporting Period:** 16 August 2014 to 15 February 2015

**1. Introduction**

At 11:01am on 15 February 2013 by the High Court of New Zealand Auckland Registry the Company was placed into Liquidation and Mark Hector Norrie and Patricia van der Wende insolvency practitioners of Norrie & Daughters were appointed joint and several liquidators of the Company, Patricia van der Wende has since resigned as liquidator.

This report has been prepared in accordance with section 255(2)(d) of the Companies Act 1993 for the purposes of reporting on the conduct of the liquidation during the preceding 6 months and reporting of further proposals we have for completing the liquidation.

The statements and opinions expressed in this report have been made in good faith and are based on information available as at the date of this report. We have not conducted any form of audit in respect of the Company. In preparing this report we have relied on information made available to us. We have not independently verified, and express no opinion as to, the completeness, reliability or accuracy of that information. We reserve the right, but will be under no obligation, to review or amend our report if it subsequently comes to light that information we have relied upon is incomplete or inaccurate.

**2. Report on the Conduct of the Liquidation During the Preceding 6 months**

Information obtained from Messrs Judson, Sutich, Ravikulan and Newman under the examination in the High Court is being used to further the progress of the liquidation.

The directors and chief financial officer failed to show that the Company maintained accounts and records required under ss189 and 194 of the Companies Act 1993.

High Court proceedings continued against the associated company Time3 Global Limited.

Investigations are underway into what actions may be brought against persons involved in the management and fund raising activities of the company.

Shareholders are advised that their investment into the Company is likely to be worth nil.

Shareholders and others continued to provide records and documents to the Liquidator. These records have proved most useful in allowing the Liquidator to proceed with various claims against various parties. The Liquidator thanks those who have provided records and documents and requests that this support continues.

#### Assets

Realisations were made in respect to:  
Antecedent Transactions & Interest: \$35,000.00

#### Distributions

Disbursements	\$15,199.31
Liquidator Fees	\$19,800.69
Tax	\$ 0.00
	<u>\$35,000.00</u>

#### **The TIME3 Product**

The liquidator has obtained under oath in the High Court information from the directors that the TIME3 Virtual Internet Operating System (**TIME3**) was at the point of commercialisation some years ago however except for 1 director seeing a user interface or “OUI” no other director other has seen TIME3 in any operating form.

It is up to shareholders to make their own interpretation as to why a product that was apparently ready for commercialisation has not been bought to market, cash flows generated and investors receiving a return on funds invested.

#### **CIV 2013-404-3305 Mark Hector Norrie as Liquidator of Pakiri Investments Limited (in Liquidation) v Time 3 Global Limited – Judgment in Favour of Pakiri**

##### **Background**

On 21 May 2015 the High Court released its judgment in CIV 2013-404-3305 Mark Hector Norrie as Liquidator of Pakiri Investments Limited (in Liquidation) v Time 3 Global Limited.

By way of background on 7 May 2013 Mark Hector Norrie as Liquidator of Pakiri Investments Limited (in Liquidation) (**Pakiri**) served on Time 3 Global Limited (**Time**) a Notice to Set Aside Voidable Transaction Under Companies Act 1993 (**Notice**).

The Notice identified that Pakiri wished to have set aside all that property that was transferred from Pakiri to Time shortly before the liquidation of Pakiri commenced, in particular the TIME3 Suite of Software.

The Notice was not opposed within the required time for objection and Pakiri applied to the Court for orders to obtain the property.

##### **Judgment Against Time**

Time objected to the Court making the orders sought. This resulted in a 2 day full hearing. Time lost.

As a result of the Judgment all property that was transferred from Pakiri to Time by Mr Read acting for the Read Family Trust has been ordered to be given back to Pakiri. This includes all intellectual property.

The Court also ruled that the Read Family Trust security interest was of no value.

### **What the Judgment Means to Shareholders**

All known shareholders excluding Mr Ravikulan and Mr Read who remain trustee shareholders, transferred their shareholding from Pakiri to Time at the urging/request of Mr Read supported by the directors of Time, Mr Newman and Sutich.

It appears that the transfer of shares was in vain and shareholders now hold shares in a company that no longer holds the property that Pakiri did and that most shareholders invested in.

Shareholders who invested in Time after 15 February 2013 have invested into a company that did not have the legal ownership rights in the TIME3 software.

For shareholders who invested in Pakiri and Time to the extent that Time had the rights in the TIME3 software have lost their investment. For shareholders who paid for their shares it is an unfortunate ending.

Those shareholders who wish to consider their legal options should obtain legal advice and/or make a complaint to the appropriate regulatory authorities of their country of domicile. Contact details for some jurisdictions are provided within this report.

**WARNING** - Any further attempts by Time or Mr Read on behalf of Time or the Read Family Trust to raise funds from shareholders to deal in way with the property that has been ordered to be transferred from Time to Pakiri should be ignored and reported to the liquidator by email to [liquidations@norrie.co.nz](mailto:liquidations@norrie.co.nz)

### **Criminal Complaints**

Shareholders in New Zealand, Australia and other countries who wish to make a formal complaint to regulatory authorities the following contacts are provided:

#### **New Zealand**

Peter J Preece  
Senior Forensic Accountant  
Financial Crime Unit  
Auckland Central CIB  
Private Bag 92002  
Auckland  
DDI (09) 302 6846

#### **Australia**

A number of options exist.

- Your local police station;
- ASIC
- Or Australian Competition and Consumer Commission (ACCC) online at:

<https://www.scamwatch.gov.au/content/maintain/create/index.phtml?contentTypeName=scamwatchComplaint&informationSpaceItemId=tag.ScamwatchReportAScam&inPop=1&returnUrl=.&type=Other>

#### **Other Countries including Tahiti**

Your local police office

### 3. Further Proposals for Completing the Liquidation

- TIME3 Global Limited: The transfer of assets from the Company to Time3 Global limited has been set aside. The matter remains before the Court. The Liquidator is seeking orders for the assets to be returned to the Company;
- Antecedent or voidable transactions are being pursued against directors, current and ex, persons involved in providing services to the Company and a certain shareholder.
- Information collated for referral to various regulatory bodies in respect to the management and affairs of the Company.
- The Liquidators firm continues to fund the liquidation.
- Investigation into the tax affairs of the Company.
- Enforce the judgment obtained on 21 May 2015.

### 4. Estimated Date of Completion

It is not practicable to estimate a date for completing the liquidation.

Enquiries should be directed during normal business hours to: Norrie & Daughters PO Box 12516 Penrose Auckland 1642 Telephone: (09) 551 3631 F: (09) 579 9805 Email: [liquidations@norrie.co.nz](mailto:liquidations@norrie.co.nz)

Dated this 30th day of May 2015



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Mark Hector Norrie  
**Liquidator**