



Case studies

Babcock and Brown Limited
Insolvency case information

Liquidation is expected to be completed in 2023 - see highlighted section below.
Keep 300 units at NIL value

Details

Appointment type:	Voluntary administration	
Appointment date:	13 March 2009	
ACN:	108 614 955	
Appointee(s):	David Lombe	
Office:	Sydney	
Enquiries:	General enquiries Selina Su Tel: +61 2 8260 6051 Email	Media enquiries Simon Rushton Tel: +61 2 9322 5562 Email
URL:	http://www.deloitte.com/au/babcockandbrown	

Related Links

- ASIC
Insolvency information sheets
- Help for workers who have recently lost their jobs
Job Services Australia publication
- Taking care of yourself after retrenchment or financial loss
Beyond Blue publication

Background information

Babcock & Brown Limited ("BBL") is the ultimate holding company of the Babcock & Brown Group. BBL is a shareholder of Babcock & Brown International Pty Limited ("BBIPL"), the intermediate holding company. All assets of the Group are

held by BBIPL and its subsidiaries.

Deloitte Partners David Lombe and Simon Cathro were appointed Voluntary Administrators of Babcock & Brown Limited on 13 March 2009.

BBL's Second Meeting of Creditors was held on 24 August 2009 and creditors resolved for BBL to be wound up. David Lombe and Simon Cathro were appointed the Joint Liquidators pursuant to Section 446A of the Corporations Act 2001. Mr Cathro resigned as liquidator of BBL on 9 August 2011, and David Lombe is the sole Liquidator of BBL.

Summary update (October 2021)

High Court appeal of the Masters, Broome and Wilhelm proceedings

At the time of preparing our Annual Report to Creditors dated 27 September 2018 (**2018 Annual Report**), the Court had advised that judgment in the Masters, Broome and Wilhelm proceedings (**MBW proceedings**) would be delayed with Justice Foster unable to finalise his judgment due to serious illness.

Judgement in the MBW proceedings was handed down on 18 October 2019, with Justice Foster dismissing all three proceedings with costs in favour of the Liquidator. The plaintiffs lodged an appeal on 15 November 2019.

The appeal of the MBW proceedings was heard in court in November 2020.

On Friday 3 September 2021, we received notice that the appeal in the MBW proceedings was dismissed by the Appeals Court with costs in our favour.

The plaintiffs subsequently sought special leave of the High Court to appeal the judgement on 1 October 2021. We along with Counsel are exploring options in relation to this appeal. A date for the appeal has not yet been set.

Remaining legal proceedings – Pain proceedings

In late 2018, the litigation funder for the MBW proceedings commenced a completely new set of legal proceedings (**Pain proceedings**) following the Liquidator's decision to reject a new tranche of shareholder proofs of debt forms which now make up the Pain proceedings received in October 2018.

As the arguments raised by the plaintiffs in the Pain proceedings share similarities with those in the MBW proceedings, the parties agreed to adjourn the Pain proceedings until the outcome of the MBW proceedings are known.

Estimated timeframe for completion

The next steps of determining what dividend is available to creditors, including noteholders, cannot be determined until both of the above sets of legal proceedings are finalised.

The Liquidation can be finalised approximately thirteen (13) months following the completion of the MBW proceedings (subject to High Court appeal) and the Pain proceedings.

For example in the event that the both proceedings were disposed of by November 2022, **we estimate that the Liquidation can be finalised by December 2023.** This is of course contingent upon no further appeals being lodged by the plaintiffs, and no further legal proceedings commenced against BBL.

Annual Reports

Please note that the 2018 Annual Report was the last annual report to creditors and noteholders that we are required to issue pursuant to Section 508 of the Corporations Act 2001. The Insolvency Law Reform Act 2016, which came into effect on 1 September 2017, repealed annual reports in a liquidation.

As such, we will continue to update our website as and when new information comes to hand.

Annual Administration Return

Separately, pursuant to section 70-5(6)(b) of the Insolvency Practice Schedule (Corporations) 2016, we provide notice that we have lodged our Annual Administration Return (Form 5602) with the Australian Securities & Investments Commission for the period ended 23 August 2020.

Queries

If you have any queries please do not hesitate to contact Selina Su of the Liquidator's office on the details above.