

Millions more back

Banksia victims to get 70c to 80c

with the Australian Secur-

ties and Investments Com-
mission now pushing for
companies that sell mort-
gage debentures to hold a
minimum amount of capital.
Mortgage debentures are
bonds that provide inves-

tors with a fixed interest re-
turn. Companies sell them
and lend the money out.
Investors in Banksia Sec-

urities will receive another
10c-in-the-dollar payment
next month, taking total
returns to date to 30c.

Cherry Fund investors are
yet to receive any money.

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examine Banksia's directors
in the Victorian Supreme
Court at the end of July.

The public examination
by the receiver is separate to
a class action launched
against Banksia's directors,

McGrathNicol is working
to wrap up a sale before the
end of May.
Investors in an associated
investment vehicle, Cherry
Fund, are also likely to re-

ceive an improved payout.
The receiver will also

man Sachs and Macquarie
Group are all reported to
have shown interest in the
portfolio, which has a face

value of \$270 million and rep-
resents half of Banksia
Securities' total loan book.

likely to re-

The receiver will also

coupling an \$11.2 million
loan made to the Banksia
group's ultimate holding
company, Securities
Holdco, which has begun to
sell off its assets in order to

return the funds.
The revised payout guid-

ance follows stronger-than-
expected interest in the sale
of 565 residential, commer-

Bank, Deutsche Bank, Gold-

RECEIVERS winding up
failed lender Banksia have
upped their payout esti-

mate for thousands of out-
of-pocket investors.
McGrathNicol said yes-

terday mortgage debenture
holders in the non-bank
lender's key Banksia Secur-

ties investment vehicle were
likely to receive between 70c
and 80c in the dollar.
The revised estimate is up

from an earlier forecast of
50c to 65c.
Receivers also said prog-

ress was being made on re-