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Details of Filing

Document Lodged:	Expert Report
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File Title:	ADAM NICHOLAS IAN FLETCHER & ORS v CHRISTOPHER MICHAEL BROWN & ANOR
Registry:	WESTERN AUSTRALIA REGISTRY - FEDERAL COURT OF AUSTRALIA



Sia Lagos

Dated: 17/06/2021 2:55:18 PM AWST

Registrar

Important Information

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**Christopher Michael Brown
&
CMB Investments 1993 Pty Ltd
(Receivers and Managers
Appointed)**

Final Report to the Federal Court of Australia

No: WAD59/2021

15 June 2021

CMB - Final Report to the Federal Court of Australia

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1 Preparation

- 1.1 Pursuant to paragraph 1 of Court Order WAD59/2021 dated 25 March 2021, Hayden Leigh White and I, Matthew David Woods were appointed as joint and several Receivers and Managers (**Receivers**) to the property of the first and second respondents, being Mr Christopher Michael Brown and CMB Investments 1993 Pty Ltd (ACN 618 397 925) (**the Estate**) (**Receivership Property**).
- 1.2 Pursuant to paragraph 4 of the Court Order dated 20 April 2021, paragraph 1 of the orders made on 25 March 2021 was amended so that the Receivership Property was extended to include property held by the CMB Investments 1993 Pty Ltd (ACN 618 397 925) in its capacity as trustee for CMB Investments 1993 Family Trust (**the Trust**).
- 1.3 Pursuant to paragraph 6 of the Court Order dated 23 April 2021, paragraph 2 of the orders made on 25 March 2021 was amended so that the Receivers have the further power to make enquiries with any banks, betting agencies or third party agencies with respect to the existence or otherwise of any property which may be held either directly or indirectly by the following related entities:
- MyLife Developments Pty Ltd (ACN 622 068 973);
 - CMB Consulting 1993 Pty Ltd (ACN 628 028 277); and
 - BC Asset Management (WA) Pty Ltd (ACN 631 568 628).
- (**the Entities**)
- 1.4 Pursuant to paragraph 1 of the Court Order dated 20 May 2021, the Receivers' appointment to the Receivership Property was extended to 15 June 2021 or such other date as may be set by the Court.
- 1.5 This report details the findings from the Receivers' work relating to paragraphs 1 and 2 of the orders made on 25 March 2021 and should be read in conjunction with the Receivers' Interim Report to the Court dated 15 April 2021 (**Interim Report**).



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2 Executive Summary

Limitation of scope

- 2.1 The Receivers' findings have been prepared based on bank statement and betting statement information provided by banking institutions and betting agencies. Our findings are reliant upon, and limited to, the quality and completeness of the information provided and have been further limited by the lack of co-operation from Christopher Michael Brown (**Christopher Brown**). This lack of co-operation is discussed further in section 10 of this report.

Summary of findings

- 2.2 The purpose of the Receivers report is to provide an update on the progress of our investigations and findings with respect to the Receivership Property. A summary of our findings, as highlighted in the body of the report, is set out below:
- 2.3 Total Receivership Property held in bank, betting agency and third-party accounts that is recoverable by the Receivers is \$1,953.75. The Receivers recovered an additional \$3,480.03 in net proceeds from horse racing prize money. The total amount recovered in the Receivership to date is \$5,430.44.
- 2.4 We have not identified any real property or motor vehicles held by Christopher Brown.
- 2.5 Our review of Christopher Brown's bank account transactions has identified:
- Investor receipts of c. \$12.2m (including c. \$688k cash deposits);
 - Investor payments of c. \$2.81m;
 - Payments to betting agencies of c. \$11.66m; and
 - Receipts from betting agencies of c. \$2.15m.
- 2.6 Our review of Christopher Brown's betting agency accounts has identified total winnings of \$53.62m and losses of \$63.73m, for a total net loss of \$10.11m. We have observed a pattern of regular deposits, irrational betting and consistent losses.
- 2.7 With respect to accounts held by the Entities, our enquiries did not identify any material property, or investor or betting related transactions. We note however that due to the limitations of the Receivers' powers, we have not been provided with bank statements for the full period of all accounts held by the Entities.



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3 Assets Claimed to be held in the Estate

Table 1 below summarises the assets claimed to be held by the first respondent, Christopher Brown, as provided to his lawyers and as attached to Christopher Brown's affidavit dated 13 April 2021.¹

Name of Bank / Entity	Claims by Christopher Brown March 2021 (\$)	Claims by Christopher Brown April 2021 (\$)	Assets Verified by the Receivers' (\$)	Ref.
National Australia Bank Limited	<200m	~40m	nil	2
WealthHub Securities Limited trading as Nabtrade	<200m	Nil/Nominal	nil	3
ING Bank (Australia) Limited	<3.5m	Nil/Nominal	nil	4
Bank of Queensland Limited	<9m	~9m	3.00	5
Macquarie Bank Limited	<109m	Nil/Nominal	nil	6
Qudos Bank	<90m	~240m	nil	7
UP Bank	0	Nil/Nominal	nil	8
AMP Bank	0		nil	9
Beyond Bank	0		nil	10
Pointsbet Holdings Limited	<10m	Unknown	0.14	11
Entain Group Pty Ltd trading as Ladbrokes AU	<10m	Unknown	nil	12
Sportsbet Pty Ltd trading as Sportsbet Australia	0	Unknown	0.20	13
Betfair Pty Limited trading as Australian Betting Exchange	0	Nil/Nominal	nil	14
ZeroCap Pty Ltd	<20m	Nil/Nominal	nil	15
86 400 Bank		~1m	1,950.41	16
eToro		~120m	nil	17
Plus500		~5k	nil	18
Binance		~\$500k	TBD	
Horse Ownership		~19k	TBD	
Total	<651.5m	~410.5m	1,953.75	

¹ Affidavit - Christopher Michael Brown dated 13 April 2021

² Letter - 06.04.2021 - NAB - Account balances at appointment

³ Emails - NABtrade and KPMG - Cash balance & Asset/Liability position

⁴ Letter - 26.03.2021 - ING - Account details & final statements (reduced)

⁵ Letter - 26.03.2021 - BOQ - Record of accounts

⁶ Letter - 26.03.2021 - Macquarie - Record of accounts

⁷ Statement - Qudos Bank

⁸ Email - 29.03.2021 - Bendigo & Adelaide Bank (UP Bank) - No active accounts

⁹ Email - 29.03.2021 - AMP - No accounts

¹⁰ Email - 26.03.2021 - BeyondBank - No accounts

¹¹ Email - 30.03.2021 - PointsBet - Notice actioned

¹² Email - 26.03.2021 - Entain Group - Notice actioned

¹³ Email - 01.05.2021 - SportsBet - Account balance confirmations

¹⁴ Email - 26.03.2021 - Betfair - Notice actioned

¹⁵ Email - 26.03.2021 - ZeroCap - Notice actioned

¹⁶ Statements - 86 400 Bank

¹⁷ Statement - eToro

¹⁸ Statement - Plus500



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Receivers comments

- 3.1 The initial focus of the Receivers was toward the assets claimed to be held by Christopher Brown in information provided to the Court by Christopher Brown in March 2021¹ as detailed above.
- 3.2 The scope of our enquiries expanded significantly following the further information provided by Christopher Brown to Court in his affidavit dated 13 April 2021, as this information included assets claimed to be held by online trading platforms and digital asset desks.¹
- 3.3 As can be seen from the above table, the Receivers' review of the above accounts has confirmed nominal assets held in the property of the Estate, disproving the balances claimed to be held by Christopher Brown.
- 3.4 Summaries of the responses received from banks, betting agencies, trading and cryptocurrency platforms and our findings are set out in sections 4, 5 and 6 of this report respectively.



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4 Banks

Notification of appointment and extension of Receivers' powers

- 4.1 As detailed in the Interim Report, on the date of our appointment the Receivers issued a written notice to all banks listed in paragraph 2 of the Order dated 25 March 2021, being those named by Christopher Brown.¹⁹ In addition, the receivers wrote to all banks and respective contacts provided by Mills Oakley (**the Receivers' lawyers**), being those subject to freezing orders prior to our appointment.¹⁹ This correspondence notified them of our appointment, requested an immediate freeze of accounts and details of any accounts held or previously held in the name of the Estate. A pro-forma copy of the notice issued is available in the Appendices.²⁰
- 4.2 On the same date, the notice was issued to an additional 20 banks that KPMG Restructuring Services ordinarily notifies immediately following a formal appointment.
- 4.3 Subsequently on 23 March 2021, we issued a notice to 6 neobanks identified by us as operating in Australia.
- 4.4 Following the orders made by the Court on 20 April 2021 and 23 April 2021, the Receivers issued an additional notice to all previously notified banks on 29 April 2021 (**Additional Notice**), notifying them of the further orders and requesting:
- An immediate freeze and details of all accounts held by the Trust; and
 - Details of all accounts held by the Entities.
- A pro-forma copy of the notice issued is available in the Appendices.²¹
- 4.5 Since the release of the Receivers' Interim Report, a further 5 banking institutions have provided responses to our initial notice, confirming that no bank accounts are held, or were previously held by the Estate.
- 4.6 Following issuing our Additional Notice, we have received responses from 33 of the 36 banking institutions notified. A total of 7 accounts have been identified as being held, or previously held by the Entities. Further details with respect to these accounts is detailed below. The three institutions that did not respond to our

¹⁹ Mills Oakley - List of entities with order served and Reply details 24.03.2021

²⁰ Circular to freeze bank accounts 25.03.2021 - [TEMPLATE]

²¹ Banks additional notice 29.04.2021 - [TEMPLATE]



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notice were small non-traditional financial institutions. We made numerous attempts to follow up requests for a response however none were forthcoming.

Receivers findings

Christopher Michael Brown

Table 2 below is a list of all bank accounts identified as being held or previously held by Christopher Brown personally, including corresponding balances and transaction history. This analysis includes transfers between accounts.

Table 2: Bank account activity summary - Christopher Michael Brown							
Bank name	Account no.	Relevant period	Credits (\$)	Debits (\$)	Balance (\$)	No. of transactions	Ref.
86400 Ltd							
Pay Account		10/03/2021 - 29/03/2021	18,861	(16,910)	1,950	75	16
Save Account		N/A	nil	nil	nil	nil	
Subtotal			18,861	(16,910)	1,950		
ANZ							
Access Advantage		*10/01/2008 - 03/08/2016	2,267,675	(2,267,675)	nil	>4,000	22
Access Advantage		24/05/2019 - 05/07/2019	1	(7)	(6)	13	
Online Saver		N/A	nil	nil	nil	nil	
Subtotal			2,267,676	(2,267,683)	(6)		
Bankwest							
Qantas Transaction Account		22/10/2019 - 17/07/2020	1,225,433	(1,225,433)	nil	>100	23
Easy Transaction Account		27/04/2018 - 17/07/2020	1,843,424	(1,843,424)	nil	>1,000	
Easy Transaction Account		27/11/2019 - 17/07/2020	6,600	(6,600)	nil	8	
Subtotal			3,075,457	(3,075,457)	nil		
Bendigo							
Bendigo EasySaver		16/01/2020 - 18/06/2020	6	(6)	nil	37	24
Bendigo Everyday		23/09/2019 - 18/06/2020	33,033	(33,033)	nil	88	
Up Account		02/10/2020 - 22/10/2020	1	(1)	nil	3	
Up Account		15/09/2020 - 22/10/2020	3,021	(3,021)	nil	17	
Up Account		N/A	nil	nil	nil	nil	
Subtotal			36,061	(36,061)	nil		
Bank of Queensland							
Day2Day Plus Account		22/12/2019 - 22/03/2021	1,003	(1,000)	3	3	5
Fast Track Account		N/A	nil	nil	nil	nil	
Subtotal			1,003	(1,000)	3		
Commonwealth Bank							
Complete Access		13/07/2015 - 10/08/2017	2,033,272	(2,033,272)	nil	>2,500	25
Direct Investment Account		12/02/2017 - 28/02/2021	170	(170)	nil	2	
Goal Saver		N/A	nil	nil	nil	nil	
Netbank Saver		N/A	nil	nil	nil	nil	

²² Letter - 25.05.2021 - ANZ - Account details and final statements (reduced)

²³ Statements (reduced) - Bankwest

²⁴ Letter - 08.04.2021 - Bendigo - Account details

²⁵ Statements (reduced) - CBA



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Subtotal		2,033,442	(2,033,442)	nil		
ING						
Orange Everyday	23/02/2019 - 31/12/2020	4,376,417	(4,376,417)	nil	>3,000	4
Savings Maximiser	27/03/2020 - 22/12/2020	41,001	(41,001)	nil	>100	
Orange Everyday	19/09/2019 - 31/03/2019	256,001	(256,001)	nil	24	
Subtotal		4,673,419	(4,673,419)	nil		
Macquarie Bank						
Cash Management Account	09/08/2019 - 18/08/2020	26,100	(26,100)	nil	22	6
Platinum Transaction Account	15/07/2020 - 18/08/2020	97,987	(97,987)	nil	>100	
Cash Management Account	N/A	nil	nil	nil	nil	
Cash Management Account	N/A	nil	nil	nil	nil	
Savings Account	N/A	nil	nil	nil	nil	
Subtotal		124,087	(124,087)	nil		
National Australia Bank						
Savings Account	12/10/2016 - 27/09/2019	1,759,981	(1,759,981)	nil	>2,500	2
Savings Account	17/03/2020 - 29/03/2021	2,566,302	(2,566,330)	(29)	>1,500	
Savings Account	21/11/2018 - 22/02/2021	301,789	(301,789)	nil	>100	
Savings Account	18/05/2020 - 19/03/2021	835,001	(835,001)	nil	66	
Savings Account	01/03/2018 - 01/02/2019	57,600	(57,600)	nil	11	
Subtotal		5,520,672	(5,520,701)	(29)		
Qudos						
Savings Account Zero	05/03/2021 - 26/03/2021	17,605	(17,605)	nil	21	7
Savings Account Zero	15/03/2021 - 16/02/2021	5	(5)	nil	2	
Subtotal		17,610	(17,610)	nil		
Westpac						
Choice Account	04/07/2017 - 25/07/2019	2,227,242	(2,227,242)	nil	>1,500	26
Choice Account	24/06/2018 - 25/07/2019	589,200	(589,200)	nil	>1,000	
Cash Investment Account	03/05/2019 - 25/07/2019	27,139	(27,139)	nil	40	
eSaver Account	31/07/2017 - 03/07/2019	234,643	(234,643)	nil	88	
eSaver Account	N/A	nil	nil	nil	nil	
Choice Account	N/A	nil	nil	nil	nil	
Subtotal		3,078,224	(3,078,224)	nil		
Total		20,846,511	(20,844,593)	1,918		

*Note: The historical transaction history for ANZ account [REDACTED] is from January 2013 onwards only. Transactions from account open in 2008 to 2013 pre-date betting and investor activity and are not material to the outcome of our investigations.

²⁶ Statements (reduced) - Westpac



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Receivers comments

- 4.7 Through further investigation and information received from investors following the release of the Receivers' Interim Report, we identified bank accounts formerly held by Christopher Brown with ANZ, Bankwest, Bendigo and Westpac. Each of these institutions have provided copies of bank statements for the full period of the accounts and the underlying transactions have been included in our analysis.
- 4.8 A total of 40 bank accounts have been identified in the name of the Christopher Brown personally, including 11 that did not have any transactions throughout the term of the account. Our analysis included a review of over 19,000 transactions.
- 4.9 The total recoverable balance from frozen accounts is \$1,953.41. To date, the Receivers have recovered a total of \$1,950.41 from 86 400 Ltd.²⁷

Table 3 below provides a summary of our analysis to determine the total receipts and payments of all bank accounts held in the name of Christopher Brown personally. This analysis has been prepared on the basis of eliminating all inter-account transfers.

Table 3: Receipts & payments summary	
Receipts	(\$)
Investor receipts	11,511,556
Betting agency returns	2,148,232
Unallocated receipts	2,348,037
Other receipts	798,207
Cash/cheque deposits	688,801
Lotterywest & TattsLotto	4,654
Total Receipts	17,499,487
Payments	(\$)
Betting agency deposits	(11,668,088)
Investor payments	(2,808,361)
Unallocated payments	(1,414,827)
Other payments	(950,828)
Cash withdrawals	(624,489)
Lotterywest & TattsLotto	(30,976)
Total Payments	(17,497,569)
Net Receipts/(Payments)	1,918

²⁷ Email - 05.05.2021 - 86 400 Bank - Funds remittance



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Receivers comments

- 4.10 With respect to Table 3 and our investigations into transactions contained within Christopher Brown's bank accounts, our findings and the conclusions drawn are reliant on, and limited to, the quality and completeness of information provided by the banking institutions.
- 4.11 Unallocated receipts and payments include transactions that are unidentifiable based on the transaction description and may include receipts and payments to and from investors and betting agencies. It is feasible that a portion of the unallocated receipts may be betting returns, that if identifiable, would reduce the variance between withdrawals present on betting statements and those identified in the bank statements.
- 4.12 Other receipts includes wages, horse ownership proceeds, interest and other general receipts. Other payments includes personal expenses, horse ownership expenses, legal expenses and bank charges.
- 4.13 In excess of 200 investors were identified for a total investment of c. \$11.51m. The value of a single investor receipt ranges from less than \$100 to more than \$250,000.
- 4.14 Cash deposits, much like investor receipts, are frequently round sum in nature. For this reason, we are of the opinion that a high percentage of cash and cheque deposits are in fact receipts from investors.
- 4.15 A total of c. \$11.66m was deposited to betting accounts, equal to 96% of the c. \$12.20m funds injected by investors (cash deposits inclusive). A total of c. \$2.15m was returned from betting agencies, equivalent to 18% of the total deposits.
- 4.16 We have identified a total of c. \$2.81m of payments to in excess of 100 investors, equal to 17% of total investor receipts. These payments may potentially be matters the Bankruptcy Trustee (**the Trustee**) would wish to consider and investigate further. The Receivers would, subject to agreement, be willing to forward the details of our investigations to the Trustee for his consideration.



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CMB Investments 1993 Pty Ltd ATF The CMB Investments 1993 Family Trust

Table 4 below is a list of all bank accounts identified as being held or previously held by CMB Investments 1993 Pty Ltd ATF The CMB Investments 1993 Family Trust, including corresponding balances and transaction history.

Table 4: Bank account activity summary - CMB Investments 1993 Pty Ltd ATF The CMB Investments 1993 Family Trust							
Bank name	Account no.	Relevant period	Credits (\$)	Debits (\$)	Balance (\$)	No. of transactions	Ref.
Macquarie							
Cash Management Account		N/A	nil	nil	nil	nil	8
Cash Management Account		N/A	nil	nil	nil	nil	
Subtotal					nil		
National Australia Bank							
Business Everyday		20/07/2018 - 26/04/2019	61	(61)	nil	11	2
Westpac							
Business One Flexi		15/04/2019 - 21/11/2019	60,040	(60,040)	nil	15	26
Total			60,101	(60,101)	nil		

Receivers comments

- 4.17 A total of 4 bank accounts have been identified in the name of the CMB Investments 1993 Pty Ltd ATF The CMB Investments 1993 Family Trust, including 2 that did not have any transactions throughout the term of the account. The total recoverable balance from these frozen accounts is nil.
- 4.18 Our investigations have not identified investor or betting transaction activity through these accounts.



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The Entities

Table 5 below is a list of all bank accounts identified as being held or previously held by the Entities, including corresponding balances. Due to the limitations of the Receivers' powers under the orders, we were not provided with statements for the full term of the accounts and therefore have excluded transaction history from the analysis.

Table 5: Bank account activity summary - the Entities					
Bank name	Account no.	Account status	Balance (\$)	Ref.	
BC Asset Management (WA) Pty Ltd					
National Australia Bank					
Business Everyday		Current	2	2	
Business Everyday		Current	4		
Subtotal			6		
Bankwest					
Business Zero		Closed	nil	23	
Business Zero		Closed	nil		
Subtotal			nil		
CMB Consulting 1993 Pty Ltd					
National Australia Bank					
Business Everyday		Current	1	2	
MyLife Developments Pty Ltd					
Suncorp					
Business Saver		Current	45	28	
Business Everday		Current	39		
Subtotal			84		
Total			91		

Receivers comments

- 4.19 A total of 7 bank accounts have been identified in the name of the Entities, with a combined current balance of \$91. We note that pursuant to the orders, these funds are not property of the Receivership and are therefore not recoverable.
- 4.20 Based on investor information and statements of claims received to date, we are not aware of these accounts being utilised for investor or betting activities.

²⁸ Statements (reduced) - Suncorp



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5 Betting Agencies

Identified accounts

- 5.1 As detailed in the Interim Report, on the date of our appointment the Receivers issued a written notice to all betting agencies listed in paragraph 2 of the Order dated 25 March 2021, being those named by Christopher Brown.¹ In addition, we sent notice to all additional agencies and respective contacts provided by Mills Oakley (being those subject to freezing orders prior to our appointment).¹⁹ The notices notified them of our appointment, requesting an immediate freeze on all accounts and details of accounts held in the name of the Estate. A pro-forma copy of the notice issued is available in the Appendices.²⁹
- 5.2 On the same date, the notice was issued to an additional 26 licensed interactive gambling providers available to natural persons in Australia as made available by the Australian Communications and Media Authority (ACMA).³⁰
- 5.3 Following the orders made by the Court on 20 April 2021 and 23 April 2021, the Receivers issued an additional notice to all previously notified betting agencies on 29 April 2021 (**Additional Notice**), notifying them of the further orders and requesting:
- An immediate freeze and details of all accounts held by the Trust; and
 - Details of all accounts held by the Entities.

We note that we have not identified any betting accounts held or previously held by CMB Investments 1993 Pty Ltd, CMB Investments 1993 Pty Ltd ATF The CMB Investments 1993 Family Trust or the Entities.

A pro-forma copy of the notice issued is available in the Appendices.³¹

Table 6 is a comprehensive list of betting agencies contacted by the Receivers since the date of our appointment and includes all betting accounts identified as being held, or previously held, by Christopher Brown along with the corresponding balances.

²⁹ Circular to betting agencies 25.03.2021 - [TEMPLATE]

³⁰ ACMA - <https://www.acma.gov.au/check-if-gambling-operator-legal> - Register of licensed interactive gambling providers

³¹ Betting agencies additional notice 29.04.2021



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Table 6 - Betting agency responses

Name of Account Holder / Entity	Response received to Initial Notice	Response received to Additional Notice	Account(s) held or previously held	Balance (\$)
Court Order listed Betting Agencies				
Pointsbet Holdings Limited	✓	✗	1	0.14
Entain Group Pty Limited	✓	✓	4	nil
Sportsbet Pty Limited	✓	✓	4	0.20
Betfair Pty Limited	✓	✓	3	nil
Subtotal	4	3	12	0.34
Other Betting Agencies				
Bet365 Group Ltd	✓	✓	1	nil
Bluebet Pty Ltd	✓	✓	✗	-
Buddybet Pty Ltd	✗	✗	Unknown	Unknown
Cross Bet Pty Ltd	✓	✓	✗	-
DraftKings Australia Pty Ltd	✓	✗	✗	-
EliteBet	✓	✗	✗	-
Lottoland Australia Pty Ltd	✓	✓	1	nil
Moneyball Australia Pty Ltd	✓	✓	✗	-
Palmer Bookmaking Pty Ltd	✓	✗	✗	-
Puntaa Pty Ltd	✓	✗	✗	-
Tradeplayer Australia Pty Ltd	✓	✓	✗	-
SportChamps Australia Pty Ltd	✓	✗	✗	-
Sportsbetting.com.au Pty Ltd	✓	✓	✗	-
Swopstakes Australia Pty Ltd	✗	✗	Unknown	Unknown
Merlehan Bookmaking Pty Ltd trading as TopSport	✓	✓	1	nil
Betchoice Corporation Pty Ltd trading as UniBet	✓	✗	1	nil
Zbet Pty Ltd	✓	✓	✗	-
PlayUp Interactive Pty Ltd	✓	✓	✗	-
Racing and Wagering Western Australia trading as TABTouch	✓	✓	1	-
TAB Limited	✓	✓	2	nil
UBET NT PTY LTD	✓	✓	✗	-
UBET QLD LIMITED	✓	✓	✗	-
UBET SA PTY LTD	✓	✓	✗	-
UBET TAS PTY LTD	✓	✓	1	-
Tabcorp Holdings Limited	✓	✓	✗	-
Gallop Bet	✓	✗	✗	-
Winnersbet Pty Ltd	✓	✗	✗	-
Subtotal	25	17	8	-
Total	29	20	20	0.34



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Receivers comments

- 5.4 A total of 20 betting accounts have been identified with a total recoverable balance of \$0.34.
- 5.5 As noted above, no accounts have been identified in the name of CMB Investments 1993 Pty Ltd, CMB Investments 1993 Pty Ltd ATF The CMB Investments 1993 Family Trust or the Entities. We have been advised by responding agencies that they do not permit accounts to be held by corporate entities or trusts.
- 5.6 2 registered betting agencies, Buddybet Pty Ltd and Swopstakes Australia Pty Ltd, are yet to respond to our initial notice of appointment and request for accounts details, or our Additional Notice with respect to the Trust and the Entities. We note however that our review of Christopher Brown's bank statements and information received from investors has not identified transactions with these agencies.
- 5.7 9 betting agencies have not responded to our Additional Notice issued on 29 April 2021 with respect to the Trust and the Entities. However, for the reasons outlined in paragraph 5.5 above, we do not expect any accounts will be held with these agencies.
- 5.8 As noted in paragraph 4.8 of the Interim Report, the Receivers identified potential recovery actions against betting agencies for funds deposited to betting accounts (and subsequently lost) following the issuance of freezing orders made by the Court and the Receivers. Following further investigation, we have determined there to be no recovery action against Topsport. We are continuing to pursue recovery of \$6,155.00 from Sportsbet.

Betting Account Findings

- 5.9 We have conducted an analysis of the betting account transactions, which highlights the net cash movements and gambling wins and losses for the full period of the accounts. Table 7 below summarises the transaction history of identified betting accounts. We note that our findings and any conclusions drawn are reliant on, and limited to, the quality and completeness of information provided by the betting agencies.



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Table 7 - Summary of betting accounts											
Date range			Maximum balance		Cash Transaction Summary			Gambling Transaction Summary			
Holding Co.	Brand	Start	End	Amount (\$)	Date	Deposits (\$)	Withdrawals (\$)	Net Cash Movement (\$)	Wins (\$)	Losses (\$)	Net Betting Result (\$)
Entain	Ladbrokes	6/09/2013	19/03/2021	141,000	28/02/2020	2,180,655	(639,358)	1,541,297	8,096,091	(9,645,446)	(1,549,355)
	Neds	31/08/2018	14/03/2020	166,246	1/12/2018	1,512,918	(462,436)	1,050,482	8,458,172	(9,510,560)	(1,052,388)
	Bookmaker	7/08/2013	3/02/2016	10,315	10/09/2013	4,823	(12,183)	(7,360)	63,747	(56,388)	7,360
Subtotal						3,698,396	(1,113,977)	2,584,419	16,618,011	(19,212,394)	(2,594,383)
SportsBet	SportsBet	13/12/2011	31/03/2021	441,679	11/10/2020	338,459	(37,247)	301,211	5,533,618	(5,885,299)	(351,680)
	SportsBet	9/05/2013	10/05/2013	129	10/05/2013	50	0	50	361	(411)	(50)
	BetEasy (incl. CrownBet)	23/09/2014	10/09/2020	275,758	12/10/2019	6,785,534	(1,292,737)	5,492,798	17,507,216	(23,083,204)	(5,575,988)
	William Hill	29/01/2016	11/08/2018	127,723	21/01/2018	455,263	(212,975)	242,288	1,479,880	(1,722,014)	(242,134)
Subtotal						7,579,306	(1,542,958)	6,036,348	24,521,075	(30,690,927)	(6,169,852)
Betfair	Betfair	20/12/2013	5/01/2016	500	20/12/2013	998	(499)	499	0	(493)	(493)
	Betfair	25/08/2016	30/04/2019	6,552	27/08/2016	18,833	(9,544)	9,289	6,622	(15,554)	(8,932)
Subtotal						19,831	(10,043)	9,788	6,622	(16,046)	(9,425)
TAB Limited	TAB	9/09/2013	3/07/2014	250	9/09/2013	250	(121)	129	121	(250)	(129)
	TAB	13/09/2018	13/09/2018	50.00	13/09/2018	50	0	50	0	(100)	(100)
	TAB Tas	4/09/2013	23/09/2013	2,298	23/09/2013	2,500	(2,298)	202	2,298	(2,500)	(202)
Subtotal						2,800	(2,419)	381	2,419	(2,850)	(431)
Other	PointsBet	7/07/2020	13/03/2021	414,390	28/09/2020	960,182	(410,000)	550,182	5,211,462	(5,854,144)	(642,682)
	Topsport	20/03/2021	25/03/2021	5,224	23/03/2021	5,940	(2,000)	3,940	34,476	(38,416)	(3,940)
	Bet365	24/01/2013	27/05/2016	105,703	23 Oct 2015	764,842	(516,450)	248,393	4,509,248	(4,758,610)	(249,363)
	TABTouch	22/09/2014	26/05/2019	53,743	21/01/2018	678,563	(236,058)	442,505	2,721,362	(3,164,276)	(442,914)
Subtotal						2,409,528	(1,164,507)	1,245,021	12,476,547	(13,815,447)	(1,338,899)
Total						13,709,861	(3,833,905)	9,875,956	53,624,674	(63,737,664)	(10,112,990)

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- 5.10 Since the release of the Receivers' Interim Report, we have received further betting statements from Entain Group, Sportsbet, William Hill (acquired by BetEasy and subsequently Sportsbet) and TabTouch. This has resulted in an uplift in the value of reported betting transactions.
- 5.11 We have identified a pattern of regular deposits and high-volume betting across various event types, including local and international horse racing, greyhound racing and sporting events. Our analysis comprised of approximately 150,000 betting transactions, with the vast majority of bets having been placed in the past 7 years. This equates to an average of approximately 58 bets per day.
- 5.12 Our analysis has identified net cash movements (deposits less withdrawals) of \$9,875,956 and a net gambling loss of \$10,112,990 (betting wins less losses). The variance of \$237,034 results from bonus bets and other "goodwill" credited to the accounts and subsequently lost.
- 5.13 55% of the c. \$13.7m in cash deposits and 40% of the c. \$3.8m in withdrawals were transacted with the Sportsbet group of betting agencies, accounting for 61% of the total net loss of c. \$10.1m. Only 1 of the 20 identified betting accounts maintained a net positive betting result (albeit nominal) of \$7.36k, which has subsequently been withdrawn and the current balance is nil.
- 5.14 The Receivers have traced the final withdrawal from PointsBet, \$60k on 19 February 2021, to a bank account in the name of the Estate. All funds were subsequently redistributed to other betting agencies in the name of Christopher Brown and lost.



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Reconciliation to bank statements

Table 8 below is a comparison between deposits and withdrawals identified in the bank statements to those identified in the betting statements. We note that our findings and the conclusions drawn are reliant on, and limited to, the quality and completeness of information provided by banking institutions and betting agencies.

Table 8 – Betting deposit & withdrawal comparison							
Holding Co.	Brand	Bank Accounts		Betting Statements		Variances	
		Deposits	Withdrawals	Deposits	Withdrawals	Deposits	Withdrawals
Entain	Ladbrokes	1,904,044	(437,420)	2,180,655	(639,358)	276,611	201,938
	Neds	1,310,046	(210,200)	1,512,918	(462,436)	202,872	252,236
	Bookmaker	3,323	(12,183)	4,823	(12,183)	1,500	0
	BetStar	400	0	0	0	(400)	0
Subtotal		3,217,813	(659,803)	3,698,396	(1,113,977)	480,583	454,174
SportsBet	SportsBet	318,725	(17,863)	338,509	(37,247)	19,783	19,384
	BetEasy (incl. CrownBet)	6,095,836	(495,643)	6,785,534	(1,292,737)	689,698	797,094
	William Hill	435,715	(176,710)	455,263	(212,975)	19,548	36,264
Subtotal		6,850,277	(690,216)	7,579,306	(1,542,958)	729,030	852,742
Other	Betfair	9,789	0	19,831	(10,043)	10,042	10,043
	PointsBet	552,281	(410,000)	960,182	(410,000)	407,901	0
	Topsport	5,940	(2,000)	5,940	(2,000)	0	0
	Bet365	666,872	(331,760)	764,842	(516,450)	97,970	184,690
	TABTouch	349,293	(50,100)	678,563	(236,058)	329,270	185,958
	TAB and TAB Tas	800	0	2,800	(2,419)	2,000	2,419
	Centrebet	6,970	0	0	0	(6,970)	0
	Luxbet	6,053	(4,352)	0	0	(6,053)	(4,352)
	Palmerbet	2,001	0	0	0	(2,001)	0
Subtotal		1,599,999	(798,212)	2,432,159	(1,176,969)	832,160	378,757
Total		11,668,088	(2,148,232)	13,709,861	(3,833,905)	2,041,773	1,685,673



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- 5.15 We have made enquiries to the betting agencies requesting details of all bank accounts that funds were withdrawn to; responses have only recently been received from Entain Group and TABTouch. We can confirm that based on the information provided by these parties, all bank accounts that were withdrawn to have been captured in our analysis of the bank statements. It is conceivable therefore that the combined withdrawal variance applicable to Entain Group and TABTouch (\$640,132) is a result of the transactions not being identifiable in the bank statements, in which case the total withdrawal variance would be revised to \$1,045,541.
- 5.16 We believe that the following occurrences may have contributed to the reported variances:
- Funds may have been deposited to Christopher Brown's betting accounts from bank accounts held by family, friends or investors.
 - Funds may have been withdrawn from Christopher Brown's betting accounts to bank accounts held by family, friends or investors.
 - Funds may have been paid from Christopher Brown's bank accounts into betting accounts held by family, friends or investors.
 - Funds may have been withdrawn from betting accounts held by family, friends or investors to bank accounts held by Christopher Brown.
- 5.17 These matters may warrant further investigation. Subject to agreement, the Receivers would be willing to pass on the details of their investigations to the Trustee for his consideration.



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6 Trading and Cryptocurrency Platforms

Trading platforms

- 6.1 As mentioned in the Interim Report, the Receivers have extended the scope of our investigations to online trading platforms, including cryptocurrency/ digital assets. The Receivers initially wrote to the entities present in Christopher Brown's affidavit sworn on 13 April 2021,¹ a pro-forma copy of the notice issued is available in the Appendices.³²
- 6.2 Further correspondence was issued to an additional 34 trading platform providers and large stockbroking services known to provide accounts in Australia. Of the 39 parties contacted, responses have been received from 24. Responses have confirmed 11 trading accounts in the name of the Estate and the Entities. A review of the accounts has not identified funds or financial assets available for recovery. Please refer to Table 9 below for a complete listing of the parties contacted.

Table 9 - Trading platform responses

Name of Account Holder / Entity	Response received to Initial Notice	Response received to Additional Notice	Account(s) held or previously held	Balance (\$)
Christopher Brown listed Trading Platforms				
WealthHub Securities Limited trading as Nabtrade	✓	✓	1	nil
Binance Pty Ltd	n/a	✗	TBD	TBD
eToro	n/a	✓	1	nil
Plus500	n/a	✓	✗	-
ZeroCap	✓	✓	1	nil
Subtotal	2	4	3	nil
Other Trading Platforms				
CMC	n/a	✓	✗	-
IG Group	n/a	✓	✗	-
Interactive Brokers	n/a	✓	2	nil
BellDirect	n/a	✓	✗	-
Amscott	n/a	✓	✗	-
State One Stockbroking	n/a	✓	✗	-
Saxo Capital markets	n/a	✓	✗	-
Openmarkets	n/a	✗	TBD	TBD
SelfWealth TRADING	n/a	✗	TBD	TBD
ThinkMarkets	n/a	✗	TBD	TBD
Superhero	n/a	✓	TBD	TBD
First Prudential Markets	n/a	✓	✗	-

³² Circular to trading platforms & stockbrokers 12.05.2021 - [TEMPLATE]



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HSBC	n/a	x	TBD	TBD
Netwealth Investments	n/a	✓	x	-
Sequoia Direct	n/a	✓	x	-
Morrison Securities	n/a	✓	1	nil
Westpac Securities	n/a	✓	1	nil
ANZ	n/a	x	TBD	TBD
CommSec	n/a	✓	1	nil
St George Directshares	n/a	✓	x	-
City Index	n/a	x	TBD	TBD
FXCM	n/a	x	TBD	TBD
AvaTrade	n/a	x	TBD	TBD
XM Group	n/a	✓	x	-
Pepperstone	n/a	x	TBD	TBD
IC Markets	n/a	✓	1	nil
Vantage FX	n/a	✓	x	-
Eightcap	n/a	✓	x	-
VT Markets	n/a	x	TBD	TBD
Tickmill	n/a	x	TBD	TBD
FxPro	n/a	x	TBD	TBD
Blackbull Markets	n/a	x	TBD	TBD
OctaFX	n/a	x	TBD	TBD
Euroz Hartleys	n/a	✓	2	nil
Subtotal	0	20	8	nil
Total	2	24	11	nil

6.3 Concerted efforts have been made to contact Binance as it was a platform named by Christopher Brown as holding assets. Repeated follow ups to all available contacts at Binance have been made and we are yet to receive a response.³³ Upon receipt of the information, the Receivers will forward same to the Trustee for their consideration and investigation.

6.4 Correspondence with SuperHero has resulted in the suspicion of a potential account being held in the name of Christopher Brown. Subsequently identifying details (date of birth, alternate known email addresses and alternate known residential addresses) provided to SuperHero do not conform to the details associated with the account. Similarity of the details has lead to SuperHero enacting a freeze on the account due to their

³³ Emails - Binance - Emails and attached letter correspondences, including subsequent follow ups



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suspicion that the account is related to Christopher Brown.³⁴ As the details provided do not exactly match, SuperHero has refused to provide transaction statements for the account.

Digital assets

- 6.5 Notices were also issued to 64 cryptocurrency/digital asset desks identified as available to residents in Australia. A pro-forma copy of the notice issued is available in the Appendices.³⁵ Of the parties contacted, 2 have responded, confirming the existence of 1 account in the name of Christopher Brown. This account held nil funds or digital assets for recovery by the Receivers.
- 6.6 Other cryptocurrency/digital asset providers have not complied with the Notice and Court Order due to being domiciled outside of Australia. Please see Table 10 below for a complete listing of the parties contacted.
- 6.7 We note that our review of the bank statements did not observe any identifiable transactions with cryptocurrency exchanges.

Table 10 - Cryptocurrency platform responses

Name of Account Holder / Entity	Response received to Notice	Account(s) held or previously held	Balance (\$)
ACX Cryptocurrency Exchange	x	x	-
Aidosmarket Exchange	x	x	-
Bisq Exchange	x	x	-
BitBay Cryptocurrency Exchange	x	x	-
Bitfinex Professional Trading Exchange	x	x	-
Bithumb Cryptocurrency Exchange	x	x	-
Bitit Cryptocurrency Marketplace	x	x	-
Bitso Exchange	x	x	-
Bitstamp Cryptocurrency Exchange	x	x	-
Bittrex Digital Currency Exchange	x	x	-
Bit-Z Exchange	x	x	-
Bleutrade	x	x	-
BTC Markets Exchange	x	x	-
BTC.com.au	x	x	-
Buyabitcoin Cryptocurrency Exchange	x	x	-
CEX.IO Cryptocurrency Exchange	x	x	-
Changelly Crypto-to-Crypto Exchange	x	x	-
Coinbase Digital Currency Exchange	x	x	-
CoinCorner Bitcoin Exchange	x	x	-

³⁴ Email - 17.05.2021 - SuperHero - Account frozen

³⁵ Circular to Cryptocurrency desks 12.05.21 - [TEMPLATE]



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Coindeal Exchange	x	x	-
CoinField Cryptocurrency Exchange	x	x	-
CoinJar cryptocurrency exchange	x	x	-
CoinLoft Cryptocurrency Exchange	x	x	-
Coinmama Bitcoin Marketplace	x	x	-
CoinMate Bitcoin Exchange	x	x	-
CoinSpot Cryptocurrency Marketplace	x	x	-
CoinSwitch Cryptocurrency Exchange	x	x	-
Cointree Cryptocurrency Exchange	✓	1	nil
Cryptex24 Exchange	x	x	-
CryptoX Exchange	x	x	-
ExtStock Exchange	x	x	-
EXX Exchange	x	x	-
Gate.io Exchange	x	x	-
Gemini Cryptocurrency Exchange	x	x	-
Huobi Cryptocurrency Exchange	✓	x	-
HardBlock Bitcoin Service	x	x	-
HitBTC Exchange	x	x	-
IDEX Exchange	x	x	-
Indacoin Cryptocurrency Exchange	x	x	-
Independent Reserve Exchange	x	x	-
Kraken Cryptocurrency Exchange	x	x	-
KuCoin Cryptocurrency Exchange	x	x	-
Latoken Exchange	x	x	-
Livecoin Cryptocurrency Exchange	x	x	-
LocalBitcoins P2P Exchange	x	x	-
Luno Exchange	x	x	-
Lykke Exchange	x	x	-
Mercatox Cryptocurrency Exchange	x	x	-
MyCryptoWallet Cryptocurrency Exchange	x	x	-
OKEX Exchange	x	x	-
OpenLedger Exchange	x	x	-
Orderbook Exchange & ICO Platform	x	x	-
Paxful Bitcoin Marketplace	x	x	-
Poloniex Digital Asset Exchange	x	x	-
Remitano Exchange	x	x	-
Stellarport Exchange	x	x	-
The Rock Trading Exchange	x	x	-
Tidex Exchange	x	x	-
TRUSTdex Exchange	x	x	-
Unocoin Exchange	x	x	-



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VirWox Virtual Currency Exchange	x	x	-
Wall of Coins	x	x	-
xCoins P2P Bitcoin Lending	x	x	-
YoBit Cryptocurrency Exchange	x	x	-
Total	2	1	nil



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Table 11 below provides a summary of the account status and account balance of the trading platform accounts.

Table 11 - Trading platform accounts held				
	Account Identifier	Account status	Balance (\$)	Ref.
Christopher Brown				
Wealthhub Securities Limited trading as Nabtrade		Frozen	nil	3
eToro		Frozen	nil	17
Interactive Brokers		Closed	nil	35
Interactive Brokers		Closed	nil	
Westpac Securities		Closed	nil	37
CommSec		Closed	nil	36
Euroz Hartleys		Closed	nil	39
Cointree Cryptocurrency Exchange		Frozen	nil	40
CMB Investments 1993 Pty Ltd ATF CMB Investments 1993 Family Trust				
Euroz Hartleys		Closed	nil	39
BC Asset Management (WA) Pty Ltd				
Morrison Securities		Current	nil	41
MyLife Developments Pty Ltd				
IC Markets		Current	nil	42
Total			nil	

Conclusion

- 6.8 As summarised in Table 11 the Receivers investigations into online trading platforms, stockbrokers and cryptocurrency/digital asset desks has confirmed nil assets available for recovery. Further investigations into the transactions present on the identified accounts may be required. Subject to agreement, the Receivers would be willing to pass on the details of their investigations to the Trustee.

³⁶ Letter - 19.05.2021 - Interactive Brokers - Account details

³⁷ Email - 02.06.2021 - Westpac Securities - Account information and statement

³⁸ Email - 04.06.2021 - CommSec - Account information and statement

³⁹ Letter - 06.05.2021 - Euroz Hartleys - Account details and statements

⁴⁰ Email - 14.05.2021 - Cointree - Account present and balance

⁴¹ Email - 17.05.2021 - Morrison Securities - Account details and statement

⁴² Email - 03.06.2021 - IC Markets - Account details and statement



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7 Other Third-party Assets

7.1 During the course of the Receivership, we have been in contact with Racing and Wagering Western Australia (RWWA) and Racing Australia regarding potential horse ownership interests held by Christopher Brown.

Table 12 below is an updated summary of horse ownerships as provided by RWWA.⁴³

Horse ID	Horse Name	Current Status	Syndicate Name	Ownership Start Date	Ownership End Date	%
	Ballistic Missile	Retired	United Syndications Silver	2/07/2015	22/04/2018	100
	Can't Shake You	Active	N/A	1/04/2020	Current	20
	Caress Your Soul	Transferred	N/A	13/12/2016	9/05/2019	5
	Fair Justice	Active	N/A	1/02/2021	Current	5
	Flash of Thunder	Active	Northies	1/06/2018	Current	2
	How to Fly	Retired	N/A	20/06/2019	Current	10
	Material Witness	Active	N/A	1/11/2019	Current	10
	Nordic King	Spelling	N/A	5/07/2019	Current	10
	Rebow	Deceased	Northies	26/04/2018	21/11/2019	10
	Rubiland	Active	N/A	15/01/2021	Current	10
	Stargnoc	Retired	N/A	15/07/2016	Current	10
	Starsella	Active	Tikka Syndications	1/05/2021	Current	2
	Te Akau Caliburn	Pending	Te Akau European 1	16/09/2019	Current	5
	Tennessee Tycoon	Transferred	United Syndications Hurricane	30/08/2017	Current	100
	Top Pocket	Active	N/A	29/07/2020	16/03/2021	10
	Yemen Lass	Active	N/A	1/04/2021	Current	5
	Zoushine	Active	Tikka Syndications	29/03/2021	Current	2.5

7.2 Two additional horses are noted on this updated summary, Starsella and Yemen Lass. Ownership arrangements began prior to the appointment of the Receivers and the Receivers allowed the deals to

⁴³ Statement - Updated horse ownership



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proceed as they increased the potential asset pool available for recovery. It should be noted that our preliminary view is that these ownerships are of minimal value.

- 7.3 The horses Fair Justice and Material Witness which Christopher Brown holds a 5% and a 10% interest in respectively, have raced during the Receivers appointment period. The resultant entitlement to winnings (totalling \$3,480.03) has been remitted to the Receivers bank account.⁴⁴
- 7.4 Investigations into the realisable value of the ownership interests held by the Estate have not been concluded. However, we envisage the total holdings will be of minimal value.

Other assets

- 7.5 The Receivers conducted property title and motor vehicle searches in the name of the Estate, no real property or motor vehicles have been identified.
- 7.6 In addition, the Receivers issued notices to large self-storage and wine storage providers. No units or accounts in the name of the Estate or the Entities were identified.

⁴⁴ Thoroughbred statement/RCTI - RWWA



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8 Investor Contact and Claims

Request for information

- 8.1 On 7 May 2021, the Receivers' wrote to a total of 55 investors, who we had been informed may have a claim against the Estate or the Entities. Our letter requested the following information from investors:
- Details of their investment or financing arrangement with the Estate, including dates and quantum of amounts paid and details of the bank account(s) into which amounts were paid;
 - The dates and quantum of amounts paid back;
 - Copies of investment contracts or financing agreements;
 - Background information with respect to dealings with the Estate and/or the Entities; and
 - Any additional information or documentation considered to be relevant to the Receivers' ongoing investigations.
 - A Statement of Claim Form to record their contact details and details of their claim against the Estate or the Entities.

A pro-forma copy of the information request is available in the Appendices.⁴⁵

Claim information

Christopher Michael Brown

- 8.2 In response to our request for information, we received a total of 25 Statement of Claim Form's from investors claiming to have loaned or invested monies with Christopher Brown. The combined claims totalled:
- Investment of c. \$5.3m; and
 - Claimed outstanding debts, allowing for the indicated return on investment of c. \$67.4m.

The Receivers have provided a listing of all known creditors of Christopher Michael Brown, including claim and contact details, to the Trustee. An updated copy will be provided at the cessation of our appointment.

⁴⁵ Investor information request 11.05.2021 - [TEMPLATE]



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- 8.3 The Receivers have also conducted meetings with several investors whom we considered, may have information relevant to the Receivers' investigations. Information provided that pertains to the investigation into bank and betting account misrepresentations made by Christopher Brown will be forwarded to the Australian Federal Police.

CMB Investments 1993 Pty Ltd ATF The CMB Investments 1993 Family Trust

- 8.4 In response to our request for information, we received a Statement of Claim Form from 1 investor claiming to have loaned or invested monies with CMB Investments 1993 Pty Ltd ATF The CMB Investments 1993 Family Trust, claiming an investment of \$500k and an outstanding debt of \$635k.
- 8.5 We have been informed by one additional party that CMB Investments 1993 Pty Ltd ATF The CMB Investments 1993 Family Trust is indebted to them in the amount of \$414k. A Statement of Claim Form has not been provided with respect to this claim.

The Entities

- 8.6 In response to our request for information, we received a Statement of Claim Form from an international company claiming that BC Asset Management (WA) Pty Ltd is indebted to them in the amount of c. £410k. The claimed debt relates to an investment commitment made by Christopher Brown on behalf of BC Asset Management (WA) Pty Ltd in October 2020, for the purchase of shares in a UK based technology company.
- 8.7 We have been informed by one additional party that they have loaned an amount of \$10k to BC Asset Management (WA) Pty Ltd. A Statement of Claim Form has not been provided to date.



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9 Potential Fraudulent Behaviour and Misrepresentations

9.1 During the course of the Receivership, we have been provided with information from investors and interested parties indicating potential fraudulent representations made by Christopher Brown.

Examples include:

- Representation of bank balances claimed to be held by Christopher Brown which may be false and misleading;
- Representation of betting account balances claimed to be held by Christopher Brown which may be false and misleading;
- Representations of anticipated returns on investment which may be false and misleading;
- Representation of bank and betting agency payments and transfers that may be false and misleading; and
- Potential falsified email correspondence.

9.2 Given the serious nature of these allegations, the Receivers are treating this information as confidential and intend to report their findings to the Australian Federal Police.

Potential third party recovery actions

9.3 During the course of our investigations, we have also identified potential recovery actions against betting agencies for the alleged inducement of betting activities to Christopher Brown. Further investigation into this matter is required and subject to agreement, the details of these investigations will be passed to the Trustee for his consideration.



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10 Lack of Co-operation and Breach of Court Orders

- 10.1 Pursuant to the Court Order dated 25 March 2021, Christopher Brown was required to provide all assistance reasonably required by the Receivers to affect the Receivership Orders.
- 10.2 On 26 March 2021 the Receivers' lawyers, Mills Oakley, wrote to Christopher Brown's lawyers, HopgoodGanim, requesting various items of equipment and information (**Investigation Items**) be delivered by 30 March 2021 to assist with identifying assets of the Estate and furthering our investigations. A list of the items included computer/laptops, USB storage devices, tablet devices, details of any databases or accounting/financial systems used in relation to the betting/investment operations, and credentials required to access them, any CD, DVD, blu-ray or other digital media used that may relate to the betting/investment operations, betting account information, computer, bank account and betting log-in information and any other documents/devices, whether printed/hard copy or electronically stored, containing information in relation to the betting/investment operations.
- 10.3 Christopher Brown failed to provide the Investigation Items sought to either the Receivers or Mills Oakley by the specified date.
- 10.4 In addition, despite my correspondence with Christopher Brown and a meeting with him on 19 April 2021, Christopher Brown failed to deliver the Investigation Items or transfer funds to the Receivers' bank account, which he claimed to hold in a Sports Betting Account and told me that he would transfer. On 20 April 2021 I filed an affidavit with the Court noting Christopher Brown's failures in this regard and outlining various unsuccessful attempts to obtain information or documents from him.
- 10.5 In reliance upon my affidavit, the Receivers obtained a Court Order on 20 April 2021 that required Christopher Brown to provide specific items and information to the Receivers on or prior to 27 April 2021.
- 10.6 Christopher Brown again failed to provide the Investigation Items requested or the items and information required by the Court Order dated 20 April 2021.
- 10.7 On 19 May 2021 I provided a further affidavit to the Court (which was later sworn on 21 May 2021) in support of orders sought, by consent, for the Receivers' appointment to be extended until 15 June 2021. In that affidavit it was noted that some delay had been caused to the investigations by (amongst other things) a lack of co-operation from Christopher Brown to specifically assist with identifying and securing the



15 June 2021

Receivership Property, including his failure to deliver to the Receivers the items and information required by the 20 April 2021 orders.

- 10.8 Following the provision of this further affidavit, His Honour Jackson J made orders on 24 May 2021 requiring Christopher Brown, by 31 May 2021, to file and serve an affidavit, on behalf of himself and CMB Investments 1993 Pty Ltd:
- as to whether the respondents (being Christopher Brown and CMB Investments 1993 Pty Ltd) have produced to the Receivers any of the items identified at paragraph 5 of the orders made on 20 April 2021; and
 - if not, deposing as to why not, including setting out all circumstances the respondents say are relevant.
- 10.9 Christopher Brown was subsequently directed by His Honour to attend a case management hearing on Thursday 3 June 2021 to address his non-compliance with paragraph 5 of the orders made on 20 April 2021.
- 10.10 On 2 June 2021, Christopher Brown filed an affidavit with the Court requesting additional time to submit an affidavit regarding lack of apparent action on the court orders, dated 20 April 2021. In that affidavit Christopher Brown explained that his device and documents were provided to the Trustee on 26 May 2021 and have yet to be returned. At the case management hearing on 3 June 2021, Christopher Brown further explained that he was unable to file an affidavit explaining his non-compliance, within the time required, due to his mobile phone device having been provided to the Trustee in bankruptcy and in the process of being returned to him. An extension was thereby provided to Christopher Brown to file the affidavit referred to above by 9 June 2021.
- 10.11 On 9 June 2021, Christopher Brown filed his affidavit. In that affidavit, Christopher Brown has provided no indication that he intends to comply with the 20 April 2021 orders by providing the Receivers with the documents and information set out in paragraph 5 of those orders. Christopher Brown has only sought to explain why he has not provided those documents. The Receivers are of the view that Christopher Brown is, therefore, in breach of the 20 April 2021 orders and does not intend to comply with those orders. Christopher Brown, however, has not made application or attempts to otherwise be excused from his non-compliance.



15 June 2021

11 Conclusion

- 11.1 To date, our investigations have not identified any material property held by the Estate or Entities. Claims made by Christopher Brown with respect to the balances of bank, trading and betting accounts have proven to be false.
- 11.2 As outlined in section 5, our review of betting transactions has revealed a high volume of deposits, disproportionate to the number of withdrawals, and what appears to be a constant and excessive approach to betting that has resulted in the significant loss of investor funds.

Yours faithfully

Matthew Woods

Court Appointed Receiver and Manager



15 June 2021

A Appendices

Table 13 - Appendices		
Footnote reference	Reference description	Page reference
1	Affidavit - Christopher Michael Brown dated 13 April 2021	4
2	Letter - 06.04.2021 - NAB - Account balances at appointment	4
3	Emails - NABtrade and KPMG - Cash balance & Asset/Liability position	4
4	Letter - 26.03.2021 - ING - Account details & final statements (reduced)	4
5	Letter - 26.03.2021 - BOQ - Record of accounts	4
6	Letter - 26.03.2021 - Macquarie - Record of accounts	4
7	Statement - Qudos Bank	4
8	Email - 29.03.2021 - Bendigo & Adelaide Bank (UP Bank) - No active accounts	4
9	Email - 29.03.2021 - AMP - No accounts	4
10	Email - 26.03.2021 - BeyondBank - No accounts	4
11	Email - 30.03.2021 - PointsBet - Notice actioned	4
12	Email - 26.03.2021 - Entain Group - Notice actioned	4
13	Email - 01.05.2021 - SportsBet - Account balance confirmations	4
14	Email - 26.03.2021 - Betfair - Notice actioned	4
15	Email - 26.03.2021 - ZeroCap - Notice actioned	4
16	Statements - 86 400 Bank	4
17	Statement - eToro	4
18	Statement - Plus500	4
19	Mills Oakley - List of entities with order served and Reply details 24.03.2021	6
20	Circular to freeze bank accounts 25.03.2021 - [TEMPLATE]	6
21	Banks additional notice 29.04.2021 - [TEMPLATE]	6
22	Letter - 25.05.2021 - ANZ - Account details and final statements (reduced)	7
23	Statements (reduced) - Bankwest	7
24	Letter - 08.04.2021 - Bendigo - Account details	7
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26	Statements (reduced) - Westpac	8
27	Email - 05.05.2021 - 86 400 Bank - Funds remittance	9
28	Statements (reduced) - Suncorp	12
29	Circular to betting agencies 25.03.2021 - [TEMPLATE]	13
30	ACMA - https://www.acma.gov.au/check-if-gambling-operator-legal - Register of licensed interactive gambling providers	13
31	Betting agencies additional notice 29.04.2021	13
32	Circular to trading platforms & stockbrokers 12.05.2021 - [TEMPLATE]	20
33	Emails - Binance - Emails and attached letter correspondences, including subsequent follow ups	21
34	Email - 17.05.2021 - SuperHero - Account frozen	22
35	Circular to Cryptocurrency desks 12.05.21 - [TEMPLATE]	22
36	Letter - 19.05.2021 - Interactive Brokers - Account details	25
37	Email - 02.06.2021 - Westpac Securities - Account information and statement	25
38	Email - 04.06.2021 - CommSec - Account information and statement	25
39	Letter - 06.05.2021 - Euroz Hartleys - Account details and statements	25
40	Email - 14.05.2021 - Cointree - Account present and balance	25
41	Email - 17.05.2021 - Morrison Securities - Account details and statement	25
42	Email - 03.06.2021 - IC Markets - Account details and statement	25
43	Statement - Updated horse ownership	26
44	Thoroughbred statement/RCTI - RWWA	27
45	Investor information request 11.05.2021 - [TEMPLATE]	28

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Appendix 1

Form 59
Rule 29.02(1)

Affidavit

No. WAD 59 of 2021

Federal Court of Australia
District Registry: Western Australia
Division: General

ADAM FLETCHER and others named in the schedule

Applicants

CHRISTOPHER MICHAEL BROWN and another named in the schedule

Respondents

Affidavit of: **CHRISTOPHER MICHAEL BROWN**
Address: c/- HopgoodGanim Lawyers, Level 27, Allendale Square, 77 St Georges
Terrace PERTH WA 6000
Occupation: Investor
Date: 13 April 2021

Contents

Document No.	Details	Paragraph	Pages
1.	Affidavit of Christopher Michael Brown affirmed 13 April 2021		1 to 3
2.	Annexure "CMB-4" – a true copy of the March Information	5	4 to 5
3.	Annexure "CMB-5" – a true copy of the April Information	7	6 to 7

Filed on behalf of (name & role of party) Christopher Michael Brown, the First Respondent
Prepared by (name of person/lawyer) Leith Ayres
Law firm (if applicable) HopgoodGanim Lawyers
Tel (08) 9211 8111 Fax _____
Email l.ayres@hopgoodganim.com.au
Address for service (include state and postcode) Level 27, Allendale Square, 77 St Georges Terrace, Perth WA 6000

[Version 3 form approved 02/05/2019]



I CHRISTOPHER MICHAEL BROWN c/- HopgoodGanim Lawyers, Level 27, Allendale Square, 77 St Georges Terrace, Perth in the State of Western Australia, investor, solemnly and sincerely affirm and say as follows –

1. I am the First Respondent in this action.
2. I affirm this affidavit on my own behalf and on behalf of the Second Respondent, of which I am the sole director and company secretary.
3. Save where otherwise appears, the contents of this affidavit are true to my own knowledge. Where a fact is otherwise stated, it is true to the best of my information and belief, and the source of the information and belief is identified in the text.
4. I affirm this affidavit in accordance with paragraph 15(b) of the order of the Honourable Justice Jackson in this action dated 18 March 2021.
5. On 25 March 2021, I instructed my and the Second Respondent's solicitors to provide the Applicants' solicitors Information I had collated as to the assets held by me and the Second Respondent (**March Information**).
6. Annexed hereto and marked "**CMB-4**" is a true copy of the March Information.
7. Whilst I collated and prepared the March Information to the best of my ability at the relevant time, I have since collated further information to the best of my ability as to the assets held by me and the Second Respondent and have prepared an Excel spreadsheet recording that further information (**April Information**).
8. Annexed hereto and marked "**CMB-5**" is a true copy of the April Information.
9. There are discrepancies between the March Information and the April Information due to the urgency in which the March Information was prepared and I believe that the April Information contains a more accurate reconciliation of the assets held by me and the Second Respondent.

Affirmed by the deponent, Christopher
Michael Brown, at Perth in Western Australia
on 13 April 2021
Before me:



Christopher Michael Brown



Signature of witness

SARAH ROSE O'BRIEN-SMITH
A legal practitioner who has held
a practice certificate for at least
two years and who holds a current
practice certificate

Schedule

No. WAD 59 of 2021

Federal Court of Australia
District Registry: Western Australia
Division: General

First Applicant	ADAM FLETCHER
Second Applicant	STUART CAMPBELL
Third Applicant	JAYSEN TAYLOR
Fourth Applicant	365 PLANT HIRE PTY LTD (ACN 621 477 978)
Fifth Applicant	JAYTONA PTY LTD (ACN 137 723 418)
Sixth Applicant	NAMEO PTY LTD (ACN 155 839 197)
First Respondent	CHRISTOPHER MICHAEL BROWN
Second Respondent	CMB INVESTMENTS 1993 PTY LTD (ACN 618 397 925)

Federal Court of Australia
District Registry: Western Australia
Division: General

No. WAD 59 of 2021

ADAM FLETCHER and others

Applicants

CHRISTOPHER MICHAEL BROWN and another

Respondents

CERTIFICATE OF ANNEXURE

This is the annexure marked as "**CMB-4**" referred to in the affidavit of Christopher Michael Brown affirmed on 13 April 2021.



Signature of witness

SARAH ROSE O'BRIEN-SMITH
A legal practitioner who has held
a practice certificate for at least
two years and who holds a current
practice certificate

Account	Interest held by Chris Brown	Australian asset	Description of asset
National Australia Bank Limited;	100%	Yes	<200m
WealthHub Securities Limited trading as Nabtrade;	100%	Yes	<200m
ING Bank (Australia) Limited;	100%	Yes	<3.5m
Bank of Queensland Limited;	100%	Yes	<9m
Macquarie Bank Limited;	100%	Yes	<109m
Pointsbet Holdings Limited;	100%	Yes	<10m
Entain Group Pty Ltd trading as Ladbrokes AU;	100%	Yes	<10m
Sportsbet Pty Ltd trading as Sportsbet Australia;	100%	Yes	\$0
Betfair Pty Limited trading as Australian Betting Exchange; and	100%	Yes	\$0
ZeroCap Pty Ltd;	100%	Yes	<20m
Qudos Bank;	100%	Yes	<90m
UP Bank;	100%	Yes	\$0
AMP Bank; and	100%	Yes	\$0
Beyond Bank,	100%	Yes	\$0

No. WAD 59 of 2021

Federal Court of Australia
District Registry: Western Australia
Division: General

ADAM FLETCHER and others

Applicants

CHRISTOPHER MICHAEL BROWN and another

Respondents

CERTIFICATE OF ANNEXURE

This is the annexure marked as "**CMB-5**" referred to in the affidavit of Christopher Michael Brown affirmed on 13 April 2021.



Signature of witness

SARAH ROSE O'BRIEN-SMITH
A legal practitioner who has held
a practice certificate for at least
two years and who holds a current
practice certificate

ChIB Total Structure

Bank	Account Status	Active prior to freezing Inherited/Locked Closed	Account Name	Account Value Guidance	Comments
NAT			CB Spending	N/Nominal	
			CB Savings	N/Nominal	
			CMB Consulting	N/Nominal	
			CMB Investments 1853	N/Nominal	
			CB AP Funding	N/Nominal	
			BC Asset Management Holdings	N/Nominal	
			BC Asset Management Operations	N/Nominal	
			Savings	N/Nominal	
			Quanta Account	N/Nominal	
			Transaction Account	N/Nominal	
			Savings	N/Nominal	
			Transaction Account	N/Nominal	
			Savings	N/Nominal	
			CMB 1853/CB/MA-2	N/Nominal	
			Savings/Personal	N/Nominal	
			Savings/Personal/BC Asset Management	N/Nominal	
			Savings/Personal	N/Nominal	
			Savings/Personal	N/Nominal	
			Savings/Personal	N/Nominal	
			Savings/Personal/CMB 1853	N/Nominal	

Trading Platform/Trading Agency

Account Name	Asset Type	Valuation of Book Estimate
MASTROE	Thoroughbred	\$ 50,000.00
ZeroCap	Thoroughbred	\$ 50,000.00
Euro	Thoroughbred	\$ 50,000.00
Ph-500	Thoroughbred	\$ 50,000.00
Blanco	Thoroughbred	\$ 50,000.00
YAB NSW	Thoroughbred	\$ 50,000.00
Ludlow	Thoroughbred	\$ 50,000.00
Pohlsch	Thoroughbred	\$ 50,000.00
Toussaint	Thoroughbred	\$ 50,000.00
Bidit	Thoroughbred	\$ 50,000.00
Nada	Thoroughbred	\$ 50,000.00
Spiribet	Thoroughbred	\$ 50,000.00
BeOS	Thoroughbred	\$ 50,000.00
TASTOUCH	Thoroughbred	\$ 50,000.00

Physical Assets/Property

Physical Assets/Property	Asset Type	Valuation of Book Estimate
Material Winery	Thoroughbred	\$ 50,000.00
To Alau Calam	Thoroughbred	\$ 50,000.00
Fab Judio	Thoroughbred	\$ 50,000.00
Rubbed	Thoroughbred	\$ 50,000.00
Zozitho	Thoroughbred	\$ 50,000.00
Unmanned/Unmanned	Thoroughbred	\$ 50,000.00

Account Details

Account Value Guidance

Comments	Account Value Guidance
Path West End Branch - Contact Owen Unbrine handling the onboarding and status of new accounts	N/Nominal
or less pending settlements to account post it being locked with myself not being able to visualize it	N/Nominal
or less pending settlements to account post it being locked with myself not being able to visualize it	N/Nominal
or less pending settlements to account post it being locked with myself not being able to visualize it	N/Nominal
Online bank	N/Nominal
or less pending settlements to account post it being locked with myself not being able to visualize it	N/Nominal
Online bank	N/Nominal

Risk team - Kimberly from the BOC risk/financial crimes team was handling status prior to account being locked eg. KYCAML regarding large incoming and outgoing transfers. See email

Comments

Comments	Account Value Guidance
or less pending settlements to account post it being locked with myself not being able to visualize it	N/Nominal
or less pending settlements to account post it being locked with myself not being able to visualize it	N/Nominal
or less pending settlements to account post it being locked with myself not being able to visualize it	N/Nominal
or less pending settlements to account post it being locked with myself not being able to visualize it	N/Nominal
or less pending settlements to account post it being locked with myself not being able to visualize it	N/Nominal
or less pending settlements to account post it being locked with myself not being able to visualize it	N/Nominal
or less pending settlements to account post it being locked with myself not being able to visualize it	N/Nominal

Account Details/Username

Account Value Guidance

Comments	Account Value Guidance
or less pending settlements to account post it being locked with myself not being able to visualize it	N/Nominal
or less pending settlements to account post it being locked with myself not being able to visualize it	N/Nominal
or less pending settlements to account post it being locked with myself not being able to visualize it	N/Nominal
or less pending settlements to account post it being locked with myself not being able to visualize it	N/Nominal
or less pending settlements to account post it being locked with myself not being able to visualize it	N/Nominal
or less pending settlements to account post it being locked with myself not being able to visualize it	N/Nominal
or less pending settlements to account post it being locked with myself not being able to visualize it	N/Nominal

Value of Asset

Value of Asset	Comments
\$ 6,000.00	
\$ 2,500.00	
\$ 1,000.00	
\$ 5,000.00	
\$ 500.00	
\$ 6,000.00	

BNR %

BNR %	Comments
10%	
5%	
5%	
10%	
0.25%	
10%	

Appendix 2

Hi Team,

The bankrupt estate of CHRISTOPHER BROWN

I refer to your correspondence dated 31/03/2021 in relation to the above-named bankrupt and wish to advise the following:

Savings account [REDACTED], balance as at "25/03/2021" was \$ 0.00 CR
Current balance is \$ 0.00 CR
Frozen account

Savings account [REDACTED], balance as at "25/03/2021" was \$ 0.00 CR
Current balance is \$ 0.00 CR
Frozen account

Savings account [REDACTED], balance as at "25/03/2021" was \$ 28.92 DR
Current balance is \$ 28.79 DR
Frozen account

Signatory of business account [REDACTED], balance as at "25/03/2021" was \$ 0.97 CR
Current balance is \$ 0.97 CR
Frozen account

Signatory of business account [REDACTED], balance as at "25/03/2021" was \$ 2.00 CR
Current balance is \$ 2.00 CR
Frozen account

Business account [REDACTED], balance as at "25/03/2021" was \$ 4.00 CR
Current balance is \$ 4.00 CR

The bankrupt is noted as being associated to the following entity as an authorising party:
BC ASSET MANAGEMENT (WA) PTY LTD
CMB CONSULTING 1993 PTY LTD

Saving account [REDACTED], balance owing is \$ 0.00 CR
This facility has been closed.

Saving account [REDACTED], balance owing is \$ 0.00 CR
This facility has been closed.

Signatory of business account [REDACTED], balance owing is \$ 30.61 DR
This facility has been closed.

The bankrupt is noted as being associated to the following entity as an authorising party:
CMB INVESTMENTS 1993 PTY LTD

If you require further information about the signatory accounts, you will need to serve the appropriate notices pursuant Section 77a by hand or mail to the below department:

"The Proper Officer "
National Australia Bank Ltd
Level 4, UB4440
800 Bourke Street
Docklands VIC 3008

Please note that due to social distancing measures implemented as a result of COVID 19, the NAB Bankruptcy team are working remotely. This means we are currently only able to receive electronic communication via email.

Appendix 3

From: [Louis Doyle \(External\)](#)
To: [Weeds, Matthew](#)
Cc: [Doyle, Andrew](#); [Saver, Nick](#); [Finn, Leo](#)
Subject: FW: nabtrade [REDACTED]
Date: Wednesday, 31 March 2021 11:07:55 AM

Hi Mathew,

As previously outlined to Nick,

I can confirm the current cash balance is \$0.00 for all accounts held with NabTrade for Christopher Brown.

Kind regards,

Louis Doyle
Client Associate, Self Directed Wealth
NAB Private Wealth

Level 24, 255 George Street, Sydney, 2000
e: [REDACTED] w: nabtrade.com.au



From: Saver, Nick [REDACTED]
Sent: Wednesday, 31 March 2021 1:06 PM
To: Louis Doyle (External) [REDACTED]
Subject: RE: nabtrade [REDACTED]
Importance: High

CAUTION: This email originated from outside of the organisation. Do not act on instructions, click links or open attachments unless you recognise the sender and know the content is authentic and safe.

Thanks Louis

Can you confirm then that there is a cash balance of \$0.00 in the accounts held with NABtrade?

Regards,

Yours faithfully, [REDACTED]

Text [REDACTED]

KPMG
25 St George's Terrace
Perth WA 6000 Australia

nabtrade.com.au

KPMG



From: Louis Doyle (External) [REDACTED]

Any further queries, please feel free to contact this office by email
bankruptcy@nab.com.au