

## Banks speak on Orchard

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The main financiers to Orchard Funds Management have weighed into a bitter battle to restructure the troubled property investor.

National Australia Bank and Bank of Scotland International have issued a joint letter indicating their support for a management takeover by Barwon Investment Partners, which the board also supports.

The lenders said they would not "entertain any delays" beyond a scheduled April 20 vote on the Barwon deal. Underscoring the point, the banks said their loans matured at the end of this month and they would "reserve their rights to consider their options" after that.

Listed property group LandMark White has made a rival bid for the funds manager.

The banks' move comes before Friday's shareholder vote on motions to remove chairman Charles Macek and appoint three activist investors.

The intervention by the banks was immediately criticised by some financial advisers.

Centre Capital's Rob Coyte said it appeared the banks were acting like "shadow directors".

"Dealer groups are being pressured to accept a proposal that is not in their clients interests," he said.

The Australian Financial Review

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