

## **TO THE CREDITOR AS ADDRESSED**

4 September 2017

Dear Sir/Madam

**FINELINE HOME PRODUCTS PTY LTD (ADMINISTRATORS APPOINTED)  
ACN 607 179 868 ('the Company')  
TRADING AS "MOSS RIVER"**

James White and I were appointed Joint and Several Administrators of the Company on 4 September 2017 pursuant to Section 436A of the *Corporations Act 2001* ('the Act').

The purpose of this report is to provide you with information about the voluntary administration of the Company and your rights as a creditor.

A copy of our Declaration of Independence, Relevant Relationships and Indemnities ('DIRRI') is attached at **Annexure A**. The DIRRI assists you to understand any relevant relationships that we have, and any indemnities or upfront payments that have been provided to me. None of the relationships disclosed in this document affect our independence.

### **Effect of Appointment**

The effect of our appointment is to place a moratorium on the payment of amounts owing to unsecured creditors in relation to trading and other debts incurred up to the date of our appointment, until creditors make a decision about the Company's future. That decision will be made at a second meeting of creditors, to be convened approximately 25 business days following our appointment.

Unless leave is granted by the Court, proceedings against the Company (or its property) cannot be commenced during the Administration period. Further, owners or lessors of property used or occupied by the Company cannot take possession of the property or otherwise recover it, without the written consent of the Administrators or leave of the Court.

### **Your rights as a creditor**

Information regarding your rights as a creditor is provided in the information sheet included at **Annexure B**. This includes your right to:

- Make reasonable requests for information
- Give directions to me



- Appoint a reviewing liquidator
- To replace me as voluntary administrator

### Trading of the business

The Administrators are undertaking an urgent assessment of the Company's financial position. As part of this process we have assumed full control of the Company's affairs and are continuing to trade during which time a sale of businesses will be pursued. The powers of the Company's director have been suspended.

If you are a supplier of the Company we request that you attend to the following immediately:

- Close off any current accounts held in the name of the Company and forward a final tax invoice for the period ending on and including 3 September 2017 for services rendered and goods supplied. Such a claim will represent an unsecured claim against the Company.
- Open a new account for the Company for any orders made with our authority on and after 4 September 2017 styled: '*Fineline Home Products Pty Ltd (Administrators Appointed) T/as Moss River*'

Please continue to forward invoices relating to the Administrators' trading to the Company's business address for processing. The Administrators' account will be paid in accordance with your usual terms of credit provided that any security interests you have with the Company prior to our appointment will not apply to collateral supplied as part of transactions on this new account unless specifically agreed to by us in writing and made the subject of separate registration of the security interest on the Personal Property Security Register.

Please note that the right of set off cannot be enforced between pre and post appointment periods.

### Personal Property Securities Register ('PPSR')

If you are claiming a perfected security interest registered on the PPSR over any collateral delivered to the Company or any lien over the collateral in your possession which is the property of the Company, details of your claim and supporting documentation should be forwarded to the Administrators as soon as possible.

Pursuant to Section 440C of the Act, those creditors seeking to enforce a security interest claim over the property of the Company prior to our appointment under a Purchase Money Security Interest ('PMSI'), are precluded from recovering the goods for the period of the Administration without obtaining the written consent of the Administrators or, alternatively, leave of the Court.

### Employees

We have written to the Company's employees regarding our appointment under a separate cover advising them of our appointment and their continued or terminated employment.

### First Meeting of Creditors

We are required to hold a first meeting of creditors within the eight (8) business days following our appointment, which is to be held at the offices of BDO, Level 11, 1 Margaret Street, Sydney NSW 2000 on Thursday, 14 September 2017 at 10:00am (AEST). We enclose the Notice of Meeting of Creditors (**Annexure C**), Formal Proof of Debt (**Annexure D**) and Proxy Form (**Annexure E**).

Proof of Debt and Proxy Forms must be lodged by 4:00PM (AEST) on Wednesday, 13 September 2017.

We will in due course call a second meeting of creditors. Before that meeting you will be sent the notice of meeting and a detailed report. At that second meeting you will make a decision about the future of the Company.

### Cost of the Voluntary Administration

Included in **Annexure F** is our Initial Remuneration Notice. This document provides you with information about our remuneration for undertaking the Voluntary Administration.

We will seek your approval of our remuneration at the second meeting of creditors. I will provide you with detailed information regarding my remuneration prior to the second meeting of creditors so that you can understand what tasks I have undertaken or will be required to undertake, and the costs of those tasks.

### Further Information

The Australian Restructuring Insolvency and Turnaround Association ('ARITA') provides information to assist creditors with understanding Voluntary Administrations and insolvency.

This information is available from ARITA's website at [arita.com.au](http://arita.com.au).

ASIC provides information sheets on a range of insolvency topics. A summary of the information sheets available is attached in **Annexure G**. These information sheets can be accessed on ASIC's website at [www.asic.gov.au](http://www.asic.gov.au).

Should you have any queries in relation to this matter, please contact Ryan Davies on (02) 9240 9772 or alternatively at [ryan.davies@bdo.com.au](mailto:ryan.davies@bdo.com.au).

Yours faithfully



**ANDREW SALLWAY**  
Joint and Several Administrator



**List of Attachments**

Annexure A - Declaration of Independence, Relevant Relationships & Indemnities

Annexure B - Information Sheet: Creditor Rights in Voluntary Administration

Annexure C - Notice of Meeting of Creditors

Annexure D - Proof of Debt (Form 535)

Annexure E - Instrument of Proxy (Form 532)

Annexure F - Initial Remuneration Notice

Annexure G - List of ASIC Information Sheets

# **Annexure A**

CORPORATIONS ACT 2001

Section 436DA  
Section 60

DECLARATION OF INDEPENDENCE, RELEVANT RELATIONSHIPS AND INDEMNITIES  
FINELINE HOME PRODUCTS PTY LTD (ADMINISTRATORS APPOINTED)  
ACN 607 179 868 ('the Company')  
TRADING AS "MOSS RIVER"

This document requires the Practitioners appointed to an insolvent entity to make declarations as to:

- A. their independence generally
- B. relationships, including
  - i. the circumstances of the appointment
  - ii. any relationships with the Insolvent and others within the previous 24 months
  - iii. any prior professional services for the Insolvent within the previous 24 months
  - iv. that there are no other relationships to declare; and
- C. any indemnities given, or up-front payments made, to the Practitioners.

This declaration is made in respect of ourselves, our partners and BDO.

### A. Independence

We, Andrew Sallway and James White of BDO, have undertaken a proper assessment of the risks to our independence prior to accepting the appointment as Administrators of the Company in accordance with the law and applicable professional standards. This assessment identified no real or potential risks to our independence. We are not aware of any reasons that would prevent us from accepting this appointment.

### B. Declaration of Relationships

#### i. Circumstances of appointment

The Administrators were introduced to the management of the Company by Quentin Olde and Liam Healey of FTI Consulting.

We detail the meetings, e-mail communications and telephone discussions with the Company and its advisors in the period prior to our appointment between 22 August 2017 and 4 September 2017

An overview of these is detailed as follows:

Date	Present	Purpose
22 August 2017	Scott Cooke (Director of Fineline Home Products Pty Ltd) Andrew Sallway (BDO) Quentin Olde (FTI Consulting) Liam Healey (FTI Consulting)	To provide general background information regarding the Company and its business and to request advice on the options available to the Company.

Date	Present	Purpose
30 August 2017	Scott Cooke (Director) Andrew Sallway (BDO) Daniel Rigg (BDO)	Meeting to discuss proposed cash flow and Administration strategy.
4 September 2017	Scott Cooke (Director) Andrew Sallway (BDO) Daniel Rigg (BDO) Ryan Davies (BDO)	Meeting to effect appointment as voluntary administrator.

We received no remuneration for the above communications and advice.

In our opinion, these communications do not affect our independence for the following reasons:

- The primary purpose was for information collection to allow for a more effectively planned Voluntary Administration of the Company.
- The Courts and the ARITA's Code of Professional Practice specifically recognise the need for practitioners to provide advice on the insolvency process and the options available and do not consider that such advice results in a conflict or is an impediment to accepting the appointment.
- The nature of the advice provided to the Company is such that it would not be subject to review and challenge during the course of the Voluntary Administration.
- The pre-appointment advice will not influence our ability to be able to fully comply with the statutory and fiduciary obligations associated with the Voluntary Administration of the Company in an objective and impartial manner.
- The advice provided was restricted to the Company itself and no advice was given in respect of the obligations/liabilities of the directors of the Company or their personal financial position.

We have provided no other information or advice to the Company, its director and its advisors prior to our appointment beyond what is outlined in this DIRRI.

**ii. Relevant Relationships (excluding professional services to the insolvent)**

We, or a member of our firm have, had within the preceding 24 months, a relationship with:

Name	Nature of relationship	Reason why there is no conflict or duty
Australian Taxation Office ('ATO') - Creditor of the Company	We and our colleagues undertake work from time to time on behalf of ATO.	We believe that this relationship does not result in a conflict of interest or duty because: <ul style="list-style-type: none"> <li>- BDO has never undertaken any work for the ATO in respect of the Company</li> <li>- The work that BDO undertakes for the ATO will not influence our ability to be able to fully comply with the statutory and fiduciary obligations associated with the Voluntary Administration of the Company in an objective and impartial manner</li> </ul>

Name	Nature of relationship	Reason why there is no conflict or duty
FTI Consulting	<p>The Company was referred to us after it was recognised that the Company was experiencing financial difficulties.</p> <p>Unrelated clients of FTI Consulting have previously been referred to us for various appointments and advice.</p> <p>We are not paid any commissions, inducements or benefits by FTI Consulting to undertake any appointments.</p>	<ul style="list-style-type: none"> <li>- This relationship does not preclude, by operation of the <i>Corporations Act 2001</i> or the ARITA Code of Professional Practice, us from accepting the appointment to the Company</li> <li>- The Voluntary Administration of the Company is an unrelated matter to any previous or current engagements/appointments undertaken for the ATO.</li> </ul> <p>We believe that this relationship does not result in a conflict of interest or duty because:</p> <ul style="list-style-type: none"> <li>- BDO has never undertaken any work for FTI Consulting in respect of the Company</li> <li>- The work that BDO is referred by FTI Consulting will not influence our ability to be able to fully comply with the statutory and fiduciary obligations associated with the Administration of the Company in an objective and impartial manner</li> <li>- This relationship does not preclude, by operation of the <i>Corporations Act 2001</i> or the ARITA Code of Professional Practice, us from accepting the appointment to the Company</li> <li>- The Administration of the Company is an unrelated matter to any previous or current engagements/appointments referrals from FTI Consulting</li> <li>- Our relationship with FTI Consulting is a normal business relationship and does not result in us having a conflict of interest or duty in this administration</li> </ul>
Scholefield Goodman (Australia) Pty Ltd - Secured creditor of the Company	No current relationship	<p>We believe that this relationship does not result in a conflict of interest or duty because:</p> <ul style="list-style-type: none"> <li>- BDO has never undertaken any work for Scholefield Goodman (Australia) Pty Ltd in respect of the Company preceding our appointment</li> <li>- The nature of this relationship will not influence our ability to be able to fully comply with the statutory and fiduciary obligations associated with the Voluntary Administration of the Company.</li> </ul>
The Missing Link Network Integration Pty Ltd and The Missing Link Security Pty Ltd -	No current relationship	<p>We believe that this relationship does not result in a conflict of interest or duty because:</p> <ul style="list-style-type: none"> <li>- BDO has never undertaken any work for The Missing Link Network Integration Pty Ltd or</li> </ul>



Name	Nature of relationship	Reason why there is no conflict or duty
Secured creditor of the Company		<p>The Missing Link Security Pty Ltd in respect of the Company preceding our appointment</p> <ul style="list-style-type: none"> <li>- The nature of this relationship will not influence our ability to be able to fully comply with the statutory and fiduciary obligations associated with the Voluntary Administration of the Company.</li> </ul>
Pegasus Print Group ('Pegasus') a creditor of the Company	Pegasus is an audit client of BDO Sydney	<p>We believe that this relationship does not result in a conflict of interest or duty because:</p> <ul style="list-style-type: none"> <li>- BDO has never undertaken any work for Pegasus in respect of the Company</li> <li>- The work that BDO undertakes for Pegasus will not influence our ability to be able to fully comply with the statutory and fiduciary obligations associated with the Voluntary Administration of the Company in an objective and impartial manner</li> <li>- This relationship does not preclude, by operation of the <i>Corporations Act 2001</i> or the ARITA Code of Professional Practice, us from accepting the appointment to the Company</li> <li>- The Voluntary Administration of the Company is an unrelated matter to any previous or current engagements/appointments undertaken for the Pegasus.</li> </ul>

**iii. Prior professional services to the insolvent**

We, or a member of our firm, have not provided any professional services to the Company in the 24 months prior to acceptance of this appointment.

**iv. No other relevant relationships to disclose**

There are no other known relevant relationships, including personal, business and professional relationships, from the previous 24 months with the Company, an associate of the Company, a former insolvency practitioner appointed to the Company or any person or entity that has a charge on the whole or substantially whole the Company's property that should be disclosed.

### C. Indemnities and up-front payments

We have not been indemnified in relation to this Voluntary Administration, other than any indemnities that we may be entitled to under statute and we have not received any up-front payments in respect of our remuneration or disbursements.

Dated: 5 September 2017



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**ANDREW SALLWAY**  
Joint and Several Administrator



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**JAMES WHITE**  
Joint and Several Administrator

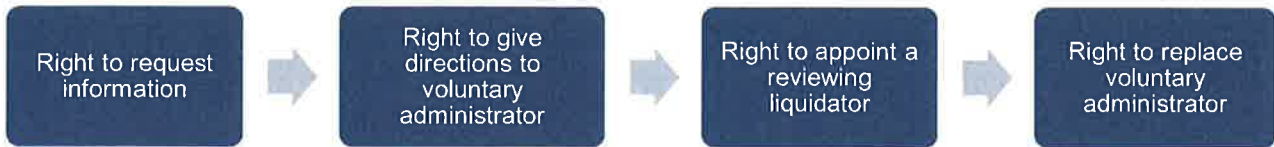
Note:

- 1 If circumstances change, or new information is identified, we are required under the *Corporations Act, 2001* and the ARITA Code of Professional Practice to update this Declaration and provide a copy to creditors with our next communication as well as table a copy of any replacement declaration at the next meeting of the insolvent's creditors.
- 2 Any relationships, indemnities or up-front payments disclosed in the DIRRI must not be such that the Practitioner is no longer independent. The purpose of components B and C of the DIRRI is to disclose relationships that, while they do not result in the Practitioner having a conflict of interest or duty, ensure that creditors are aware of those relationships and understand why the Practitioner nevertheless remains independent.

# **Annexure B**

# Creditor Rights in Voluntary Administrations

As a creditor, you have rights to request meetings and information or take certain actions:



## Right to request information

Information is communicated to creditors in a voluntary administration through reports and meetings.

In a voluntary administration, two meetings of creditors are automatically held. You should expect to receive reports and notice of these meetings:

- The first meeting is held within 8 business days of the voluntary administrator's appointment. A notice of meeting and other information for this meeting will be issued to all known creditors.
- The second, or decision, meeting is usually held within 6 weeks of the appointment, unless an extension is granted. At this meeting, creditors will get to make a decision about the company's future. Prior to this meeting the voluntary administrator will provide creditors with a notice of the meeting and a detailed report to assist in making your decision.

Important information will be communicated to creditors prior to and during these meetings. Creditors are unable to request additional meetings in a voluntary administration.

Creditors have the right to request information at any time. A voluntary administrator must provide a creditor with the requested information if their request is 'reasonable', the information is relevant to the voluntary administration, and the provision of the information would not cause the voluntary administrator to breach their duties.

A voluntary administrator must provide this information to a creditor within 5 business days of receiving the request, unless a longer period is agreed. If, due to the nature of the information requested, the voluntary administrator requires more time to comply with the request, they can extend the period by notifying the creditor in writing.

### Requests must be reasonable.

#### They are not reasonable if:

- (a) complying with the request would prejudice the interests of one or more creditors or a third party
- (b) the information requested would be privileged from production in legal proceedings
- (c) disclosure would found an action for breach of confidence
- (d) there is not sufficient available property to comply with the request
- (e) the information has already been provided
- (f) the information is required to be provided under law within 20 business days of the request
- (g) the request is vexatious

If a request is not reasonable due to (d), (e) or (f) above, the voluntary administrator must comply if the creditor meets the cost of complying with the request.

Otherwise, a voluntary administrator must inform a creditor if their information request is not reasonable and the reason why.

## Right to give directions to voluntary administrator

Creditors, by resolution, may give a voluntary administrator directions in relation to a voluntary administration. A voluntary administrator must have regard to these directions, but they are not required to comply with the directions.

If a voluntary administrator chooses not to comply with a direction given by a resolution of the creditors, they must document their reasons for not complying.

An individual creditor cannot provide a direction to a voluntary administrator.

## Right to appoint a reviewing liquidator

Creditors, by resolution, may appoint a reviewing liquidator to review a voluntary administrator's remuneration or a cost or expense incurred in a voluntary administration. The review is limited to:

- remuneration approved within the six months prior to the appointment of the reviewing liquidator, and
- expenses incurred in the 12 months prior to the appointment of the reviewing liquidator.

The cost of the reviewing liquidator is paid from the assets of the voluntary administration, in priority to creditor claims.

An individual creditor can appoint a reviewing liquidator with the voluntary administrator's consent, however the cost of this reviewing liquidator must be met personally by the creditor making the appointment.

## Right to replace voluntary administrator

At the first meeting, creditors have the right to remove a voluntary administrator and appoint another registered liquidator to act as voluntary administrator.

A creditor must ensure that they have a consent from another registered liquidator prior to the first meeting if they wish to seek the removal and replacement of a voluntary administrator.

Creditors also have the opportunity to replace a voluntary administrator at the second meeting of creditors:

- If creditors vote to accept a proposed deed of company arrangement, they can appoint a different registered liquidator as the deed administrator.
- If creditors vote to place the company into liquidation, they can appoint a different registered liquidator as the liquidator.

It is however usual for the voluntary administrator to act as deed administrator or liquidator. It would be expected that additional costs would be incurred by an alternate deed administrator or liquidator to gain the level of knowledge of the voluntary administrator.

Like with the first meeting, a creditor must ensure that they have a consent from another registered liquidator prior to the second meeting if they wish to seek to appoint an alternative registered liquidator as deed administrator or liquidator.

**For more information, go to [www.arita.com.au/creditors](http://www.arita.com.au/creditors)**

# Annexure C

FORM 529A

Section 436E & 450A  
Regulation 5.3A.03A & 5.3A.07A

Corporations Act 2001

NOTICE OF FIRST MEETING  
OF CREDITORS OF THE COMPANY UNDER ADMINISTRATION  
AND  
NOTICE OF APPOINTMENT OF JOINT AND SEVERAL ADMINISTRATORS  
FINELINE HOME PRODUCTS PTY LTD (ADMINISTRATORS APPOINTED)  
ACN 607 179 868 ('the Company')  
TRADING AS MOSS RIVER

1. Andrew Sallway and James White of BDO, Level 11, 1 Margaret Street, Sydney NSW 2000 were appointed as Joint and Several Administrators of the Company on 4 September 2017 pursuant to Section 436A of the *Corporations Act 2001*.
2. Notice is now given that a meeting of the creditors of the Company will be held at the Offices of BDO, Level 11, 1 Margaret Street, Sydney NSW 2000 on Thursday, 14 September 2017 at 10:00am (AEST).
3. The purpose of the meeting is to determine:
  - a. whether to appoint a Committee of Creditors; and
  - b. if so, who are to be the Committee's members.
4. At the meeting, creditors may also, by resolution:
  - a. remove the Joint Administrators from office; and
  - b. appoint someone else as Administrator of the Company.
5. Attendance at this meeting is not compulsory. Creditors may attend and vote in person, by proxy or by attorney. The appointment of a proxy must be made in accordance with Form 532. A specific proxy can be lodged showing approval or rejection of each resolution. Proxy forms or facsimiles thereof must be lodged by 4.00pm (AEST) on the day prior to the meeting.

DATED this 5<sup>th</sup> day of September 2017.



**ANDREW SALLWAY**  
Joint and Several Administrator

# Annexure D



FORM 535  
CORPORATIONS ACT 2001

Subregulation 5.6.49(2)

FORMAL PROOF OF DEBT OR CLAIM (GENERAL FORM)

To the Administrators of Finline Home Products Pty Ltd (Administrators Appointed) ACN 607 179 868  
Trading as Moss River

1. This is to state that the company was, on 4 September 2017<sup>(1)</sup> and still is, justly and truly indebted to<sup>(2)</sup>  
..... for  
.....dollars and .....cents.

Particulars of the debt are:

Date	Consideration <sup>(3)</sup>	Amount	GST	Total	Remarks <sup>(4)</sup>

2. To my knowledge or belief the creditor has not, nor has any person by the creditor's order, had or received any manner of satisfaction or security for the sum or any part of it except for the following:<sup>(5)</sup>
- 3.<sup>(6)\*</sup> I am employed by the creditor and authorised in writing by the creditor to make this statement. I know that the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, still remains unpaid and unsatisfied.
- 3.<sup>(6)\*</sup> I am the creditor's agent authorised in writing to make this statement in writing. I know that the debt was incurred and for the consideration stated and that the debt, to the best of my knowledge and belief, still remains unpaid and unsatisfied.

DATED this                      day of                      2017

Signature: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Occupation: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 Phone: \_\_\_\_\_  
 Email: \_\_\_\_\_

**See Directions overleaf for the completion of this form**

**OFFICE USE ONLY**

POD No:		ADMIT - Ordinary	\$
Date Received:	/ /	ADMIT - Preferential	\$
Entered into IPS/Computer:		Reject	\$
Amount per RATA	\$	H/Over for Consideration	\$
PREP BY/AUTHORISED		<b>TOTAL PROOF</b>	\$
DATE AUTHORISED	/ /		

**Directions**

- \* Strike out whichever is inapplicable.
- (1) Insert date of Court Order in winding up by the Court, or date of resolution to wind up, if a voluntary winding up.
- (2) Insert full name and address (including ABN) of the creditor and, if applicable, the creditor's partners. If prepared by an employee or agent of the creditor, also insert a description of the occupation of the creditor.
- (3) Under "Consideration" state how the debt arose, for example "goods sold and delivered to the company between the dates of .....", "moneys advanced in respect of the Bill of Exchange".
- (4) Under "Remarks" include details of vouchers substantiating payment.
- (5) Insert particulars of all securities held. Where the securities are on the property of the company, assess the value of those securities. If any bills or other negotiable securities are held, specify them in a schedule in the following form:

Date	Drawer	Acceptor	Amount	Date Due
	\$	¢		

- 
- (6) If proof is made by the creditor personally, strike the two (2) paragraphs numbered 3.
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**Annexures**

- A. If space provided for a particular purpose in a form is insufficient to contain all the required information in relation to a particular item, the information must be set out in an annexure.
- B. An annexure to a form must:
  - (a) have an identifying mark;
  - (b) and be endorsed with the words:

*"This is the annexure of (insert number of pages) pages marked (insert an identifying mark) referred to in the (insert description of form) signed by me/us and dated (insert date of signing); and*
  - (c) be signed by each person signing the form to which the document is annexed.
- C. The pages in an annexure must be numbered consecutively.
- D. If a form has a document annexed the following particulars of the annexure must be written on the form:
  - (a) the identifying mark; and
  - (b) the number of pages.
- E. A reference to an annexure includes a document that is with a form.

# Annexure E



# Annexure F

**FINELINE HOME PRODUCTS PTY LTD (ADMINISTRATORS APPOINTED)**

**ACN 607 179 868 ('the Company')**

**Initial Remuneration Advice to Creditors**

**Remuneration Methods**

There are four basic methods that can be used to calculate the remuneration charged by an Insolvency Practitioner. They are:

**1. Time based / Hourly rates**

This is the most common method. The total fee charged is based on the hourly rate charged for each person who carried out the work multiplied by the number of hours spent by each person on each of the tasks performed.

**2. Fixed Fee**

The total fee charged is normally quoted at the commencement of the administration and is the total cost for the administration. Sometimes a Practitioner will finalise an administration for a fixed fee.

**3. Percentage**

The total fee charged is based on a percentage of a particular variable, such as the gross proceeds of assets realisations.

**4. Contingency**

The practitioner's fee is structured to be contingent on a particular outcome being achieved.

**Method Chosen**

Given the nature of the administration, we propose that our remuneration be calculated on the time based / hourly rates method. In our opinion, this is the fairest method for the following reasons:

- This method reflects our practice of assigning staff at the appropriate level to conduct the necessary work. Individuals are required to record the nature of work performed at intervals of six minutes. This method ensures creditors are only charged for work that is performed and provides complete transparency.
- Fixed fee and percentage method are inappropriate as we are unable to estimate with certainty the total amount of fees necessary to complete all tasks required in this administration. In addition we are required to perform a number of tasks which do not relate to the realisation of assets, e.g. statutory obligations, responding to creditor queries, and reporting to ASIC.

It is proposed that the remuneration of the Administrators and the Deed Administrators or Liquidators (if applicable) is calculated on a time basis at the hourly rates charged by BDO from time to time.

#### **Estimate of Remuneration**

The approval of the Administrators' remuneration of the Company will be considered at the second meeting of creditors and it is estimated that fees for the conduct of the Voluntary Administrations to the second meeting of creditors will be approximately \$75,000 to \$150,000 excluding GST. This estimate is dependent upon the level of direct interaction that my staff require for the trading of the business during the Administration process.

#### **Explanation of Time Based/Hourly Rates**

The rates for our remuneration calculation are attached together with a general guide showing the qualifications and experience of staff engaged in the administration and the role they take in the administration. The hourly rates charged encompass the total cost of providing professional services and should not be compared to an hourly wage. The hourly rates are exclusive of GST; GST is calculated on the total remuneration charged when an invoice is raised.

Creditors are advised that they have the right to obtain further information regarding remuneration and can request same, by advising this office in writing. Creditors are advised that a remuneration information sheet is available at <http://www.asic.gov.au/infosheets>.

DATED this 5<sup>th</sup> day of September 2017



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**ANDREW SALLWAY**  
Joint and Several Administrator

# Annexure G





**ASIC**

Australian Securities & Investments Commission

## Insolvency information for directors, employees, creditors and shareholders

This information sheet (INFO 39) lists ASIC's information sheets for directors, employees, creditors and shareholders affected by a company's insolvency.

We have produced these with endorsement from the Australian Restructuring Insolvency & Turnaround Association (ARITA).

The information sheets give a basic understanding of the three most common company insolvency procedures – liquidation, voluntary administration and receivership – as well as the independence requirements for external administrators and approving external administrator remuneration. There is also a glossary of commonly used insolvency terms.

### List of information sheets

- [INFO 41](#) Insolvency: A glossary of terms
- [INFO 42](#) Insolvency: A guide for directors
- [INFO 43](#) Insolvency: A guide for shareholders
- [INFO 45](#) Liquidation: A guide for creditors
- [INFO 46](#) Liquidation: A guide for employees
- [INFO 54](#) Receivership: A guide for creditors
- [INFO 55](#) Receivership: A guide for employees
- [INFO 74](#) Voluntary administration: A guide for creditors
- [INFO 75](#) Voluntary administration: A guide for employees
- [INFO 84](#) Independence of external administrators: A guide for creditors
- [INFO 85](#) Approving fees: A guide for creditors

### Where can I get more information?

Further information is available from the [ARITA website](#). The ARITA website also contains the [ARITA Code of Professional Practice for Insolvency Practitioners](#).

This is **Information Sheet 39 (INFO 39)** updated on 1 September 2017. Information sheets provide concise guidance on a specific process or compliance issue or an overview of detailed guidance.

Last updated: 01/09/2017

5/09/2017