



McGrathNicol

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Partnership

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Parkview Estate Pty Ltd (Administrators Appointed)
ACN 157 949 810
("the Company")

Fourth Supplementary Report
pursuant to Section 439A of the Corporations Act ("the Act")

5 May 2017

I refer to my appointment with Joseph Hayes as Joint and Several Administrators of the Company on 21 February 2017.

As you may be aware, at the reconvened second meeting of creditors held on 20 April 2017, creditors resolved for the meeting to be adjourned for up to 15 business days to allow the Director further time to address various issues raised by the Administrators concerning the Deed of Company Arrangement ("DOCA") proposals submitted.

1 Purpose of circular

This circular provides creditors with updated information and our assessment of the Director's DOCA proposals in preparation for the reconvened second creditors meeting.

The meeting has been reconvened to be held at Cliftons, Level 13, 60 Margaret Street, Sydney, NSW 2000 on **Friday, 12 May 2017 at 3:00pm.**

2 Reports pursuant to Section 439A of the Act

To date, we have issued four reports to creditors under Section 439A of the Act, as follows:

- a detailed report dated 21 March 2017; and
- three supplementary reports dated: 24 March 2017, 11 April 2017 and 19 April 2017 dealing with various DOCA proposals submitted by the Director.

This report should be read in conjunction with our earlier reports (particularly our detailed report of 21 March 2017) set out above. All reports can be found on our website:

<http://www.mcgrathnicol.com/assignments/parkview-estate-pty-limited/#>

3 Outcomes to date

To date, we have convened two second meetings of creditors; an initial meeting held on 28 March 2017 and, a further (reconvened) meeting held on 20 April 2017.

Both meetings were adjourned for up to 15 business days to allow the DOCA proposals submitted by the Director to be refined to address feedback from the Administrators.

Following the 20 April 2017 creditors meeting, the Administrators provided the Director with comprehensive feedback on various issues concerning her DOCA proposals and set a date by which a response was required.

D14.2-170503-Fourth supp report-BK

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The Director did not comply with the date set by the Administrators and submitted her revised proposals after business hours yesterday evening.

Given the short timeframe the Administrators have had to review the proposals, we may provide further comments prior to the forthcoming meeting on 12 May 2017.

4. DOCA proposals

As at the date of this report, the Director has submitted two DOCA proposals, as follows:

1. The '**Refinance DOCA**': Whereby the Director is (broadly) seeking to refinance the secured creditor, transfer most (unrelated) third party creditors to a Creditors Trust (with sufficient funds to repay them) and resume custody and control of the Company's assets. It is also proposed that pre-sale holders (including those who are seeking specific performance via legal proceedings) will continue dealing with the Director in relation to their contractual rights.
2. The '**Litigation DOCA**': Whereby the Director is (broadly) seeking to regain control of the litigation with certain pre-sale holders in exchange for a contribution to a Deed Fund of \$603,034. Under this proposal it is intended that the Deed Administrators would deal with completion of the subdivision and all other aspects of the Company.

The most recent version of the Refinance DOCA and Litigation DOCA are attached as Annexure "A" and Annexure "B" respectively.

Creditors should carefully review these proposals in their entirety (and seek legal advice where appropriate) to determine the manner in which they vote at the forthcoming reconvened meeting.

5. Refinance DOCA

Creditors should carefully review the DOCA proposal attached at Annexure "A" to this report in its entirety.

By way of summary, we note the following key features:

- The proponent of the DOCA is Mrs Lilly Stojcevski, the Company's sole Director.
- The Administrators will be the Deed Administrators under the DOCA and the Trustees of a Creditors' Trust (proposed to be established alongside the DOCA).
- The DOCA will have various classes of creditors (with different rights), as follows:
 - **Secured creditor:** to be repaid (via a refinance) within 10 business days of the DOCA;
 - **Unsecured creditors:** to be transferred to a Creditors Trust¹ (alongside monies expected to repay them in full) within 10 business days of the DOCA;
 - **Related party creditors² and deferred creditors:** to remain with claims against the Company which will continue following the DOCA being effectuated;
 - **Purchasers - i.e. parties who have a contract for sale on foot that has not been rescinded by the Company:** proposed to have their interest protected by a caveat on title on the Company's Kellyville land subdivision (these parties should carefully review the DOCA proposal to understand the process surrounding caveat registration and withdrawal); and

¹ Further details relevant to a Creditors Trust are set out in Appendix "D" attached

² We have been advised that although related party creditors have been defined in the DOCA proposal, it is proposed that all related parties (including family trusts) are captured under the definition and also deferred



- **Plaintiffs - i.e. parties who have commenced legal proceedings against the Company, seeking (amongst other orders), specific performance of sale contracts rescinded by the Company:** proposed to have a caveat registered on title to the value of \$1,750,000, (representing a potential amount for damages). These parties should carefully review the DOCA proposal to understand the proposed process surrounding caveat registration and withdrawal.
- The incoming lender agrees to be bound by the caveats in favour of pre-sale holders.
- The proposed sequencing of the DOCA is as follows:
 - A DOCA is executed and a Creditors Trust is created;
 - Within 10 business days, the secured creditor is repaid in full (via a refinance) and a Deed Fund is created (via a contribution from the Director) which covers (anticipated) full payment of:
 - > The Administrators', Deed Administrators', and Creditors Trustees' remuneration and disbursements; and
 - > The claims of unsecured creditors (who are not related party or deferred).
 - Claims of unsecured creditors (who are not related party, or deferred) are transferred to the Creditors Trust (and release their claims against the Company) alongside sufficient monies (from the Deed Fund) to repay them (an anticipated) full recovery. [There would be a process the Creditors Trustee would undertake to adjudicate creditors' claims and declare and pay distributions].
 - The Deed is effectuated and custody and control of the Company's assets and operations is returned to the Director of the Company.

3.1 Administrators' comments

The Administrators acknowledge the efforts made to address our earlier feedback on the Refinance DOCA. However, the Administrators have the following remaining concerns in relation to the DOCA:

1. The proposed refinance facility is for a short period (3 months) and has a standard rate of 33% per annum and a significantly higher default rate. Our assessment is that completion of the subdivision, settlement of sales, and repayment of secured lending will take in excess of 3 months. Accordingly, remaining creditors (being deferred creditors and pre-sale holders) would be exposed.
2. The current drafting of the DOCA proposal (and ancillary documents furnished to us) does not provide sufficient comfort that the incoming financier will recognise the caveats as envisioned in the DOCA.
3. The DOCA does not provide for an upfront contribution towards legal costs associated with drafting the DOCA and Creditors Trust (which will be significant).
4. The Administrators have not been provided with evidence that (creditors categorised as "deferred" have agreed to their treatment under the DOCA.

3.2 The advantages and disadvantages of the Refinance DOCA

3.2.1 Advantages

- Secured and (third party) unsecured creditors may be repaid in full on a more timely basis than liquidation; and
- The Administrators will be retired within a relatively short timeframe (and the Creditors Trustee will have a relatively minor role) and accordingly, the (more substantial) costs of a liquidation will not be incurred.



3.2.2 Disadvantages

- Whilst pre-sale holders have their rights protected to some extent by caveats, they continue to be exposed if there is a subsequent default on the incoming financier's facility.
- Antecedent transaction recoveries that may be available to a Liquidator cannot be pursued under a DOCA. Creditors should review Section 11 of our report dated 21 March 2017 which sets out our investigations in this regard.
- Custody and control of the Company's assets and operations will be returned to the Director (who will be responsible for completing the subdivision) without the protection an External Administrator provides.

3.3 Litigation DOCA

Creditors should carefully review the DOCA proposal attached at Annexure "B" to this report in its entirety.

By way of summary, we note the following key features:

- The proponent of the DOCA is Mrs Lilly Stojcevski, the Company's sole Director.
- The Administrators of the Company will be the Deed Administrators under the DOCA.
- The Company will remain subject to a DOCA until all land has been sold and the proceeds distributed to creditors.
- The Director will contribute a Deed Fund totalling \$603,034, which will allow the Deed Administrators to pay the Special Infrastructure Contribution ("SIC") and other fees to secure individual titles for Stage 1 of the Company's Kellyville subdivision.
- The DOCA will have various classes of creditors (with different rights), as follows:
 - **Secured creditor:** will be repaid from the proceeds of land sales, and will remain as the secured creditor;
 - **Priority creditors:** a surveyor (owed circa \$56,823) whose work is necessary to complete the subdivision of land (and will be paid prior to other creditors at the time their work is undertaken);
 - **Solicitor creditors:** the Company's conveyancing solicitors who will receive payment for their conveyancing work upon completion of the sales (i.e. individual lot settlements). We understand that any claims for legal work unrelated to conveyancing will be classed as "unsecured" and rank alongside other unsecured creditors;
 - **Unsecured creditors:** comprised of unrelated third party creditors who will be paid from the proceeds of land sales (after the secured creditor and other priority claims);
 - **Related party creditors:** to remain with claims against the Company which will continue following the DOCA being effectuated and whose payment will be deferred and subordinated to the claims of other creditors; and
 - **Pre-sale contract holders - with contracts on foot and those subject to litigation:** these parties' rights are not proposed to be impacted.

³ We have been advised that although related party creditors have been defined in the DOCA proposal, it is proposed that all related parties (including family trusts) are captured under the definition and also deferred



- The Litigation DOCA provides for two groups of assets:
 - **DOCA assets:** all assets and undertakings of the Company excluding the “Non-DOCA assets” (please see below). It is proposed that these assets be subject to the custody and control of the Deed Administrators; and
 - **Non-DOCA assets:** the proceedings with certain pre-sale contract holders. It is proposed that the Director will take carriage of the legal proceedings and will be solely responsible for the payment of all fees and costs associated with those proceedings (excluding adverse costs).
- The Director is obligated to:
 - Adhere to all timetables set by the Court; and
 - Provide progress reports in writing, at least fortnightly to the Deed Administrators.
- The proposed sequencing of the DOCA is as follows:
 - Within 10 business days, the Deed Fund totalling \$603,034 will be paid to the Deed Administrators (via a contribution from the Director) which covers certain Administrators’ costs and the SIC contributions;
 - The Deed Administrators manage the completion of the subdivision, settle completed sales and repay the secured creditor (and other creditors in due course) as realisations are received;
 - The Director manages the litigation; and
 - The Deed is effectuated once the Deed Administrators have realised all property and distributed realisations.

3.4 Administrators’ comments

The Administrators see merit in the Litigation DOCA and note that the Director has, in the main, addressed the Administrators’ concerns.

By way of additional comment we note that:

1. We have been provided with an indicative loan offer (to related parties), supporting the Director’s ability to finance the Deed Fund.
2. The DOCA now provides that the Director may only pursue an appeal to a first instance judgement in respect of the litigation with pre-sale holders subject to advice from Senior Counsel that the Company has reasonable prospects of success (and this must be provided to the Deed Administrators).

3.5 The advantages and disadvantages of the Litigation DOCA

3.5.1 Advantages

- There is a \$603,034 contribution by the Director from her own resources, increasing the pool of funds available to creditors;
- Related party creditors will defer their claims (leading to preferred treatment of third party creditors); and
- External Administrators’ costs (and legal fees) are expected to be less than under a liquidation.

3.5.2 Disadvantages

- There is no financial contribution from the Director for adverse costs in the litigation with pre-sale holders (in circumstances where the Director controls carriage of such proceedings).
- Antecedent transactions which may be available to a Liquidator cannot be pursued under the DOCA.



3.6 Financial analysis

The Administrators are awaiting receipt of a valuation of the Company's land assets and are presently unable (due to insufficient records) to ascertain the impact that Goods and Services Tax or Capital Gains Tax may have on returns to creditors. Accordingly, we cannot estimate the outcome to creditors with certainty at this time.

We provide the following estimates of return to different classes of creditors under both DOCA's and liquidation.

| Estimated outcome to creditors | | |
|---|--|------------------------------------|
| Type of creditor | Estimated outcome in the Litigation/Refinance DOCA | Estimated outcome in a liquidation |
| Secured creditor | 100% | 100% |
| Unsecured creditors (assuming related party creditors do not participate) | 100% | 100% |
| Unsecured creditors (assuming related party creditors participate) | n/a | 28%-42% |

Key points⁴:

- Under the Refinance DOCA, the Litigation DOCA and a liquidation scenario, it is expected that the secured creditor and third party (unrelated) unsecured creditors are repaid in full (assuming related party creditors do not participate in a distribution)⁵.
- In the event that related party creditors participate in distributions, the return to unsecured creditors in a liquidation is expected to be in the range of 28 to 42 cents in the dollar. Under either DOCA, third party/unrelated unsecured creditors are expected to receive 100 cents in the dollar.
- We have not set out estimated returns to pre-sale holders (with either contracts on foot or those that are subject to litigation) as these claims are contingent claims against the Company only. The key difference to pre-sale holders between the Litigation DOCA, the Refinance DOCA and in a liquidation relates to who has carriage and control of the litigation process.

4 Overall commentary

- As the Company remains insolvent, **the Administrators do not recommend that creditors resolve for the Company to be returned to its Director.**
- For the reasons outlined above, the Administrators cannot presently form a view that the Refinance DOCA provides a superior, more certain and timely return than a liquidation of the Company (in particular, under the Refinance DOCA, we have a concern that there is a high likelihood of default under the incoming financier's facility, exposing pre-sale holders and deferred creditors). Accordingly, **the Administrators do not recommend that creditors vote in favour of the Refinance DOCA.**
- Having regard to the commentary above, on balance, **the Administrators recommend that creditors vote in favour of the Litigation DOCA** (subject to minor drafting corrections and provision of the \$25,000 advance payments as proposed).

⁴ The above estimates are strictly provided for illustrative purposes only and the Administrators do not provide any representations or warranties as to accuracy or reliability. Actual returns may differ significantly as valuations are received, realisation costs are quantified and creditor claims adjudicated.

⁵ Despite numerous requests, at the date of writing this report the Administrators have not yet received sufficient evidence supporting related party claims (which may total up to \$4.7 million). This issue is only relevant to a liquidation assessment.



- Having regard to the above, **the Administrators do not recommend that creditors resolve for the Company to be wound up.**

Accordingly, based on the comments set out above, our overall recommendation is that creditors vote in favour of the Litigation DOCA.

Creditors may also resolve to adjourn the meeting for a period of up to a further 15 business days.

5 Remuneration report for the Administration

Attached as Annexure "C" is a Remuneration Report which relates to updated fees for the administration period as well as fees pertaining to the Refinance DOCA, Litigation DOCA and a liquidation. Some of these resolutions will become redundant following the creditors' decision on the future of the Company.

6 Details of the second meeting of creditors

The meeting has been reconvened to be held at Cliftons, Level 13, 60 Margaret Street, Sydney, NSW 2000 on **Friday, 12 May 2017 at 3:00pm.**

The following documents are attached:

- Notice convening the meeting of creditors (Form 529);
- Proof of debt form (Form 535) along with an information sheet to assist you in completing the proof of debt; and
- Proxy form (Form 532) along with an information sheet to assist you in completing the proxy form.

At the meeting, creditors will be entitled to vote on whether:

- the Company should execute the Refinance DOCA;
- the Company should execute the Litigation DOCA;
- the administration should end;
- the Company be wound up; or
- the meeting be adjourned.

Creditors who intend to vote at the meeting must lodge a formal proof of debt, including full supporting documentation, with the Administrators by **4:00pm, Wednesday 10 May 2017**. If you have already lodged a proof of debt, you are not required to do so again, however, a new proxy form is required.

Creditors who are unable to attend the meeting and wish to be represented should ensure that either a proxy form, power of attorney, or evidence of appointment of a company representative pursuant to Section 250D of the Act is validly completed and provided to the Administrators by the date outlined above.

Additionally, creditors who are unable to attend in person may participate via teleconference, subject to providing relevant proof of debt and proxy documents in advance. Please contact us before close of business Wednesday, 10 May 2017 should you wish to participate via teleconference.

Documents may be lodged with me prior to the meeting or may be brought to the meeting.

If a faxed copy of a proxy or power of attorney is provided prior to the meeting, the original of the instrument must be received by me either prior to or at the meeting.

Creditors who wish to discuss any aspects of the above should please contact Calypso Lowrey of this office on (02) 9338 2619 or by email clowrey@mcgrathnicol.com.



Dated: 5 May 2017

Yours faithfully

Barry Kogan

Joint and Several Administrator

Annexures:

- Annexure A: Refinance DOCA proposal
- Annexure B: Litigation DOCA proposal
- Annexure C: Remuneration report
- Annexure D: Creditors Trust information

Enclosures:

- Notice of Meeting
- Proof of Debt
- Instructions for completion of Proof of Debt
- Proxy Form
- Instructions for completion of Proxy Form
- Information for attendance at meeting

Annexure A

PARKVIEW ESTATE PTY LTD (ADMINISTRATORS APPOINTED) ACN 157 949 810 ("COMPANY")

PROPOSAL FOR DEED OF COMPANY ARRANGEMENT

1. BACKGROUND AND PARTIES

- 1.1 This proposal for a deed of company arrangement ("**DOCA**") in relation to the Company is provided by Lilly Stojcevski ("**Director**"), the sole director of the Company.
- 1.2 The DOCA will become effective immediately upon execution by the Company, the Deed Administrators and the Director (as the proponent).
- 1.3 A creditors' trust ("**Creditors' Trust**") will be established under the DOCA.

2. CREDITORS

- 2.1 The DOCA will recognise and deal with the following classes of creditors of the Company:
 - (a) Westpac;
 - (b) Salvatore Murabito, Rosaria Murabito, Steven Murabito and Lilly Stojcevski as related-party unsecured creditors of the Company ("**Related Creditors**");
 - (a) The following entities which have lodged proofs of debt:
 - (i) North West Surveying;
 - (ii) Mepstead and Associates;
 - (iii) Office of State Revenue;
 - (iv) Yarraman Developments Pty Ltd; andany other creditors admitted by the Deed Administrators for dividend purposes ("**Deed Creditors**").
 - (c) the purchasers under the contracts for sale of lots of the Company's property at 113 - 117 Barry Road, Kellyville NSW 2155 who are not parties to Supreme Court of New South Wales Proceedings No. 2015/147134 ("**Purchasers**");
 - (d) the purchasers under the contracts for sale of lots of the Company's property at 113 - 117 Barry Road, Kellyville NSW 2155 who are parties to Supreme Court of New South Wales Proceedings No. 2015/147134 ("**Plaintiffs**");
 - (e) The following entities which have lodged proofs of debt:
 - (i) Kells Lawyers; and
 - (ii) LCI Legal.("Deferred Creditors")

3. CONDITIONS

- 3.1 The following will be conditions ("**Conditions**") to the effectuation of the DOCA:
- (a) completion of the refinancing and repayment in full of the outstanding debt due and owing by the Company to Westpac ("**Westpac Refinancing**");
 - (b) payment by the Director into a deed fund ("**Deed Fund**") of an amount sufficient to pay, in full:
 - (i) the remuneration, costs and expenses of the voluntary administrators (in each of their capacities as voluntary administrators, deed administrators and trustees of the Creditors' Trust);
 - (ii) the claims of the Deed Creditors against the Company;
 - (iii) The outstanding payment to the Department of Planning and Environment.
 - (c) execution of a creditors' trust deed (to be annexed to the DOCA) establishing the Creditors' Trust ("**Creditors' Trust Deed**") by the Company and the trustees of the Creditors' Trust.
 - (i) The Conditions must be satisfied within ten business days of the date on which the DOCA is executed by all parties to it ("Sunset Date"). It is anticipated that all Conditions will be satisfied contemporaneously.
 - (ii) The deed administrators will delegate to the Director such powers and authorities as may be necessary to permit and facilitate the Westpac Refinancing to proceed, including the power to execute documents (including letters of offer and new security documents) on behalf of the Company in favour of the incoming financier on terms agreed by the Proponent.

4. EFFECTUATION

- 4.1 Immediately on satisfaction of all of the Conditions:
- (a) the Creditors' Trust will come into effect;
 - (b) all claims of the Deed Creditors against the Company will be extinguished, discharged and released, and will be transferred to claims against the Creditors' Trust;
 - (c) the balance of the Deed Fund (less the remuneration, costs and expenses of the voluntary administrators (in their capacity as voluntary administrators, and deed administrators) will be transferred by the deed administrators to a fund established under the Creditors' Trust Deed ("**Creditors' Trust Fund**");
 - (d) the DOCA will terminate;
 - (e) management and control of the Company will immediately revert to the Director;
 - (f) the deed administrators will retire and the Company will cease to be subject to the DOCA.

4.2 The deed administrators will lodge the standard notice of termination of the DOCA with ASIC within five business days of termination of the DOCA.

5. DEED CREDITORS

5.1 The balance of the Deed Fund transferred by the deed administrators to the Creditors' Trust on effectuation of the DOCA will be held by the Trustees of the Creditors' Trust under the terms of the Creditors' Trust Deed.

5.2 All claims of Deed Creditors against the Company will be extinguished, discharged and released on effectuation of the DOCA, and will be transferred to claims against the Creditors' Trust Fund only.

5.3 The Creditors' Trust Deed will include the usual provisions for assessment and adjudication by the trustees of proofs of debt submitted by Deed Creditors as prescribed by the *Corporations Regulations 2001*.

5.4 The Creditors' Trust Fund will be applied:

- (a) first, in payment of the trustees' remuneration, costs and expenses;
- (b) second, in payment of claims of Deed Creditors on a pari passu basis (noting that it is expected that the Deed Fund will be sufficient to pay such creditors in full); and
- (c) third, in the event of any surplus, to the Company.

6. OTHER CREDITORS

6.1 All claims and rights of the Related Creditors, Plaintiffs and Deferred Creditors against the Company will not be discharged, extinguished, or compromised in any way, and will continue in full force and effect against the Company following effectuation of the DOCA.

6.2 The Related Creditors, Plaintiffs and Deferred Creditors will not be permitted to participate in the Deed Fund or the Creditors' Trust Fund.

6.3 It will be a term of the DOCA that the Purchasers' interest in the land as reflected in their contracts for sale shall be secured as follows:

- (a) The Deed Administrator shall be entitled, not sooner than 2 business days after the DOCA is effectuated, to lodge:
 - (i) on behalf of the Purchasers, a caveat on the title of the Property noting the interest of the Purchasers to purchase particular lots in the to-be subdivided Property at prices nominated on the contracts (Purchasers' pre-subdivision Caveats);
 - (ii) on behalf of the Plaintiffs, a caveat on the title of the Property to the value of \$1,750,000, which amount represents an amount for damages to which the Plaintiffs may become entitled (Plaintiffs' pre-subdivision Caveats).
- (b) The Deed Administrators must do all things necessary to effect the withdrawal of those caveats within 48 hours of receiving notice that they are required for the subdivision of the Property to occur.
- (c) Upon the subdivision of the Property:

- (i) the Purchasers shall be entitled to lodge caveats on the title of the subdivided lots which they are entitled to purchase pursuant to their contracts, noting their rights to purchase those lots at the prices nominated on the contracts (Purchasers' post-subdivision Caveats).
 - (ii) The Deed Administrators shall be entitled to lodge caveats over lots to the value of \$1,750,000, which amount represents an amount for damages to which the Plaintiffs may become entitled (Plaintiffs' pre-subdivision Caveats).
- (d) In the event that the Funder takes possession of the Property in its capacity as mortgagee in possession at any stage, the Funder agrees to:
- (i) be bound to the Purchasers' pre-subdivision Caveats or the Purchasers' post sub-division Caveats (subject to the Purchasers' contractual rights); and
 - (ii) afford the Plaintiffs' pre- subdivision Caveats and Plaintiffs' post sub-division Caveats priority (subject to the Plaintiffs' rights to damages);

6.4 It will be noted in the DOCA that the Director, Related Creditors and the Deferred Creditors have agreed that the debts of the Company owed to the Deferred Creditors will be paid by the Company after the DOCA has been discharged.

6.5 It will be a term of the DOCA that Parkview shall, within 7 business days of the payment of the monies into the Deed Fund, pay the Department of Planning and Environment the sum of \$347,255.48 and provide evidence of the same to the Creditors' Trustees.

7. TERMINATION ON FAILURE OF THE DOCA

7.1 If:

- (a) the Conditions are not satisfied by the Sunset Date; or
- (b) if a Court so orders; or
- (c) If Parkview does not comply with condition 6.5;

then the deed administrators must convene a meeting of the creditors of the Company to consider a resolution to vary or terminate the DOCA.

7.2 The DOCA will terminate if:

- (a) a Court so orders in accordance with section 445D; or
- (b) the creditors of the Company pass a resolution terminating the DOCA at a meeting of creditors.

7.3 In the event that the creditors of the Company pass a resolution terminating the DOCA, the creditors may also pass a resolution that the Company be wound up, in which circumstances the deed administrators will become the liquidators of the Company.

8. MISCELLANEOUS

8.1 Until effectuation of the DOCA, the deed administrators will have all powers contained

in paragraph 2 of Schedule 8A to the *Corporations Regulations 2001*, save that they will have no powers in relation to the matters delegated to the Director referred to in paragraph 3.3 above.

- 8.2 The voluntary administrators of the Company will be the deed administrators under the DOCA and the trustees of the Creditors' Trust.

Annexure B

PARKVIEW ESTATE PTY LTD (ADMINISTRATORS APPOINTED) ACN 157 949 810 ("COMPANY")

PROPOSAL FOR DEED OF COMPANY ARRANGEMENT

1. BACKGROUND AND PARTIES

- 1.1 This proposal for a deed of company arrangement ("**DOCA**") in relation to the Company is provided by Lilly Stojcevski ("**Director**"), the sole director of the Company.
- 1.2 The DOCA will become effective immediately upon execution by the Company, the Deed Administrators and the Director (as the proponent).
- 1.3 A deed fund ("**Deed Fund**") will be established under the DOCA.

2. CREDITORS

- 2.1 The DOCA will recognise and deal with the following classes of creditors of the Company:
 - (a) Westpac;
 - (b) Rosaria Murabito, Salvatore Murabito, Steven Murabito and Lilly Stojcevski as related-party unsecured creditors of the Company ("**Related Creditors**");
 - (c) The following entities which have lodged proofs of debt:
 - (i) Mepstead and Associates;
 - (ii) Office of State Revenue;
 - (iii) Yarraman Developments Pty Ltd; andany other creditors admitted by the Deed Administrators for dividend purposes ("**Deed Creditors**").
 - (d) the purchasers under the contracts for sale of lots of the Company's property at 113 – 117 Barry Road, Kellyville NSW 2155 ("**Property**") who are not parties to Supreme Court of New South Wales Proceedings No. 2015/147134 ("**Purchasers**").
 - (e) the purchasers under the contracts for sale of lots of the Company's property at 113 – 117 Barry Road, Kellyville NSW 2155 who are parties to Supreme Court of New South Wales Proceedings No. 2015/147134 ("**Plaintiffs**").
 - (f) North West Surveys shall be a "**Priority Creditor**".
 - (g) Kells Legal and LCI Lawyers shall be "**Solicitor Creditors**".

3. CONDITIONS

- 3.1 The following will be conditions ("**Conditions**") to the effectuation of the DOCA:
 - (a) payment by the Director into a deed fund ("**Deed Fund**") of an amount of \$603,033.75 which shall be, at least used to pay:
 - (i) the Priority Creditor's Claim; and

- (ii) the Department of Planning and Environment the sum of \$347,255.48.
- 3.2 Of the payment referred to in paragraph 3.1 above, the Director shall provide to the Administrators bank cheques in the sum of \$25,000 before the reconvened 439A meeting, which cheques shall not be banked in the event that a resolution for the Company to enter into a Deed of Company Arrangement is not passed at the meeting.
- 3.3 The Conditions must be satisfied within ten business days of the date on which the DOCA is executed by all parties to it ("**Sunset Date**").

4. EFFECTUATION

4.1 Immediately on satisfaction of all of the Conditions:

- (a) the Deed Fund will come into effect; and
- (b) The DOCA will provide for two groups of assets: the DOCA Assets, and the non-DOCA Assets. The DOCA Assets shall comprise all of the assets and undertakings of the Company, with the exception of the non-DOCA assets. The non-DOCA Assets shall comprise the Supreme Court of New South Wales Proceedings with the Plaintiffs (**Proceedings**).
- (c) The Director will have primary carriage and control of the Proceedings including the power to appoint and instruct solicitors, determine litigation strategy, and to file further evidence.
- (d) The Director shall be solely responsible for the payment of all fees and costs associated with the Proceedings from the date of the commencement of the DOCA until the DOCA comes to an end (**DOCA Period**). In the event that the DOCA comes to an end, the Director will be responsible for all fees and costs (excluding and adverse costs order) that arise from events, transactions, actions and circumstances that occurred during the DOCA Period in respect of the Proceedings even though the relevant liability may not payable until after the DOCA Period.
- (e) In the event that an adverse costs order is made against the Company in the Proceedings, which cannot be offset against the purchase price payable by the Plaintiffs (pursuant to the disputed contract), the Director (and not the Company) will be liable for such costs.
- (f) In the event that the Company is ultimately unsuccessful in the Proceedings, the Director shall not seek to appeal that decision unless the Director has received advice from Senior Counsel that the Company has reasonable prospects of success in an appeal. In these circumstances, the Director must provide the Deed Administrators with a copy of the written advice from Senior Counsel and with access to Senior Counsel to clarify any aspects of the advice deemed appropriate.
- (g) The Director will have the power and authority to settle the litigation however this will be on terms no more unfavourable to the Company than:
 - (i) The Company conceding that the Plaintiffs may complete the sale at the initial contracted purchase price; and
 - (ii) The total costs payable to the Plaintiffs be no more than \$300,000, which is, if possible, to be deducted from the purchase price of the disputed contracts, or otherwise by the Director in accordance with clause 4.1(e);or

- (iii) On other terms to which the Deed Administrators have provided their written consent.
- (h) It will be a fundamental term of the DOCA that the Company shall adhere to all timetables set by the Court. Should the Company be in default of any such timetables which are not rectified within three business days (by either compliance or obtaining an extension of the deadline), then that shall constitute a breach of the terms of the DOCA.
- (i) The Director shall endeavor to file the defence and serve any expert evidence by no later than 16 June 2017. In the event that these steps are taken after that date and that causes the hearing date to be vacated, then the Deed Creditors' claims, so far as the payment of them has been delayed, shall accrue interest at the rate specified in the section 100 of the *Civil Procedure Act 2005 (NSW)* for the period between 7 August 2017 and the date on which the hearing commences.
- (j) The Director shall ensure that the Deed Administrators are updated, in writing, of the progress of the Proceedings on, at least, a fortnightly basis.

5. DEED ADMINISTRATION

5.1 During the period of the Deed Administration, the Deed Administrator shall do all things necessary (subject to their funding position and responsibilities under the Deed of Company Arrangement and at law) in order to effect the registration of the subdivision of the initial 20 lots of the Property including, without limitation:

- (a) Obtain a fresh invoice from the Department of Planning and Environment to correctly reflect that the fees payable are in respect of Stage 1 of the subdivision
- (b) Consider engaging Anthony Oliver to review the plans currently held by the Priority Creditor and confirm that they are in order to return to Hills Shire Council and confirm that Hills Shire Council will be in a position to release the plans back to North Western Survey's possession accompanied by a signed off subdivision certificate so it may be registered with the LPI using the pre-registered LPI Number.
- (c) Cause the executed plans to be delivered to LPI.

Any delay by the Deed Administrators in effecting the subdivision shall not be a breach of the DOCA.

5.2 Once the subdivision of the initial 20 lots of the Property has been completed, in accordance with the steps set out at paragraph 5.1 above, the Deed Administrators shall give instructions to the Solicitor Creditors to issue notices to complete the contracts for sale of land to the Purchasers. The Solicitor Creditors shall be entitled to deduct their debts, in so far as they relate to conveyancing costs in relation to the Property, from the settlement of the contracts for sale of land.

5.3 Upon settlement of the contracts for sale of land referred to in paragraph 5.2 above, the Deed Administrators shall distribute the net proceeds of those sales in the following order:

- (a) First, in payment of the Deed Administrator's remuneration, costs and expenses;
- (b) Second, in payment of all monies owing to Westpac (including all interest and disbursements which have accrued);

- (c) Third, in payment of the balance of the Solicitor Creditors' claims and the Deed Creditors' claims;
- 5.4 Once the payments referred to in paragraph 5.3 have been made:
- (a) the DOCA shall terminate;
 - (b) management and control of the Company will immediately revert to the Director; and
 - (c) the Deed Administrators shall retire and the Company will cease to be subject to the DOCA.
- 5.5 In the event that the proceeds of the sales of the land is insufficient to pay all of the creditors enumerated at clause 5.3, the Company will continue to be subject to a DOCA and the Deed Administrator shall be, at its discretion be entitled to undertake whatever steps are necessary to deal with the remaining lots.
- 5.6 The Related Creditors' claims shall not be compromised, extinguished, or otherwise effected by the effectuation of the DOCA but will be subordinated to the claims of other creditors.

6. TERMINATION ON FAILURE OF THE DOCA

- 6.1 If:
- (a) the Conditions are not satisfied by the Sunset Date the Company shall be placed into liquidation; or
 - (b) there is any breach of the DOCA by the proponents which is not rectified within three business days, then the Deed Administrators may, at their discretion, convene a meeting of the creditors of the Company to consider a resolution to vary or terminate the DOCA. If this occurs then, within three business days of the Deed Administrators issuing a notice of intention to convene a meeting, the Director shall pay the sum of \$15,000 (being the estimated costs of convening a meeting) into the Deed Fund.
- 6.2 The DOCA will terminate if:
- (a) the Conditions are not satisfied by the Sunset Date in accordance with 6.1(a); or
 - (b) a Court so orders in accordance with section 445D; or
 - (c) the creditors of the Company pass a resolution terminating the DOCA at a meeting of creditors; or
 - (d) There is a breach of the DOCA and the Administrators determine not to convene a creditors meeting to consider waiving or forbearing on such breach.
- 6.3 In the event that the creditors of the Company pass a resolution terminating the DOCA, the creditors may also pass a resolution that the Company be wound up, in which circumstances the deed administrators will become the liquidators of the Company.

7. MISCELLANEOUS

- 7.1 Until effectuation of the DOCA, the deed administrators will have all powers contained in paragraph 2 of Schedule 8A to the *Corporations Regulations 2001*, save that they will have

no powers in relation to the matters delegated to the Director referred to in paragraph 4.1 (c) – (d) above.

- 7.2 The voluntary administrators of the Company will be the deed administrators under the DOCA and the trustees of the Deed Trust.
- 7.3 The Deed Administrators will act as agents for the Company under the DOCA and will not be personally liable for any actions undertaken during the DOCA.

Annexure C

1 Administrators remuneration

An Administrators remuneration can only be fixed by resolution of a committee of creditors, the Company's creditors or by application to the Court.

In accordance with Section 449E of the Act and the ARITA Code of Professional Practice, a Schedule of Remuneration Methods and Hourly Rates was provided to creditors with our initial circular and tabled at the first creditors meeting held on 3 March 2017.

1.1 Remuneration incurred from 8 April 2017 to 28 April 2017

At the last meeting of creditors, our fees for the period 8 April 2017 to the execution of the DOCA or the date upon which the company is put into liquidation were approved to total \$50,011.00 (exclusive of GST). However, this approval is now redundant due to the further adjournment of the meeting, and no DOCA being executed/the company not entering into liquidation.

Due to the adjournment and the additional costs incurred, the following resolution will now be proposed at the meeting of creditors convened for 12 May 2017:

"That the remuneration of the Administrators for the period 8 April 2017 to 28 April 2017, calculated on hours spent at the rates detailed in the Schedule of Remuneration Methods and Hourly Rates provided to creditors, in the amount of \$64,797.00 (exclusive of GST), is hereby approved for payment."

This remuneration has been calculated in accordance with the Schedule of Remuneration Methods and Hourly Rates previously provided at the commencement of the administration.

1.1.1 Description of work completed

| Task area | General description | Includes |
|--|-----------------------------|---|
| Assets 4.1 hours \$1,712.70 | Land | <ul style="list-style-type: none">Engaged valuer and prepared relevant documents.Reviewed original contracts and variation deeds, to determine lot values.Reviewed Director's estimated value of land in the amended RATA provided by the Director. |
| Creditors 108.0 hours \$44,807.90 | Creditor enquiries | <ul style="list-style-type: none">Liaised with creditors in relation to their claims and the administration generally.Held meetings with legal advisors regarding litigation on foot.Provided updates to pre-sale contract holders and their legal advisors.Provided written progress reports to secured creditor.Liaised with secured creditor and their legal advisors regarding funding.Provided multiple updates to creditors on the adjourned second creditors meeting. |
| | Dealing with proofs of debt | <ul style="list-style-type: none">Reviewed proofs of debt received by the Administrators.Liaised with Director regarding proofs of debt received.Obtained legal advice regarding treatment of related party proofs of debt.Liaised with creditors regarding proofs of debt received. |

| Task area | General description | Includes |
|---|--------------------------|---|
| | Circulars | <ul style="list-style-type: none"> Preparing creditor reports and notifications (including our circular to creditors, second and third supplementary s439A reports and notice of second meeting of creditors). |
| | Creditors meetings | <ul style="list-style-type: none"> Drafted minutes for reconvened second creditors meeting. Discussed the outcome of second creditors meeting with various creditors. Prepared for the reconvened second meeting of creditors including preparing the meeting circular, notices, proxies, and advertisements. Prepared meeting file including; Chairman's notes, meeting presentation, agenda, certificate of postage, attendance register and list of creditors. Responded to creditors' queries and questions leading up to the adjourned second meeting. Discussed with legal advisors the adjudication of certain proof of debts. Reviewed proof of debts and proxies ahead of adjourned second creditors meeting. Held adjourned second creditors meeting. |
| Investigations 28.0 hours \$14,131.80 | Books and Records | <ul style="list-style-type: none"> Requested books and records from the Director. Attended Company office to retrieve books and records. Reviewed books and records received from the Director. |
| | DOCA | <ul style="list-style-type: none"> Reviewed and considered DOCA proposals submitted by Director. Provided feedback on DOCA proposals by both telephone and in writing. Held meeting with the Director and her legal advisor regarding DOCA proposals. Discussed implications of new DOCA proposal. Took legal and technical advice regarding DOCA proposal. Held internal discussions surrounding DOCA. Corresponded with secured creditor regarding the DOCA proposal. Worked through amendments/changes to DOCA. |
| Statutory and administration 11.9 hours \$4,144.60 | Liaising with management | <ul style="list-style-type: none"> Prepared for and attended meetings and calls with the Company's Director and her representatives on the administration/DOCA status. Provided and received correspondence to and from the Director and her legal representatives. |
| | Project management | <ul style="list-style-type: none"> Held internal strategy meetings and maintained work plans. Prepared key engagement information. |

1.2 Estimated remuneration from 29 April to execution of DOCA or the Company is put into liquidation

In addition to our remuneration incurred to 28 April 2017, we will also be seeking creditor approval of our remuneration incurred and (expected) to be incurred over the period 29 April 2017 to execution of DOCA or the date upon which the Company is put into liquidation.

Approval is being sought for our future remuneration as Administrators (calculated on the basis of time spent at McGrathNicol rates) in the amount of \$15,001.00 (exclusive of GST). In the event that our remuneration is below the amount approved, we will only draw the amount incurred. In the event that our remuneration exceeds the amount approved, we will seek further approval from creditors.

The following resolution will be proposed at the meeting of creditors convened for 12 May 2017:

“That the Administrators’ remuneration for the period from 29 April 2017 to execution of the DOCA or to the date the Company is put into liquidation shall be a sum equal to the time cost spent by the Administrators, their partners and their staff, calculated at the rates detailed in the Schedule of Remuneration Methods and Hourly Rates provided to creditors, up to the capped amount of \$15,001.00 (exclusive of GST).

Creditors acknowledge that if actual costs incurred are below the amount approved, the Administrators are only authorised to draw the amount incurred. Creditors also acknowledge that if actual costs incurred exceed the amount approved, the Administrators will seek further approval from creditors.

The Administrators are approved to draw their remuneration as and when it is incurred from funds under their control”.

The future remuneration being sought represents the current estimate of the work required to be completed.

1.2.1 Description of major tasks to be completed and explanation of estimated fees

| Task area | General description | Includes |
|---|--|---|
| Assets 1.5 hours \$679.50 | Strategy and process | <ul style="list-style-type: none"> • Providing subdivision updates to various parties. • Issuing letter to deposit holders to follow up on information surrounding pre-sales and deposits. • Liaising with valuer regarding valuation. |
| Creditors 30.0 hours \$11,359.00 | Circulars | <ul style="list-style-type: none"> • Preparing creditor reports and notifications (including our circular to creditors, supplementary s439A reports and notice of the adjourned second meeting of creditors). |
| | Dealing with proofs of debts and proxies | <ul style="list-style-type: none"> • Reviewing proofs of debt received from creditors. • Reviewing proxies received from creditors. • Issuing letters to creditors with insufficient supporting documentation. |
| | Creditor enquiries | <ul style="list-style-type: none"> • Liaising with creditors in relation to their claims and the administration • Discussing the adjudication of certain proofs of debt with legal advisers. • Providing written progress reports to secured creditor. • Providing updates to pre-sale contract holders and their legal advisers. |

| Task area | General description | Includes |
|--|----------------------|--|
| | Meeting of Creditors | <ul style="list-style-type: none"> • Preparing for the reconvened meeting of creditors including preparing the meeting circular, notices, proxies, and advertisements. • Preparing meeting file including; Chairman's notes, meeting presentation, agenda, certificate of postage, attendance register and list of creditors. • Responding to creditors' queries and questions leading up to the second meeting. • Hold second adjourned second creditors meeting. |
| Investigations 3.5 hours \$1,624.50 | DOCA | <ul style="list-style-type: none"> • Discussing internally the DOCA proposals. • Providing feedback to the Director and her solicitor regarding the DOCA proposal. • Working with any amendments/changes to DOCA. • Consulting with lawyers regarding DOCA proposals. • Corresponding with the secured creditor regarding the DOCA proposal. • Reviewing, negotiating and executing DOCA and Creditors Trust Deeds if necessary. |
| Statutory and administration 6.5 hours \$1,338.00 | Planning / review | <ul style="list-style-type: none"> • Internal strategy meetings and work plans. • Preparation of key engagement information. • Preparing and lodging statutory lodgements with ASIC. |

1.3 Estimated Deed Administrators'/ Creditors' Trustees remuneration for the Refinance DOCA period

Should creditors vote in favour of a Deed of Company Arrangement at the reconvened second meeting of creditors, we will also put a resolution to creditors for approval of the Deed Administrators' and Creditors' Trustee initial remuneration in the amount of \$75,268.50 (exclusive of GST).

In the event that our actual remuneration is below the amount approved, we will only draw the amount incurred. In the event that our actual remuneration exceeds the amount approved, we will seek further approval from creditors.

The following resolution will be proposed at the forthcoming meeting:

"That the initial remuneration of the Deed Administrators and Creditors' Trustees, for the period of the Refinance DOCA and Creditors Trust, shall be a sum equal to the time cost spent by the Deed Administrators/ Creditors' Trustees, their partners and their staff, calculated at the rates detailed in the Schedule of Remuneration Methods and Hourly rates provided to creditors, up to an initial capped amount of \$75,268.50 (exclusive of GST).

Creditors acknowledge that if actual costs incurred are below the amount approved, the Deed Administrators/ Creditors' Trustees are only authorised to draw the amount incurred. Creditors also acknowledge that if actual costs incurred exceed the amount approved, the Deed Administrators/ Creditors' Trustees will seek further approval from creditors.

The Deed Administrators/ Creditors' Trustees are approved to draw their remuneration as and when it is incurred from funds under their control".

Description of major tasks to be completed and explanation of estimated fees

| Task area | General description | Includes |
|---|-----------------------------|--|
| Assets 3.5 hours \$1,440.50 | Strategy and process | <ul style="list-style-type: none"> Ensuring conditions pursuant to the DOCA are met. Liaising with parties regarding payments to register the subdivision. |
| Creditors 68.5 hours \$26,449.00 | Strategy and process | <ul style="list-style-type: none"> Ensuring conditions pursuant to the DOCA are met. Conducting internal updates. |
| | Circulars | <ul style="list-style-type: none"> Preparing creditor reports and notifications regarding DOCA. |
| | Liaising with Creditors | <ul style="list-style-type: none"> Liaising with different classes of creditors. Answering queries from different classes of creditors. Providing update reports to creditors. Liaising with a Committee of Inspection |
| | Dealing with proofs of debt | <ul style="list-style-type: none"> Requesting proofs of debt from creditors. Reviewing proofs of debt received from creditors. |
| | Meeting of Creditors | <ul style="list-style-type: none"> Preparing and lodging minutes of second meeting of creditors with ASIC. |
| Dividends 88.0 hours | Processing Proofs of Debt | <ul style="list-style-type: none"> Preparation of correspondence to potential creditors inviting them to lodge Proofs of Debt ("POD"). Confirming receipt of POD. |

| Task area | General description | Includes |
|--|---------------------|---|
| \$29,644.50 | | <ul style="list-style-type: none"> • Undertaking adjudication of creditors' claims. • Requesting further information from creditors regarding their claims. • Advising creditors of the acceptance or rejection of their claim. • Considering timing of dividend to secured and unsecured creditors. • Undertaking payment of dividend to creditors. |
| | Dividend procedures | <ul style="list-style-type: none"> • Preparing of correspondence to creditors advising them of intention to declare a dividend. • Preparing dividend calculation. • Preparing distribution file. • Arranging payment of dividend. |
| Statutory and administration 48.5 hours \$17,734.50 | Planning / review | <ul style="list-style-type: none"> • Internal strategy meetings and work plans. • Preparation of key engagement information. |
| | Treasury | <ul style="list-style-type: none"> • Opening bank accounts. • Reconciliation of bank accounts. • Arranging for payment of dividend. |
| | Statutory notices | <ul style="list-style-type: none"> • Preparing and lodging statutory lodgements with ASIC and the ATO. |
| | Books and records | <ul style="list-style-type: none"> • Reviewing the Company's books and records (including electronic accounting data) should they be received. |

1.4 Estimated Deed Administrators' remuneration for the Litigation DOCA for the period

Should creditors vote in favour of the Litigation DOCA at the reconvened second meeting of creditors, we will put a resolution to creditors for approval of the Deed Administrators' initial remuneration in the amount of \$100,046.50 (exclusive of GST).

In the event that our actual remuneration is below the amount approved, we will only draw the amount incurred. In the event that our actual remuneration exceeds the amount approved, we will seek further approval from creditors.

The following resolution will be proposed at the forthcoming meeting:

"That the initial remuneration of the Deed Administrators, for the period of the Litigation DOCA, shall be a sum equal to the time cost spent by the Deed Administrators, their partners and their staff, calculated at the rates detailed in the Schedule of Remuneration Methods and Hourly rates provided to creditors, up to an initial capped amount of \$100,046.50 (exclusive of GST).

Creditors acknowledge that if actual costs incurred are below the amount approved, the Deed Administrators are only authorised to draw the amount incurred. Creditors also acknowledge that if actual costs incurred exceed the amount approved, the Deed Administrators will seek further approval from creditors.

The Deed Administrators are approved to draw their remuneration as and when it is incurred from funds under their control".

In the event that work undertaken exceeds current estimates, a further Remuneration Report will be provided and approval sought for further remuneration.

1.4.1 Description of major tasks to be completed and explanation of estimated fees

| Task area | General description | Includes |
|---|---------------------|--|
| Assets 143.0 hours \$58,442.50 | Preparing Land | <ul style="list-style-type: none"> Registering the subdivision of the Land with LPI. Investigating the requirements to register the residue lots. Engaging with surveyors and project managers regarding completion of residue lots. Reviewing schedule of works from project managers regarding works required for residue lots. Undertaking necessary works to apply for registration of residue lots. Applying for DA for further subdivision of residue lots if necessary. Liaising with Department of Planning and Environment regarding additional SIC assessments. Payment of additional SIC assessments. Registration and payment of fees required to register residue lots with LPI. Correspondence with insurance broker regarding ongoing insurance requirements. |
| | Sale completion | <ul style="list-style-type: none"> Engaging a real estate agent to manage sale of remaining lots (if required). Finalising sale of lots to individual purchasers. Negotiating with neighbouring property owners regarding potential land-swap deals. |

| Task area | General description | Includes |
|---|--|--|
| Creditors 51.0 hours \$20,802.00 | Dealing with creditors and their claims | <ul style="list-style-type: none"> • Liaising with creditors in relation to their claims and the DOCA generally. • Receiving and following up creditor enquiries generally. • Reviewing and preparing correspondence to creditors and their representatives via facsimile, email and post. • Liaising with and reporting to Secured creditor as to progress of DOCA. |
| | Litigation | <ul style="list-style-type: none"> • Receiving and reviewing regular updates from Director regarding the litigation. • Reviewing advice received regarding litigation. • Liaising with Director and her legal advisors. • Liaising with legal advisors. |
| Dividend 40.5 hours \$12,202.00 | Processing Proofs of Debt | <ul style="list-style-type: none"> • Preparation of correspondence to potential creditors inviting them to lodge Proofs of Debt ("POD"). • Confirming receipt of POD. • Undertaking adjudication of creditors' claims. • Requesting further information from creditors regarding their claims. • Advising creditors of the acceptance or rejection of their claim. • Considering timing of dividend to secured and unsecured creditors. • Undertaking payment of dividend to creditors. |
| | Dividend procedures | <ul style="list-style-type: none"> • Preparing of correspondence to creditors advising them of intention to declare a dividend. • Advertising potential dividend. • Preparing dividend calculation. • Preparing distribution file. • Arranging payment of dividend. |
| Investigations 5.5 hours \$2,211.00 | Conducting investigations | <ul style="list-style-type: none"> • Correspondence with the Director regarding information received. • Conducting further investigations in relation to any transactions including seeking legal advice and liaising with (potential) defendants and their advisers. |
| Statutory and Administration 22.5 hours \$6,389.00 | ASIC Form 524 and other forms | <ul style="list-style-type: none"> • Preparing and lodging ASIC forms including 505, 524, 911 and other ASIC forms. • Corresponding with ASIC regarding statutory forms. |
| | Dealing with Director and their advisers | <ul style="list-style-type: none"> • General liaison in relation to the DOCA including requests for assistance/confirmation of background issues etc. |
| | ATO & other statutory reporting | <ul style="list-style-type: none"> • Notifying of appointment. • Preparing Business Activity Statements. |

| Task area | General description | Includes |
|-----------|--|--|
| | Finalisation | <ul style="list-style-type: none"> • Informing key parties that the DOCA has been finalised. • Cancelling ABN / GST registration. • Completing checklists. |
| | Planning / review | <ul style="list-style-type: none"> • Attending internal discussions and planning in relation to the DOCA. |
| | Document maintenance/file review/checklist | <ul style="list-style-type: none"> • Undertaking first month, then 6 monthly administration review. • Filing of documents. • Conducting file reviews. • Updating checklists. |
| | Books and records / storage | <ul style="list-style-type: none"> • Dealing with records in storage. • Sending job files to storage. |

2 Liquidators remuneration

Should creditors vote to place the Company into liquidation at the second meeting of creditors, we will also put a resolution to creditors for approval of the Liquidators' initial remuneration in the amount of \$157,975.00 (exclusive of GST).

In the event that our actual remuneration is below the amount approved, we will only draw the amount incurred. In the event that our actual remuneration exceeds the amount approved, we will seek further approval from creditors.

The following resolution will be proposed at the forthcoming meeting:

"That the initial remuneration of the Liquidators, for the period of the liquidation, shall be a sum equal to the time cost spent by the Liquidators, their partners and their staff, calculated at the rates detailed in the Schedule of Remuneration Methods and Hourly Rates provided to creditors, up to an initial capped amount of \$157,975.00 (exclusive of GST).

Creditors acknowledge that if actual costs incurred are below the amount approved, the Liquidators are only authorised to draw the amount incurred. Creditors also acknowledge that if actual costs incurred exceed the amount approved, the Liquidators will seek further approval from creditors.

The Liquidators are approved to draw their remuneration as and when it is incurred from funds under their control".

2.1 Description of major tasks to be completed and explanation of estimated fees

At this stage it is difficult to predict the costs involved in realising remaining assets, undertaking further investigations into potential liquidation recoveries and commencing recovery action (where it is commercially viable to do so). At this stage we have only included relatively minor costs surrounding these matters.

In the event that work undertaken exceeds current estimates, a further Remuneration Report will be provided and approval sought for further remuneration.

| Task area | General description | Includes |
|---|---------------------|--|
| Assets 143.0 hours \$58,442.50 | Preparing Land | <ul style="list-style-type: none"> • Registering the subdivision of the Land with LPI. • Investigating the requirements to register the residue lots. • Engaging with surveyors and project managers regarding completion of residue lots. • Reviewing schedule of works from project managers regarding works required for residue lots. • Undertaking necessary works to apply for registration of residue lots. • Applying for DA for further subdivision of residue lots if necessary. • Liaising with Department of Planning and Environment regarding additional SIC assessments. • Payment of additional SIC assessments. • Registration and payment of fees required to register residue lots with LPI. • Correspondence with insurance broker regarding ongoing insurance requirements. |
| | Sale completion | <ul style="list-style-type: none"> • Engaging a real estate agent to manage sale of remaining lots (if required). • Finalising sale of lots to individual purchasers. • Negotiating with neighbouring property owners regarding potential land-swap deals. |

| Task area | General description | Includes |
|--|---|--|
| Creditors 133.0 hours \$54,955.00 | Dealing with creditors and their claims | <ul style="list-style-type: none"> • Liaising with creditors in relation to their claims and the liquidation generally. • Receiving and following up creditor enquiries generally. • Reviewing and preparing correspondence to creditors and their representatives via facsimile, email and post. • Preparing and lodging minutes of creditors meeting. • Liaising with and reporting to Secured creditor as to progress of liquidation. |
| | Litigation | <ul style="list-style-type: none"> • Requesting legal advice regarding litigation. • Liaising with legal advisors regarding carriage of litigation. • Reviewing information received from our lawyers regarding litigation. • Issuing instructions to lawyers regarding carriage of litigation. • Attending court if required. • Reviewing judgement. |
| Dividend 40.5 hours \$12,202.00 | Processing Proofs of Debt | <ul style="list-style-type: none"> • Preparation of correspondence to potential creditors inviting them to lodge Proofs of Debt ("POD"). • Confirming receipt of POD. • Undertaking adjudication of creditors' claims. • Requesting further information from creditors regarding their claims. • Advising creditors of the acceptance or rejection of their claim. • Considering timing of dividend to secured and unsecured creditors. • Undertaking payment of dividend to creditors. |
| | Dividend procedures | <ul style="list-style-type: none"> • Preparing of correspondence to creditors advising them of intention to declare a dividend. • Advertising potential dividend. • Preparing dividend calculation. • Preparing distribution file. • Arranging payment of dividend. |
| Investigations 35.0 hours \$15,878.50 | Conducting investigations | <ul style="list-style-type: none"> • Preparing and lodging report pursuant to Section 533 of the Act with ASIC. • Litigation/Recovery <ul style="list-style-type: none"> • Liaising with solicitors regarding recovery actions • Considering merits of proceeding • Analysing cost/benefit of pursuing claims • Conducting further investigations in relation to any transactions including seeking legal advice and liaising with (potential) defendants and their advisers. • Correspondence with the Director regarding information received. |

| Task area | General description | Includes |
|--|--|--|
| Statutory and Administration 45.5 hours \$16,497.00 | ASIC Form 524 and other forms | <ul style="list-style-type: none"> • Preparing and lodging ASIC forms including 505, 524, 911 and other ASIC forms. • Corresponding with ASIC regarding statutory forms. |
| | Dealing with Director and their advisers | <ul style="list-style-type: none"> • General liaison in relation to the liquidation including requests for assistance/confirmation of background issues etc. |
| | ATO & other statutory reporting | <ul style="list-style-type: none"> • Notifying of appointment. • Preparing Business Activity Statements. |
| | Finalisation | <ul style="list-style-type: none"> • Informing key parties that the liquidation has been finalised. • Cancelling ABN / GST registration. • Completing checklists. |
| | Planning / review | <ul style="list-style-type: none"> • Attending internal discussions and planning in relation to the liquidation. |
| | Document maintenance/file review/checklist | <ul style="list-style-type: none"> • Undertaking first month, then 6 monthly administration review. • Filing of documents. • Conducting file reviews. • Updating checklists. |
| | Books and records / storage | <ul style="list-style-type: none"> • Dealing with records in storage. • Sending job files to storage. |

Annexure D

1 Creditors Trust

Under the terms of the Refinance DOCA, it is proposed that third party unsecured creditors (who do not agree to the deferral of their claims) will have their claims transferred to a Creditors Trust.

This Annexure provides further information on the nature of a Creditors Trust and the issues it presents for these creditors. By way of general information, we note that:

- A Creditors' Trust is a mechanism that is utilised to accelerate a company's exit from external administration. A Creditors' Trust is established by the creation of a trust and creditor claims are transferred to the trust. Creditors become beneficiaries of the trust and thus are subject to special risk for creditors as they no longer receive the statutory protection of the Act, but are instead beneficiaries under a trust.
- The payment of the Deed Fund will be (partially) transferred to the Creditors' Trust for the benefit of unrelated creditors (who have not agreed to the deferral of their claims). In return, these creditors' claims against the Company are extinguished.
- It is important that creditors are fully informed in respect of the terms of a Creditors' Trust and the risks that a Creditors' Trust poses for creditors. ASIC has issued a regulatory guide (being regulatory guide RG82) in respect of Creditors' Trusts and we have followed their guidelines in respect of disclosures made in this report. ASIC recommends that creditors have the opportunity to obtain independent professional advice in relation to a proposed Creditors' Trust, if they wish.

1.1 Trust structure

Under the proposed Trust structure:

- the Administrators would be appointed as Trustees of the Creditors' Trust;
- unrelated third party unsecured claims (which are not deferred) would be extinguished and instead become claims against the Creditors' Trust;
- the proposed Deed Fund contribution (as it relates to these creditors) would be the sole asset of the Trust; and
- the Trustees would have the responsibility for:
 - calling for and adjudicating on creditor (beneficiary) claims; and
 - payment of distributions to creditors.
- Following transfer of the relevant creditor claims and (part of) the Deed Fund to the Creditors' Trust, the DOCA will be wholly effectuated (i.e. concluded), the Company will exit external administration and the management and control of the Company will pass to the Director.

Creditors should note the Creditors' Trust will not come into effect until the whole of the Deed Fund has been paid to the Deed Administrators and thus creditors will receive the same return under the Creditors' Trust mechanism as they would if there were subject to (only) a DOCA.

1.2 Indicative timing

- The anticipated timing of the funds to be paid into the Deed Fund and the relevant creditors being transferred into the Creditors Trust is within 10 business days of executing the DOCA.
- The DOCA proposal provides a "sunset date", absent which the Company may be placed into liquidation.

1.3 Trustees details and proposed remuneration

- Barry Kogan and Joseph Hayes, the Administrators, are proposed to be appointed as Trustees of the Creditors Trust. Both Mr Kogan and Mr Hayes are Chartered Accountants, registered liquidators and each have in excess of 20 years' professional experience in the insolvency industry. The Administrators consider that they have the requisite skill and competencies to be the Trustees.
- The Administrators hold professional indemnity insurance. No performance bond has been provided as security and no indemnities will be provided. In accordance with usual practice, the Creditors Trust Deed ("Trust Deed") will provide the Trustees with an indemnity out of the Creditors' Trust assets in a similar manner to the Administrators being indemnified out of the Company's assets. We are not aware of any requirements for the Trustees to hold an AFSL for the purpose of the Creditors Trust.
- The basis of the Trustees' remuneration will be consistent with that of the Administrators and proposed Deed Administrators, to be calculated based on time spent at hourly rates.
- Proposed future remuneration covering the activities to be undertaken by the Trustees is included within this report and is to be drawn as and when incurred (subject to prior creditor approval). The Trustees' remuneration will retain its priority for payment in the same manner as the remuneration of the Administrators.

1.4 Potential tax implications of a Trust

- We have not conducted any detailed assessment or sought taxation advice in relation to the proposed arrangements.
- We advise creditors to seek their own independent, professional advice in relation to their individual taxation circumstances.

1.5 Indemnities

- The DOCA proposal provides that the Trustees are to be paid in accordance with the statutory priorities that would ordinarily be afforded to Deed Administrators. Accordingly, this issue does not have any impact on the return to creditors under the Creditors' Trust.
- The DOCA proposal envisages that the Deed Fund will incorporate the Deed Administrators' and Trustees' fees and costs (in addition to the return to creditors).

1.6 Powers and responsibilities

- Deed Administrators have a number of responsibilities, powers and functions conferred on them by the Act.
- The key powers include:
 - The supervision and administration of the Deed;
 - Administering the assets available for the payment of claims of creditors;
 - To make distributions of the proceeds of the Deed Fund; and
 - To do anything else that is necessary or convenient for the purpose of administering the deed.
- As a Creditors' Trust is not specifically governed by the Act, the powers and responsibilities of the Trustees are expressly set out in the Trust Deed (but broadly expect to encompass calling for and adjudicating on claims, paying distributions to creditors and dealing with statutory and administrative responsibilities).

1.7 Compliance opinion and solvency statement

- As the Administrators have not yet been provided with a finalised funding agreement, we are unable to comment on the likelihood of compliance with the DOCA proposal.
- The Administrators are also unable to verify with any certainty as to whether the Company will be solvent at the date the DOCA effectuates, however based on the preliminary information we have received from the Director, the funding facility and 'compromises' with creditors may restore the Company solvent.

1.8 Consideration of the DOCA against other options available to creditors

Generally, in circumstances where a creditors' trust structure is proposed, creditors could be exposed to the following risks:

- Creditors may have less (or no) legal rights if the DOCA proposal is not fully complied with by all relevant parties. These include:
 - the lack of the ability of the Trustees to convene a meeting of the beneficiaries to consider the termination of the Creditors' Trust (which the Deed Administrators would have under section 445F of the Act). Such termination is not contemplated under a Creditors' Trust structure and would more than likely require a Court application. (Whilst that power is absent, in the Company's case, given that the Creditors' Trust will only come into operation once the Deed Fund has been received, the Administrators do not consider this to be of major significance);
 - a decision of a Deed Administrator under a DOCA can be challenged by an aggrieved party via a Court application pursuant to section 1321 of the Act. However, the decision of a Trustee under a Creditors' Trust can be challenged by a Court application pursuant to the provisions of the relevant Trustee Act of the relevant state;
 - more limited rights to complain about the conduct of the Trustees. ASIC and the Corporations and Liquidators Disciplinary Board ("**CALDB**") have limited supervisory powers in respect of a Creditors' Trust and do not have the same regulatory powers that they would have under a DOCA. Accordingly, creditors/beneficiaries may complain to ASIC about the conduct of the Trustees, however, there is no guarantee that ASIC has the power to deal with the complaint. Alternatively, the CALDB are empowered to deal with complaints made against registered liquidators (even though such complaint may be in respect of their conduct as trustees under a Creditors' Trust); and
- Creditors may agree to the DOCA proposal without being aware (or fully appreciating the implications) of these matters.
- We consider these risks are mitigated by the fact that:
 - the Deed Fund will be received in full and all terms of the DOCA (as they impact the relevant creditors whose claims are proposed to be transferred to the Creditors Trust) will have been complied with prior to the DOCA being effectuated and the Creditors' Trust being established.



FORM 529A

Corporations Act 2001

Subregulation 5.6.12(1)

**NOTICE OF SECOND RECONVENED SECOND MEETING OF
CREDITORS OF COMPANY UNDER ADMINISTRATION**

**Parkview Estate Pty Ltd (Administrators Appointed)
ACN 157 949 810
("the Company")**

Notice is given that the reconvened second meeting of the creditors of the Company will be held at Cliftons, Level 13, 60 Margaret Street, Sydney NSW 2000 on **Friday, 12 May 2017 at 3:00PM.**

Agenda

1. To consider the Administrators' supplementary report pursuant to Section 439A of the Corporations Act, in relation to the Company and any other matters raised relating to the Company's future and then to resolve either that:
 - a. the Company should execute a Deed of Company Arrangement; or
 - b. the administration should end; or
 - c. the Company be wound up; or
 - d. the meeting be adjourned.
2. To consider and if thought fit approve the Administrators' remuneration.
3. If the Company is wound up, to consider:
 - a. and, if thought fit, approve the Liquidators' remuneration;
 - b. the appointment of a Committee of Inspection;
 - c. authorising the Liquidators to compromise debts of the Company beyond the prescribed amount under Section 477(2A) of the Corporations Act; and
 - d. authorising the Liquidators to enter into agreements that may take longer than three months to complete under Section 477(2B) of the Corporations Act.
4. If the Company enters into a Deed of Company Arrangement and/or Creditors Trust, to consider:
 - a. Approving the Deed Administrators' and Creditor Trustees' remuneration; and
 - b. The appointment of a Committee of Inspection.
5. To discuss any other relevant business which may arise.

Dated this 5th day of May 2017

Barry Kogan

Joint and Several Administrator

**FORMAL PROOF OF DEBT OR CLAIM
(GENERAL FORM)**

To the Administrators of: Parkview Estate Pty Ltd (Administrators Appointed)

1. This is to state that the company was on 21 February 2017 (date of appointment of Administrators), and still is, justly and truly indebted to:

_____ *(full name and address 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)* for \$_____and____cents.

| Date | Consideration (state how the Debt arose) | Amount \$ c | Remarks (include details of voucher substantiating payment) |
|------|--|----------------|---|
| | | | |

2. To my knowledge or belief the creditor has not, nor has any person by the creditor's order, had or received any satisfaction or security for the sum or any part of it except for the following: *(insert particulars of all securities held. If the securities are on the property of the company, assess the value of those securities. If any bills or other negotiable securities are held, show them in a schedule in the following form).*

| Date | Drawer | Acceptor | Amount \$c | Due Date |
|------|--------|----------|------------|----------|
| | | | | |

- *3. 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, remains unpaid and unsatisfied.

- *3. I am the creditor's agent authorised in writing to make this statement in writing. I know that the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied.

.....

Dated

Signature

Occupation:

Address

Proof of Debt Reference:

*Do not complete if this proof is made by the creditor personally.

FORM 532
Corporations Act 2001

Regulation 5.6.29

APPOINTMENT OF PROXY

I/We (1) _____ of _____

a creditor of Parkview Estate Pty Ltd (Administrators Appointed) appoint

(2) _____ or in his/her absence

(3) _____ as my/our general/special proxy to vote at the meeting of creditors to be held on 12 May 2017 at 3:00PM or at any adjournment of that meeting.

VOTING DIRECTIONS

Option 1: If appointed as a general proxy, as he/she determines on my/our behalf
(please do not complete the table)

Option 2: If appointed as a special proxy in the manner set out below:
(Please complete the table below)

| No | Resolution | \$ | For | Against | Abstain |
|----|--|----|-----|---------|---------|
| 1 | "That Parkview Estate Pty Ltd (Administrators Appointed) be wound up, and Barry Kogan and Joseph Hayes be appointed Joint and Several Liquidators." | | | | |
| 2 | <i>Refinance DOCA</i> "That a Deed of Company Arrangement substantively in the form of the Refinance DOCA be entered into and Barry Kogan and Joseph Hayes be appointed as Joint and Several Deed Administrators" | | | | |
| 3 | <i>Litigation DOCA</i> "That a Deed of Company Arrangement substantively in the form of the Litigation DOCA be entered into and Barry Kogan and Joseph Hayes be appointed as Joint and Several Deed Administrators" | | | | |

| No | Resolution | \$ | For | Against | Abstain |
|----|---|----|-----|---------|---------|
| 4 | 'That the Administration should end" | | | | |
| 5 | "That the creditors of the Company vote for the adjournment of the second meeting of creditors for a period of up to 15 business days". | | | | |
| 6 | "That remuneration of the Administrators for the period 8 April 2017 to 28 April 2017, calculated on hours spent at the rates detailed in the Schedule of Remuneration Methods and Hourly Rates provided to creditors, in the amount of \$64,797.00 (exclusive of GST), is hereby approved for payment." | | | | |
| 7 | <p>"That the Administrators' remuneration for the period from 29 April 2017 to execution of the DOCA or to the date the Company is put into liquidation shall be a sum equal to the time cost spent by the Administrators, their partners and their staff, calculated at the rates detailed in the Schedule of Remuneration Methods and Hourly Rates provided to creditors, up to the capped amount of \$15,001.00 (exclusive of GST).</p> <p>Creditors acknowledge that if actual costs incurred are below the amount approved, the Administrators are only authorised to draw the amount incurred. Creditors also acknowledge that if actual costs incurred exceed the amount approved, the Administrators will seek further approval from creditors.</p> <p>The Administrators are approved to draw their remuneration as and when it is incurred from funds under their control".</p> | | | | |

| No | Resolution | \$ | For | Against | Abstain |
|----|--|----|-----|---------|---------|
| 8 | <p>“That the initial remuneration of the Deed Administrators and Creditors’ Trustees, for the period of the Refinance DOCA and Creditors Trust, shall be a sum equal to the time cost spent by the Deed Administrators/ Creditors’ Trustees, their partners and their staff, calculated at the rates detailed in the Schedule of Remuneration Methods and Hourly rates provided to creditors, up to an initial capped amount of \$75,268.50 (exclusive of GST).</p> <p>Creditors acknowledge that if actual costs incurred are below the amount approved, the Deed Administrators/ Creditors’ Trustees are only authorised to draw the amount incurred. Creditors also acknowledge that if actual costs incurred exceed the amount approved, the Deed Administrators/ Creditors’ Trustees will seek further approval from creditors.</p> <p>The Deed Administrators/ Creditors’ Trustees are approved to draw their remuneration as and when it is incurred from funds under their control”.</p> | | | | |

| No | Resolution | \$ | For | Against | Abstain |
|----|--|----|-----|---------|---------|
| 9 | <p>“That the initial remuneration of the Deed Administrators, for the period of the Litigation DOCA, shall be a sum equal to the time cost spent by the Deed Administrators, their partners and their staff, calculated at the rates detailed in the Schedule of Remuneration Methods and Hourly rates provided to creditors, up to an initial capped amount of \$100,046.50 (exclusive of GST).</p> <p>Creditors acknowledge that if actual costs incurred are below the amount approved, the Deed Administrators are only authorised to draw the amount incurred. Creditors also acknowledge that if actual costs incurred exceed the amount approved, the Deed Administrators will seek further approval from creditors.</p> <p>The Deed Administrators are approved to draw their remuneration as and when it is incurred from funds under their control”.</p> | | | | |
| 10 | <p>“That the initial remuneration of the Liquidators, for the period of the liquidation, shall be a sum equal to the time cost spent by the Liquidators, their partners and their staff, calculated at the rates detailed in the Schedule of Remuneration Methods and Hourly Rates provided to creditors, up to an initial capped amount of \$157,975.00 (exclusive of GST).</p> <p>Creditors acknowledge that if actual costs incurred are below the amount approved, the Liquidators are only authorised to draw the amount incurred. Creditors also acknowledge that if actual costs incurred exceed the amount approved, the Liquidators will seek further approval from creditors.</p> <p>The Liquidators are approved to draw their remuneration as and when it is incurred from funds under their control”.</p> | | | | |
| 11 | <p>“That a Committee of Inspection be appointed”</p> | | | | |

| No | Resolution | \$ | For | Against | Abstain |
|----|---|----|-----|---------|---------|
| 12 | "That so far as is necessary for the beneficial winding up of Parkview Estate Pty Ltd (In Liquidation) the Liquidators are hereby authorised pursuant to subsections 506(1A), and 477(2A) of the Corporations Act 2001 to compromise any debt to That Parkview Estate Pty Ltd (In Liquidation) greater than the prescribed amount (currently \$100,000)." | | | | |
| 13 | "That so far as necessary for the beneficial winding up of Parkview Estate Pty Ltd (In Liquidation) the Liquidators are hereby authorised to enter into agreements that may take longer than three months to complete pursuant to section 477(2B) of the Corporations Act 2001." | | | | |

DATED this _____ day of _____ 2017

(4) Signature _____

CERTIFICATE OF WITNESS - only complete if the person given the proxy is blind or incapable of writing.

I, _____ of _____

certify that the above instrument appointing a proxy was completed by me in the presence of and at the request of the person appointing the proxy and read to him before he attached his signature or mark to the instrument.

DATED this _____ day of _____ 2017

Signature of witness _____

Description _____

Place of residence _____

Notes:

- (1) If a firm strike out "I" and set out the full name of the firm.
- (2) Insert the name of the person appointed.
- (3) If a special proxy, "add the words 'to vote for' or the words 'to vote against' and specify the particular resolution".
- (4) If the creditor is a sole trader, sign in accordance with the following example: "A.B., proprietor".
If the creditor is a partnership, sign in accordance with the following example: "A.B., a partner of the said firm."

If the creditor is a company, then the form of proxy must be under its Common Seal or under the hand of some officer duly authorised in that capacity, and the fact that the officer is so authorised must be stated in accordance with the following example: "for the company, A.B." (duly authorised under the Seal of the Company).

Proxy forms should have been completed and returned by no later than 4pm on 10 May 2017 to be eligible to vote at the meeting.

RETURN TO: **Parkview Estate Pty Limited**
C/- McGrathNicol, GPO Box 9986, Sydney NSW 2001
Phone: +61 2 9338 2619
Fax: +61 2 9338 2699
Email: clowrey@mcgrathnicol.com



Guarantees/Indemnities

- Executed guarantee/indemnity;
- Notice of Demand served on the guarantor; and
- Calculation of the amount outstanding under the guarantee.

Judgment Debt

- Copy of the judgment; and
- Documents/details to support the underlying debt as per other categories.

Deficiencies on Secured Debt

- Security Documents (eg. mortgage);
- Independent valuation of the secured portion of the debt (if not yet realised) or the basis of the creditor's estimated value of the security;
- Calculation of the deficiency on the security; and
- Details of income earned and expenses incurred by the secured creditor in respect of the secured asset since the date of appointment.

Loans (Bank and Personal)

- Executed loan agreement; and
- Loan statements showing payments made, interest accruing and the amount outstanding as at the date of appointment.

Tax Debts

- Documentation that shows the assessment of debts, whether it is an actual debt or an estimate, and separate amounts for the primary debt and any penalties.

Employee Debts

- Basis of calculation of the debt;
- Type of Claim (eg. wages, holiday pay, etc);
- Correspondence relating to the debt being claimed; and
- Contract of Employment (if any).

Leases

- Copy of the lease; and
- Statement showing amounts outstanding under the lease, differentiating between amounts outstanding at the date of the appointment and any future monies.



Proxy

Notes for your Guidance

- Insert full name and address of creditor, contributory or member on the top line.
 - On the second line, insert the name of the person you appoint as your proxy. You may insert "the Chairperson of the meeting" if you wish.
 - On the next line insert the organisation the proxy holder represents or works for (not required if the Chairperson is your proxy).
 - You may appoint an alternate proxy on the fourth line who may act if your first appointed proxy cannot attend the meeting. You may insert "the Chairperson of the meeting" if you wish.
 - If the proxy is a general proxy the form requires no addition.
 - If the proxy is a special proxy the form must include instructions regarding the use of the proxy (i.e. details of the resolution and whether the proxy holder is to cast a vote in favour or against the resolution or abstain from voting).
 - Date and sign the Proxy form using one of the following various forms of execution:
 - Sole Trader - Sign the proxy yourself.

 - Partnership - e.g. sign – "Smith & Associates
Per John Smith - Partner"

 - Company - (i) By a director or secretary, e.g. "J Smith – Director".
(ii) By a person duly authorised to sign on behalf of the company, e.g.
"Smith & Sons Pty Ltd. ACN: _____
Per: J Smith
A person duly authorised to sign on the company's behalf".
- OR
- "Smith & Sons Pty Ltd. ACN: _____
By its duly constituted attorney J Smith".
- NB: If signing on behalf of a company the following example is not sufficient:
- "Smith & Sons Pty Ltd. ACN: _____
Per: J Smith"
- "Certificate of Witness" is only to be used where the Proxy is being completed on behalf of a person who is blind or incapable of writing. In all other cases a witness to the signature of the person appointing the Proxy is not required and you may ignore the section headed "Certificate of Witness".



Parkview Estate Pty Ltd (Administrators Appointed)
ACN 157 949 810
(‘the Company’)

General Information for Attending and Voting at Meetings of Creditors

Time and Place of Meeting

Pursuant to Corporations Regulations 2001 (**Regulation**) 5.6.14 a meeting of creditors must be convened at a time and place most convenient for the majority of creditors entitled to receive notice of the meeting.

Quorum

- Pursuant to Regulation 5.6.16 a meeting must not act for any purpose except:
 - the election of a chairperson; and
 - the proving of debts; and
 - the adjournment of the meeting;unless a quorum is present.
- A quorum is deemed to be present if at least 2 (two) creditors are present at the meeting in person, by proxy, by power of attorney or participating by telephone.
- A meeting is sufficiently constituted if only one person is present in person if the person represents personally or by proxy or otherwise a number of persons sufficient to constitute a quorum.

Chairperson

Pursuant to Regulation 5.6.17 the Administrator is appointed Chairperson of the meeting. Alternatively, the Administrator may, pursuant to Regulations 5.6.17 and 5.6.34, appoint someone else to act as chairperson of the meeting and authorise that person to use any proxies held by the Administrator on the Administrator’s behalf.

For the second meeting of creditors in a Voluntary Administration, the Administrator must chair the meeting pursuant to Section 439B of the Corporations Act 2001.

Voting

- Pursuant to Regulation 5.6.23 creditors will not be eligible to vote at the meeting unless they have lodged particulars of their debt or claim prior to or at the meeting.
- Accordingly, creditors who intend to vote at the meeting should ensure that they lodge a formal proof of debt with the company prior to or at the meeting.
- Pursuant to Regulation 5.6.19 all resolutions put to the meeting will be decided on the voices unless a poll is demanded, before or on the declaration of the result of the voices.

A poll may be demanded by:

- the chairperson; or
- at least 2 (two) persons present in person, by proxy, by power of attorney or participating by telephone and entitled to vote at the meeting; or



- a person present in person, by proxy, by power of attorney or participating by telephone and representing not less than 10% of the total voting rights of all persons entitled to vote at the meeting.
- Pursuant to Regulation 5.6.21, should a poll be demanded:
 - a resolution will be carried if a majority in number and a majority in value vote in favour of the resolution; and
 - a resolution will be lost if a majority in number and a majority in value vote against the proposed resolution.

In the event of a deadlock, the chairperson may exercise a casting vote. In such situations, the minutes of the meeting must specify the chairperson's reasons for exercising, or not exercising, their casting vote.

Proxies

- Pursuant to Regulation 5.6.28 creditors who are entitled to attend and vote at the meeting may appoint a natural person over the age of 18 years as their proxy to attend and vote at the meeting on their behalf.
- Accordingly, creditors who are unable to attend the meeting but who wish to be represented should ensure that a validly executed proxy form is lodged with the Administrator prior to the meeting.
- Pursuant to Regulations 5.6.28 and 5.6.36A creditors may lodge a facsimile copy of a proxy form with the Administrator prior to the meeting; however, the original of the instrument must be received by the Administrator within 72 hours of receipt of the faxed copy.
- Pursuant to Regulations 5.6.28, 5.6.29 and 5.6.31 creditors may lodge a proxy form with the company prior to the meeting by electronic means, however electronic lodgement will only be possible where the convenor has specified an electronic address or other electronic means on the proxy form. Proxy forms lodged via electronic means must be validly executed by signing and scanning the form.
- Pursuant to Regulation 5.6.32 a person may, should they so desire, appoint the Administrator by name or by reference to his or her office to act as his, her or its general or special proxy.

Corporate Creditors

Corporate creditors who wish to attend the meeting should note that they may only be represented by an individual if that person is validly granted a proxy or power of attorney by that corporation.

Alternatively, Section 250D of the Corporations Act 2001 provides that a corporation may, by resolution of its board, provide a standing authority for a specified person to represent the corporation at specified meeting of creditors. A copy of any such resolution should be provided to the Administrator prior to attending the meeting.

Committee of Inspection/Committee of Creditors

Pursuant to Section 436G of the Corporations Act 2001, a person may only serve as a member of a Committee of Creditors if the person is:

- a creditor of the company personally; or
- the attorney of a creditor under a general power of attorney; or
- authorised in writing by a creditor.

Corporate creditors who are members of a Committee of Inspection may be represented by:

- an officer or employee of the member; or
- an individual authorised in writing by the member to represent the member on the committee.