

Remuneration Approval Report

Forum Group Pty Ltd (Receivers Appointed) (In
Liquidation)

ACN 153 336 997

28 October 2021



McGrathNicol

This remuneration approval report provides you with information to assist you to make an informed decision regarding the approval of our proposed remuneration for undertaking the Voluntary Administration and Liquidation of Forum Group Pty Limited (Receivers and Managers Appointed) (In Liquidation).

The report has the following information:

| | | |
|---|---|----|
| 1 | Executive Summary | 2 |
| 2 | Declaration | 2 |
| 3 | Remuneration sought | 3 |
| 4 | Disbursements sought..... | 3 |
| 5 | Likely impact on dividends | 3 |
| 6 | Funding received for remuneration and disbursements | 4 |
| 7 | Summary of receipts and payments..... | 4 |
| 8 | Queries..... | 4 |
| | Schedule A – Details of work | 5 |
| | Schedule B1 – Time spent by staff on each major task (Retrospective: Voluntary Administration)..... | 8 |
| | Schedule B2 – Time spent by staff on each major task (Retrospective: Liquidation) | 9 |
| | Schedule C – Disbursements | 10 |
| | Schedule D – Schedule of Hourly Rates | 12 |

1 Executive Summary

We are asking creditors to approve the following remuneration and disbursements in relation to Forum Group Pty Ltd (Receivers Appointed) (In Liquidation) (**FGPL or Company**):

| Remuneration Sought | | |
|--|--------------------|---------------------------|
| Remuneration | Amount \$ (ex GST) | Disbursements \$ (ex GST) |
| Retrospective Voluntary Administration | 21,056 | - |
| Retrospective Liquidation | 203,449 | 2,037 |
| Total | 224,505 | 2,037 |

Details of remuneration and disbursements can be found in sections 3 and 4 of this report.

Creditors will be asked to approve our remuneration at the meeting on 12 November 2021.

We estimate that the total cost of the voluntary administration and liquidation (**the Appointment**) will be \$344,000. This has increased from our previous estimate as the level of work required to conduct our Appointment, complete our investigations, and attend to our statutory duties is higher than originally expected.

We expect that there will be further remuneration approval requests made in relation to the Company within the next 12 months once we have completed our investigations and have realised the assets of the Company.

For the avoidance of doubt this report covers the period when we were appointed Voluntary Administrators of the Company on 22 July 2021 and our subsequent appointment as Liquidators on 28 July 2021. Remuneration for the Former Voluntary Administrators' of the Company, Domenico Alessandro Calabretta, Grahame Robert Ward and Thyge Trafford-Jones of Mackay Goodwin is detailed in the remuneration approval reports attached separately to the report to creditors dated 28 October 2021.

Please note that any defined terms in this report have the same meaning as those contained in the main body of the report to creditors dated 28 October 2021.

2 Declaration

We, Jason Preston and Jason Ireland of McGrathNicol have undertaken a proper assessment of this remuneration and disbursements claim in accordance with the law and applicable professional standards. We are satisfied that the remuneration and disbursements claimed is in respect of work properly performed in the conduct of these matters.

Noting that the Company is part of the Forum Group of entities (as set out in the Statutory Report dated 28 October 2021) we have reviewed the work in progress (WIP) report for the Appointment Group to ensure that remuneration is only being claimed for necessary and proper work performed and have made the following adjustments as detailed below:

- Written off a total of \$44,600 from the recorded work in progress (WIP) (being 10.1% of the unreviewed time cost recorded, pre reallocations required as set out below) including:
 - general administrative matters including training, remuneration preparation and other non-chargeable time;
 - time incurred by McGrathNicol employees who have undertaken less than 10 hours work across the liquidations to remove intermittent time and any perceived inefficiencies incurred; and
 - time incurred by McGrathNicol undergraduate employees to remove any perceived inefficiencies incurred by junior members of the team.
- Reallocated time for tasks relating to the other entities within the broader Appointment Group on an appropriate pro rata basis as set out below:
 - tasks relating to creditor reporting and PPSR related correspondence across all entities subject to our appointment; and
 - tasks relating to dealing with employee related issues where it is not directly referable to a specific entity, has been charged in proportion to the number of employees per employing entity.

3 Remuneration sought

The remuneration we are asking creditors to approve is as follows:

| Remuneration Sought | | | | |
|--|---------------------------------|--------------------|--|---|
| Remuneration | Period | Amount \$ (ex GST) | Rates to apply | When it will be drawn |
| Work we have already done - Voluntary Administration | 22 July to 27 July 2021 | 21,056 | Provided in my initial Remuneration Notice sent to creditors on 24 August. | Immediately, when funds are available. |
| Work we have already done - Liquidation | 28 July to 19 September 2021 | 203,449 | Provided in my initial Remuneration Notice sent to creditors on 24 August. | Immediately, when funds are available. |
| Total | | 224,505 | | |

Details of the work already done and future work that we intend to do are included at Schedule A.

Schedule B includes a breakdown of time spent by the appointees and staff members on each major task for work we have already done.

Actual resolutions to be put to the meeting are detailed below for your information. These resolutions also appear in the proxy form provided to you as an attachment to the report to creditors dated 28 October 2021.

Resolution 1: Retrospective remuneration during the voluntary administration of Forum Group Pty Ltd for the period 22 July 2021 to 27 July 2021:

"That the remuneration of the voluntary administrators for the period 22 July 2021 to 27 July 2021, calculated at hourly rates as detailed in the Initial Remuneration Notice dated 24 August 2021, is determined in the sum of \$21,056, exclusive of GST."

Resolution 2: Retrospective remuneration during the liquidation of Forum Group Pty Ltd for the period 28 July 2021 to 19 September 2021:

"That the remuneration of the liquidators for the period 28 July 2021 to 19 September 2021, calculated at hourly rates as detailed in the Initial Remuneration Notice dated 24 August 2021, is determined in the sum of \$203,449, exclusive of GST."

4 Disbursements sought

Pursuant to section 7.7.1 of the ARITA Practice Statement 7, we are not required to seek creditor approval for costs paid to third parties, or where we are recovering a cost incurred on behalf of the administration, but we must provide details to creditors. Details of the categories and these amounts are included in Schedule C.

5 Likely impact on dividends

It is both reasonable and appropriate for a professional service provider to be remunerated for their services. An external administrator is entitled to be remunerated for necessary work that is properly performed. That work generates the funds that may be recovered for the benefit of creditors and other stakeholders.

The impact of the approval of the Appointment remuneration is that the remuneration will then be paid in accordance with the terms of the Funding Facility referred to in Section 6 below. The remuneration and/or repayment of the Funding Facility will be paid from those funds that are generated prior to the payment of most creditors in the Liquidation.

It is noted that funds would only be available to any stakeholder as a consequence of the work necessarily undertaken by the Voluntary Administrators and Liquidators.

If a dividend or distribution is to be paid to stakeholders, there is also necessary work that must be undertaken by the Liquidators to properly adjudicate on claims and distribute any available funds.

6 Funding received for remuneration and disbursements

6.1 Funding Agreement

On 7 September 2021 the Liquidators entered into a Funding Agreement with Westpac following receipt of the Court's approval. The Funding Agreement is to provide the Liquidators a loan for the purposes of funding the Voluntary Administrators and Liquidators' remuneration and expenses incurred in July, August and September 2021 (or other such longer period as agreed in writing) up to a value of \$4.5 million (ex GST) (**Funding Facility**).

The funding was put in place to allow us to undertake our investigations of the Forum Group and associated entities and the identification of possible future sources of asset recoveries. Apart from priority employee claims, the effect of this Funding Agreement is that all realisations across any of the entities subject to our appointment will first be applied in repayment of the Facility, and amounts will only become available for unsecured creditors to the extent there is a surplus once the Facility has been repaid in full.

The Funding Facility terms and conditions are detailed in section 2.5 of the report to creditors dated 28 October 2021.

6.2 FEG

The Liquidators have an agreement with the Department of the Attorney General (**Department**) to perform employee entitlement verification services for the Department in respect of employee entitlements and Fair Entitlement Guarantee (FEG) claims.

The Liquidators have agreed remuneration payments directly from FEG in the amount of \$12,740 (ex GST) under the Fair Entitlements Guarantee Act to perform these services. The total time incurred to perform these verification services to 19 September 2021 was \$21,529. The amounts for which we are seeking creditor approval only includes a shortfall of \$8,789.

7 Summary of receipts and payments

There have been no receipts or payments in the Appointment to date.

8 Queries

If you have any queries regarding the information in this report, please contact Richard Fernando Bahamondez on (02) 9338 2676.

You can also access information that may assist you on the following websites:

- ARITA at www.arita.com.au/creditors
- ASIC at www.asic.gov.au (search for "INFO 85").

Further supporting documentation for our remuneration claim can be provided to creditors on request.

Dated: 28 October 2021



Jason Ireland
Liquidator

Attachments:

Schedule A – Details of work

Schedule B – Time spent by staff on each major task

Schedule C – Disbursements

Schedule D – Schedule of hourly rates

Schedule A – Details of work

| Resolution 1: Retrospective remuneration for the voluntary administration | | |
|--|---|---|
| Period | 22 July 2021 to 27 July 2021 | |
| Amount (ex GST) | \$21,056 | |
| Task Area | General Description | Tasks |
| Assets 5.6 hours \$4,191 | Circulating and non-circulating | <ul style="list-style-type: none"> Review asset listings and balance sheets to determine if any assets can be realised |
| | Sale of Business as a Going Concern | <ul style="list-style-type: none"> Liaise with the Former Administrators in relation to the sale of business |
| Creditors 4.2 hours \$2,983 | Creditor Enquiries, Requests & Directions | <ul style="list-style-type: none"> Receive and respond to creditor enquiries Establishing and monitoring functional mailbox, attending to inbound creditor queries |
| | Creditor Reports | <ul style="list-style-type: none"> Preparing initial creditor circular and notice Consider requirements of Statutory Report by Administrators |
| | Secured creditor reporting | <ul style="list-style-type: none"> Notify PPSR registered creditors of appointment Prepare PPSR master register |
| Employees 12.4 hours \$7,612 | Employee queries | <ul style="list-style-type: none"> Initial correspondence with employees Prepare letters to employees advising of their options Prepare correspondence in response to employee's queries |
| Trade on 1.1 hours \$726 | Trade On Management | <ul style="list-style-type: none"> Dealings with counterparties to understand the business model Dealings with the Former Administrators in relation to the sale process of Forum Group |
| Investigation Nil | n/a | n/a |
| Dividend Nil | n/a | n/a |
| Administration 10.0 hours \$5,544 | Correspondence | <ul style="list-style-type: none"> Attending to statutory obligations in connection with appointment including notifying various stakeholders of appointment |
| | Document maintenance/file review/checklist | <ul style="list-style-type: none"> Updating checklists |
| | Insurance | <ul style="list-style-type: none"> Identify potential issues requiring attention of insurance specialists |
| | Bank account administration | <ul style="list-style-type: none"> Prepare correspondence in relation to accounts |
| | ASIC forms | <ul style="list-style-type: none"> Prepare and lodge ASIC forms |
| | ATO and other statutory reporting | <ul style="list-style-type: none"> Notify of appointment |
| | Planning/Review | <ul style="list-style-type: none"> Discuss status of external administration |
| | Books and records/storage | <ul style="list-style-type: none"> Obtain access to the books and records |
| Dealing with Directors | <ul style="list-style-type: none"> Send initial request to directors and officer for Report on Company Activities & Property (ROCAP) | |

| Resolution 2: Retrospective remuneration for the liquidation | | |
|---|---|---|
| Period | 28 July 2021 to 19 September 2021 | |
| Amount (ex GST) | \$203,449 | |
| Task Area | General Description | Tasks |
| Assets 12.7 hours \$8,257 | Circulating and non-circulating | <ul style="list-style-type: none"> ▪ Review asset listings and balance sheets to determine if any assets can be realised ▪ Developing and maintaining master asset schedule ▪ Investigations into assets based on financial and other information available |
| | Assets subject to specific charges and security interests | <ul style="list-style-type: none"> ▪ Prepare and issue correspondence to security interest holders ▪ Liaise with suppliers regarding PPSR ▪ Dealings with the Former Administrators in relation to the sale process of Forum Group ▪ Dealings with DVT Group in relation to any assets subject to their appointment |
| | Stock | <ul style="list-style-type: none"> ▪ Consider stock sale contract |
| | Leasing | <ul style="list-style-type: none"> ▪ Review leasing documents ▪ Liaise with owners/lessors ▪ Disclaim leases |
| Creditors 33.7 hours \$18,375 | Creditor Enquiries, Requests & Directions | <ul style="list-style-type: none"> ▪ Receive and respond to creditor enquiries ▪ Manage and monitor functional mailbox, attending to inbound creditor queries ▪ Consider reasonableness of creditor information requests ▪ Compile information requested by creditors ▪ Prepare initial correspondence to creditors and their representatives |
| | Secured creditor reporting | <ul style="list-style-type: none"> ▪ Notify PPSR registered creditors of appointment ▪ Respond to PPSR registered creditor's queries |
| | Creditor reports | <ul style="list-style-type: none"> ▪ Prepare Statutory Report by Liquidator ▪ Maintain and review creditor position/lists |
| | Deal with proofs of debt (POD) | <ul style="list-style-type: none"> ▪ Receive PODs from claimants and maintain POD register ▪ Correspond with claimants regarding PODs |
| Employees 170.3 hours \$90,363 | Employee queries | <ul style="list-style-type: none"> ▪ Receive and follow up employee enquiries in relation to the appointment and employee entitlements following the sale undertaken by the Former Administrators ▪ Prepare letters to employees advising of their entitlements and options available ▪ Reconcile superannuation accounts and calculate amounts owed ▪ Manage and monitor functional mailbox, attending to inbound employee queries |
| | Fair Entitlements Guarantee (FEG) | <ul style="list-style-type: none"> ▪ Correspond with FEG ▪ Prepare strategy and approach with FEG ▪ Prepare verification spreadsheet ▪ Prepare FEG quotations ▪ Complete FEG questionnaires ▪ Dealings with DVT Group in relation to employees |
| | Calculation of entitlements | <ul style="list-style-type: none"> ▪ Review employee files and company's books and records ▪ Calculate employee entitlements ▪ Review awards |
| Trade on 26.8 hours \$15,429 | Trade On Management | <ul style="list-style-type: none"> ▪ Attend site ▪ Prepare lease disclaimer ▪ Liaise with customers ▪ Liaise with ex management and staff |

| | | |
|---|--|--|
| | | <ul style="list-style-type: none"> ▪ Dealings with counterparties to understand the business model ▪ Dealings with the Former Administrators in relation to the sale process of Forum Group |
| Investigation 24.1 hours \$13,555 | Conduct investigations | <ul style="list-style-type: none"> ▪ Review company's books and records ▪ Review specific transactions ▪ Prepare investigation analysis ▪ Conduct sources and application analysis |
| | Technology and data investigations | <ul style="list-style-type: none"> ▪ Identifying securing, processing and retrieval of data (across numerous live systems and backups) for use across all other workstreams |
| Dividend Nil | n/a | n/a |
| Administration 103.6 hours \$57,471 | Correspondence | <ul style="list-style-type: none"> ▪ Attending to statutory obligations in connection with appointment including notifying various stakeholders of appointment |
| | Document maintenance/file review/checklist | <ul style="list-style-type: none"> ▪ Maintaining project task lists ▪ Updating checklists ▪ Review of checklists to determine outstanding tasks and timelines |
| | Insurance | <ul style="list-style-type: none"> ▪ Identify potential issues requiring attention of insurance specialists ▪ Correspond with insurance broker regarding initial and ongoing insurance requirements |
| | Bank account administration | <ul style="list-style-type: none"> ▪ Prepare correspondence to open accounts ▪ Request bank statements ▪ Perform bank account reconciliations |
| | ASIC forms | <ul style="list-style-type: none"> ▪ Prepare and lodge ASIC forms ▪ Correspond with ASIC regarding statutory forms |
| | ATO and other statutory reporting | <ul style="list-style-type: none"> ▪ Notify of appointment ▪ Monitoring ATO portal in relation to correspondence |
| | Legal actions | <ul style="list-style-type: none"> ▪ Preparing and swearing various affidavits ▪ Supporting applications including provision liquidation appointments |
| | Planning/Review | <ul style="list-style-type: none"> ▪ Discuss status of external administration ▪ Discuss strategy |
| | Dealing with Directors | <ul style="list-style-type: none"> ▪ Send initial request to directors and officer for Report on Company Activities & Property (ROCAP) |
| | Books and records/storage | <ul style="list-style-type: none"> ▪ Obtain access to the Company books and records ▪ Maintaining backups of key information |

Schedule B1 – Time spent by staff on each major task (Retrospective: Voluntary Administration)

Resolution 1: from 21 July 2021 to 27 July 2021

| Forum Group Pty Ltd (Administrators Appointed) - Remuneration for the period 22 July 2021 to 27 July 2021 | | | | | | | | | | | | | | | | | | |
|---|---------------------|------|-------------|---------------|------------|--------------|------------|--------------|-------------|--------------|------------|------------|----------------|----------|----------|----------|----------------|--------------|
| Staff | Position | Rate | Total | | Assets | | Creditors | | Employees | | Trade on | | Investigations | | Dividend | | Administration | |
| | | | Hours | \$ (AUD) | Hours | \$ (AUD) | Hours | \$ (AUD) | Hours | \$ (AUD) | Hours | \$ (AUD) | Hours | \$ (AUD) | Hours | \$ (AUD) | Hours | \$ (AUD) |
| Jason Ireland | Appointee | 770 | 5.5 | 4,251 | 4.5 | 3,465 | 0.0 | 16 | - | - | - | - | - | - | - | - | 1.0 | 770 |
| Jason Preston | Appointee | 770 | 2.6 | 2,002 | - | - | 2.6 | 2,002 | - | - | - | - | - | - | - | - | - | - |
| | Partner | 770 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Director | 660 | 9.8 | 6,453 | 1.1 | 726 | 0.7 | 485 | 4.9 | 3,262 | 1.1 | 726 | - | - | - | - | 1.9 | 1,254 |
| | Senior Manager | 620 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Manager | 580 | 10.0 | 5,807 | - | - | 0.3 | 181 | 7.5 | 4,350 | - | - | - | - | - | - | 2.2 | 1,276 |
| | Assistant Manager | 530 | 0.5 | 283 | - | - | 0.5 | 283 | - | - | - | - | - | - | - | - | - | - |
| | Senior Accountant | 480 | 3.7 | 1,792 | - | - | 0.0 | 16 | - | - | - | - | - | - | - | - | 3.7 | 1,776 |
| | Accountant | 390 | 1.2 | 468 | - | - | - | - | - | - | - | - | - | - | - | - | 1.2 | 468 |
| | Senior Client Admin | 370 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total (ex GST and disbursements) | | | 33.4 | 21,056 | 5.6 | 4,191 | 4.2 | 2,983 | 12.4 | 7,612 | 1.1 | 726 | - | - | - | - | 10.0 | 5,544 |

Notes

1 On the basis that work undertaken was not solely applicable to a particular corporate entity and had application to each of, or a subset of the other Forum Group companies and the other entities associated with Mr Papas outside the Forum Group subject to our appointment as Liquidators, WIP was apportioned on an appropriate pro rata basis as set out below section 2 of the Remuneration Approval Report

2 Number of hours multiplied by hourly rates will not exactly equal the recorded amount claimed for remuneration due to the pro rata application.

Schedule B2 – Time spent by staff on each major task (Retrospective: Liquidation)

Resolution 2: from 28 July 2021 to 19 September 2021

| Forum Group Pty Ltd (In Liquidation) - Remuneration for the period 28 July 2021 to 19 September 2021 | | | | | | | | | | | | | | | | | | |
|--|---------------------|------|--------------|----------------|-------------|--------------|-------------|---------------|--------------|---------------|-------------|---------------|----------------|---------------|----------|----------|----------------|---------------|
| Staff | Position | Rate | Total | | Assets | | Creditors | | Employees | | Trade on | | Investigations | | Dividend | | Administration | |
| | | | Hours | \$ (AUD) | Hours | \$ (AUD) | Hours | \$ (AUD) | Hours | \$ (AUD) | Hours | \$ (AUD) | Hours | \$ (AUD) | Hours | \$ (AUD) | Hours | \$ (AUD) |
| Jason Ireland | Appointee | 770 | 9.9 | 7,638 | 3.8 | 2,926 | 0.7 | 503 | 2.7 | 2,052 | 0.5 | 385 | - | - | - | - | 2.3 | 1,771 |
| Jason Preston | Appointee | 770 | 10.1 | 7,802 | - | - | 0.0 | 25 | - | - | - | - | 2.8 | 2,156 | - | - | 7.3 | 5,621 |
| | Partner | 770 | 1.7 | 1,334 | - | - | 1.7 | 1,334 | - | - | - | - | - | - | - | - | - | - |
| | Director | 660 | 69.9 | 46,162 | 4.3 | 2,845 | 4.6 | 3,065 | 11.0 | 7,252 | 8.5 | 5,610 | 0.5 | 330 | - | - | 41.0 | 27,060 |
| | Senior Manager | 620 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Manager | 580 | 116.2 | 67,368 | 1.1 | 621 | 7.2 | 4,150 | 102.3 | 59,359 | - | - | 1.1 | 628 | - | - | 4.5 | 2,610 |
| | Assistant Manager | 530 | 66.8 | 35,412 | 3.5 | 1,864 | 12.0 | 6,336 | 3.8 | 2,036 | 17.8 | 9,434 | 19.7 | 10,441 | - | - | 10.0 | 5,300 |
| | Senior Accountant | 480 | 1.9 | 916 | - | - | 0.1 | 52 | - | - | - | - | - | - | - | - | 1.8 | 864 |
| | Accountant | 390 | 91.2 | 35,559 | - | - | 7.5 | 2,910 | 50.4 | 19,663 | - | - | - | - | - | - | 33.3 | 12,987 |
| | Senior Client Admin | 370 | 3.4 | 1,258 | - | - | - | - | - | - | - | - | - | - | - | - | 3.4 | 1,258 |
| Total (ex GST and disbursements) | | | 371.2 | 203,449 | 12.7 | 8,257 | 33.7 | 18,375 | 170.3 | 90,363 | 26.8 | 15,429 | 24.1 | 13,555 | - | - | 103.6 | 57,471 |

Notes

1 On the basis that work undertaken was not solely applicable to a particular corporate entity and had application to each of, or a subset of the other Forum Group companies and the other entities associated with Mr Papas outside the Forum Group subject to our appointment as Liquidators, WIP was apportioned on an appropriate pro rata basis as set out below section 2 of the Remuneration Approval Report

2 Number of hours multiplied by hourly rates will not exactly equal the recorded amount claimed for remuneration due to the pro rata application.

Schedule C – Disbursements

Costs paid to third parties

Costs paid to third parties are recovered at cost. Creditors are not required to approve these types of costs, but details are provided to account to creditors, including the basis of charging for these types of costs. Creditors are entitled to question the incurring of the costs and can challenge the costs in Court.

The following costs have been paid by McGrathNicol to third parties and relate to the Appointment. These amounts will be reimbursed to McGrathNicol at cost from the Liquidators' bank account:

| Costs paid to third parties for the period 28 July to 19 September 2021 | Amount (\$) (GST exclusive) |
|---|--------------------------------|
| Other incidental disbursements | \$41 |
| Searches | \$1,996 |
| Total | \$2,037 |

Future costs provided by McGrathNicol will be charged to the external administration on the following basis:

| Cost type | Rate (GST exclusive) |
|---|-------------------------|
| Postage | At cost |
| Stationery and other incidental disbursements | At cost |
| Conference call phone charges | At cost |
| Searches | At cost |
| Advertising | At cost |
| Courier | At cost |
| Staff per diem travel allowance* | \$89.00 per day** |
| Staff vehicle use | \$0.72 per km** |
| ASIC user pays levy*** | At cost |

* Payable when partners or staff are required for business purposes to stay away from their usual place of residence overnight.

** These rates are deemed reasonable by the Australian Taxation Office.

*** This levy is charged by ASIC and is based on the number of notifiable events in a financial year directly related to this Appointment. Notifiable events include notices published on ASIC's published notices website and some documents lodged with ASIC.

Further explanation of data hosting costs

In the conduct of the Appointment we may use McGrathNicol's Forensic Technology team to extract, aggregate, electronically process and/or host electronic data, which could be used for the:

- trade or sale of the business or assets; and/or
- investigations regarding transactions or potential recoveries available to creditors.

If data hosting is required and we choose not to use the services of McGrathNicol's Forensic Technology team, we will otherwise have to purchase those services from an alternative provider and/or use another method to achieve the same end, which will not be as efficient as using these available internal services.

We note that the data hosting rates above are no more than our standard commercial pricing available for the same services when they are provided to external parties.

Schedule D – Schedule of Hourly Rates

The rates for our remuneration calculation are set out in the following table, together with a general guide showing the qualifications and experience of staff engaged in the Appointment and the role they take in the Appointment. The hourly rates charged encompass the total cost of providing professional services and should not be compared to an hourly wage.

| Title | Description | Hourly rate (excl GST) |
|---------------------|---|------------------------|
| Appointee/Partner | Registered liquidator, Chartered Accountant or equivalent and generally degree qualified with more than twelve years of experience. Leads assignments with full accountability for strategy and execution. | \$770 |
| Director 1 | Generally Chartered Accountant or comparable qualification and degree qualified with more than ten years of experience, including four years of Director or equivalent experience. Autonomously leads complex insolvency appointments reporting to Appointee/Partner. | \$710 |
| Director | Generally Chartered Accountant or comparable relevant qualification and degree qualified with more than nine years of experience. Autonomously leads insolvency appointments reporting to Appointee/Partner. | \$660 |
| Senior Manager | Generally Chartered Accountant or comparable relevant qualification and degree qualified with more than seven years of experience. Self-sufficiently conducts small to medium insolvency appointments and leads major workstreams in larger matters. | \$620 |
| Manager | Generally Chartered Accountant or comparable relevant qualification and degree qualified with more than five years of experience. Self-sufficiently conducts small insolvency appointments and takes a supervisory role on workstreams in larger matters. | \$580 |
| Assistant Manager | Generally Chartered Accountant or comparable relevant qualification and degree qualified with more than three years of experience. Autonomously manages workstream activity within appointments. | \$530 |
| Senior Accountant | Generally degree qualified and undertaking Chartered Accountant's qualification or comparable relevant qualification with more than 16 months of experience. Completes tasks within workstreams and appointments under supervision. | \$480 |
| Accountant | Generally degree qualified and undertaking or about to undertake Chartered Accountant's qualification or comparable relevant qualification with less than one year of experience. Assists with tasks within workstreams and appointments under supervision. | \$390 |
| Undergraduate/Cadet | Undertaking relevant degree. Assists with tasks within workstreams and appointments under supervision. | \$230 |

| Title | Description | Hourly rate (excl GST) |
|---|---|---------------------------|
| Practice Services Director | National Practice Service leaders, generally degree qualified with more than ten years of experience and reporting directly to partners. Technical experts in their specific areas and have team management responsibilities. | \$710 |
| Senior Treasury staff | Appropriately experienced and undertakes senior Treasury activities such as oversight of the processing of payment of receipts and banking administration. May be responsible for day to day management of projects or operations and may have supervisory responsibility for junior staff. | \$470 |
| Senior Client Administration and Treasury | Appropriately experienced and undertakes senior level administrative support activities or Treasury activities. May be responsible for day to day management of projects or operations and may have supervisory responsibility for junior staff. | \$370 |
| Administration | Appropriately experienced and undertakes support activities such as meeting coordination and preparation of materials where it is efficient and appropriate to do so. | \$210 |

McGrathNicol reviews its hourly rates on either 31 December or 30 June. Creditors will be advised of any change to the hourly rates for this external administration.