



**Parkview Estate Pty Ltd (Administrators
Appointed)**

ACN 157 949 810

ABN 88 157 949 810

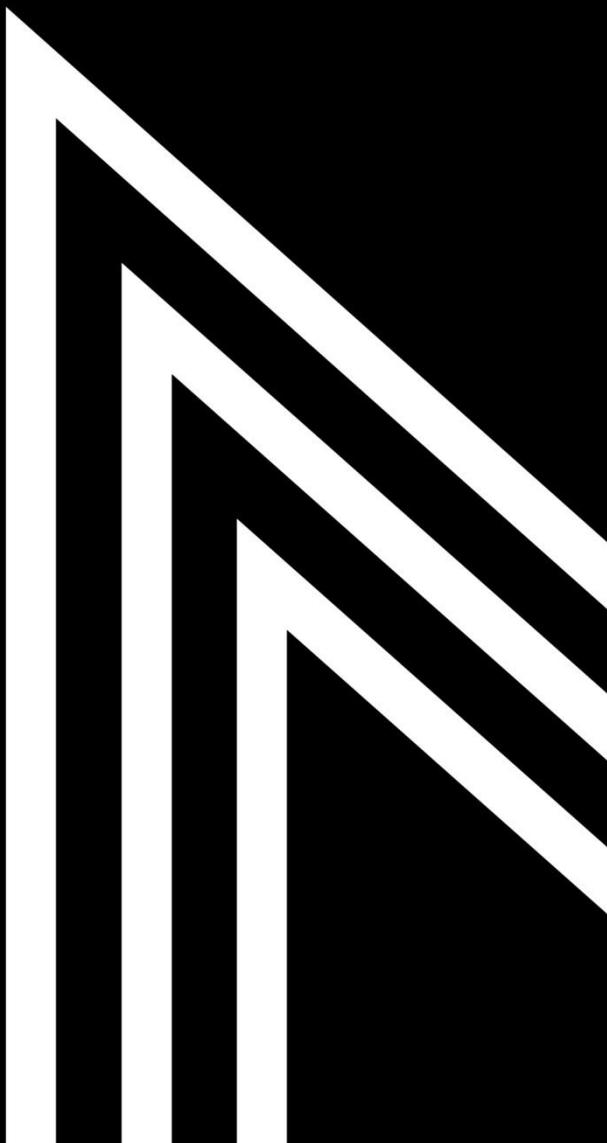
("the Company" or "Parkview")

**Supplementary report to creditors pursuant to Section
439A of the Corporations Act 2001**

24 March 2017



McGrathNicol

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1 Appointment

Barry Frederic Kogan and Joseph David Hayes ("**Administrators**") were appointed Joint and Several Administrators of Parkview Estate Pty Ltd ("the **Company**") on 21 February 2017 by Westpac Banking Corporation ("**Secured creditor**") pursuant to Section 436C of the Corporations Act 2001 ("**the Act**").

2 Purpose of this report

I refer to my initial Report to Creditors in accordance with Section 439A of the Act dated 21 February 2017 ("**Initial Report**").

The purpose of this supplementary report is to advise creditors that a preliminary Deed of Company Arrangement ("**DOCA**") has been submitted by the Director of the Company ("**the DOCA proposal**") and to provide the Administrators' opinion on the three options available to creditors in deciding the future of the Company based upon the receipt of the DOCA proposal.

3 Second meeting of creditors

The purpose of the second meeting is for creditors to:

1. resolve the future of the Company. In this regard, the options available include whether the Company should:
 - a. be returned to its Director; or
 - b. enter into a DOCA; or
 - c. enter into liquidation.

If creditors do not wish to make an immediate decision, they may also resolve to adjourn the meeting for a period of up to 45 business days;

2. consider and, if thought fit, approve the remuneration of the Administrators;
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 under Section 477(2A) of the 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 Act.

4 Administrators' prior involvement

In accordance with Section 436DA of the Act and the Australian Restructuring, Insolvency & Turnaround Association ("**ARITA**") Code of Professional Practice, a Declaration of Independence, Relevant Relationships and Indemnities ("**DIRRI**") was enclosed with our first communication to creditors and again in our Initial Report to creditors.

The DIRRI disclosed information regarding our independence, prior personal or professional relationships with the Company or related parties and indemnities received in relation to this appointment.

Since the date of our appointment, we have continued to assess whether any potential conflict of interest issues have developed. At the date of this report, our opinion has not changed in that there is no change to the information provided in the DIRRI dated 24 February 2017 which was provided with the notice of the first meeting of creditors.

We remain of the view that we are free from conflict of interest and can therefore continue to properly discharge our duties.

5 Administrators recommendation

As advised in our Initial Report, the Director had advised us that she was considering submitting a DOCA proposal in respect of the Company.

We advised in our Initial Report that if we were to receive a DOCA prior to the second meeting (or for any other reason), creditors could determine to adjourn the second meeting for up to 45 business days so that the Administrators will have time to properly consider the DOCA and whether it provides a superior return than liquidation.

Following the issue of our Initial Report, we have received a number of DOCA proposals from the Director. We have corresponded with the Director to provide feedback on the proposals and have also met with the Director and her solicitor at length in an effort to improve the proposals for the benefit of creditors.

At this stage, the Director's latest DOCA proposal requires further amendment and cannot yet be implemented. Prima facie the DOCA proposal warrants further consideration as it may result in a greater and more timely return to creditors than in liquidation.

Creditors should carefully consider the following advantages and disadvantages of adjourning the meeting before determining the manner in which they vote:

- **Advantages of adjournment:** If the meeting is adjourned, the proposed DOCA can be further investigated and refined and therefore may provide creditors with a superior or more timely return than liquidation. If the Company is placed into liquidation and the Director/shareholders are able to secure a refinancing proposal, this becomes more difficult and time consuming to implement (as against an immediate DOCA).
- **Disadvantages of adjournment:** Whilst the Administrators will continue to advance the subdivision, the adjournment of the meeting will require a further report to creditors and the convening of an additional meeting (including relevant statutory lodgements). We expect that this will increase the costs of the administration by circa \$30,000 to \$50,000 (exclusive of GST). Additionally, the stay of proceedings against the Company under Section 440D of the Act and against guarantors under Section 440J of the Act will continue to be in place (which may impact the rights of certain creditors).

In order to leave this option open for creditors (which may lead to a higher overall return), it is the Administrators' overall recommendation that creditors resolve to adjourn the meeting for a period of up to 45 business days.

As there are no final / binding DOCAs for the Administrators' consideration and the Company is insolvent, **in the event that creditors wish to immediately resolve the future of the Company, the Administrators' recommendation is that creditors vote in favour of the Company being placed into liquidation.**

Accordingly, based on the analysis outlined above, our overall recommendation is that creditors resolve to adjourn the meetings for a period of up to 45 business days.

6 Creditor meeting details

The second statutory meeting of creditors has been convened to be held at the following location on Tuesday, 28 March 2017:

Second creditors meeting details

Venue	Address	Time
Cliffons	Level 13, 60 Margaret Street, Sydney NSW 2000	10:00am

Creditors who have already lodged a proof of debt do not need to complete a new proof.

Under the Act, the proxy forms lodged by creditors for the first meeting cannot be used for the second meeting. Accordingly, creditors who are unable to attend the meeting and wish to be represented should ensure that a proxy form, power of attorney or evidence of appointment of a company representative is completed. Documents may be lodged with our office prior to the meeting or may be brought to the meeting.

Please note that a new proxy form is enclosed with this notice to include the resolution regarding adjournment of the meeting.

If you have any further queries in relation to this report or the administration, please do not hesitate to contact Richard Woolf on (02) 9248 9924 or by email at rwoolf@mcgrathnicol.com

Dated: 24 March 2017



Barry Kogan
Joint and Several Administrator

Enclosures:

Notice of Meetings

Proof of Debt

Instructions for completion of Proof of Debt

Proxy Form

Instructions for completion of Proxy Form

Information for attendance at meeting



FORM 529A
Corporations Act 2001

Subregulation 5.6.12(1)

**NOTICE OF 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 second meeting of the creditors of the Company will be held at Cliftons, Level 13, 60 Margaret Street, Sydney NSW 2000 on **Tuesday, 28 March 2017 at 10:00AM.**

Agenda

1. To consider the Administrators' 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;
 - b. the administration should end;
 - 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, 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. To discuss any other relevant business which may arise.

Dated this 21st day of March 2017

Barry Kogan
Joint and Several Administrator

FORM 535

Corporations Act (2001)

**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.

**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.

FORM 532
Corporations Act 2001

Regulation 5.6.29

APPOINTMENT OF PROXY

I/We (1) _____ of _____

a creditor of Parkview Estate Pty Ltd (Administrator's 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 28 March 2017 at 10.00am 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	"That the remuneration of the Administrators for the period from 21 February 2017 to 17 March 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 \$128,639.70 (exclusive of GST), is hereby approved for payment."				
3	"That the Administrators' remuneration for the period from 18 March 2017 to 28 March 2017 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 \$24,956.00 (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 may seek further approval from creditors. The Administrators are approved to draw their remuneration as and when it is incurred from funds under their control".				
4	"That the creditors of the Company support the adjournment of the second meeting of creditors for a period of up to 45 business days".				

No	Resolution	\$	For	Against	Abstain
5	<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>				
6	"That a Committee of Inspection be appointed"				
7	"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)."				
8	"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 27 March 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 9248 9924
Fax: +61 2 9338 2699
Email: rwoolf@mcgrathnicol.com



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.