

Declaration of Independence, Relevant Relationships and Indemnities

James Australia Group Pty Ltd ACN 000 975 191
TLT Nominees Pty Ltd ACN 133 250 307
Print National Nominees Pty Ltd ACN 098 730 431
Newcastle Liquor Wholesalers Pty Ltd ACN 135 338 635
Rugama Trading Pty Ltd ACN 135 068 147
(Receivers and Managers Appointed to all)
(Administrators Appointed to all)
(collectively known as the Companies)

The *Corporations Act 2001* and professional standards require the Practitioner/s appointed to an insolvent entity to make a declaration as set out in this document as to:

- A. Their independence generally;
- B. Relationships, including:
 - a. the circumstances of the appointment;
 - b. any relationships with the Insolvent and others within the previous 24 months;
 - c. any prior professional services for the Insolvent within the previous 24 months;
 - d. that there are no other relationships to declare; and
- C. Any indemnities given, or up-front payments made, to the Practitioner.

The following declaration addresses these issues and is made on behalf of ourselves, our partners and the firm McGrathNicol:

A Independence

We, Shaun Fraser and Chris Honey of the firm McGrathNicol have undertaken a proper assessment of the risks to our independence prior to accepting the appointment as Administrators of the Companies in accordance with the law and applicable professional standards. This assessment identified no real or potential risks to our independence. We are not aware of any reasons that would prevent us from accepting this appointment.

B Declaration of Relationships

(i) Circumstances of appointment

We were appointed Administrators by the chargee, Australia and New Zealand Banking Group Limited ("ANZ") in accordance with section 436C(1) of the *Corporations Act 2001*.

We had telephone discussions with ANZ prior to our appointment for the purposes of confirming that we were available to act as Administrators and determining that the Administrators do not have a conflict of interest.

We received no remuneration for these attendances and advice.

These discussions do not affect our independence for the following reasons:

- + The matters discussed were limited to a general overview of the Companies and the scope of the proposed appointments which was necessary for the purposes of planning for the conduct of the voluntary administration.
- + The very limited nature and scope of this communication will not influence our ability to be able to fully comply with the statutory and fiduciary obligations associated with the voluntary administration of the Companies in an objective and impartial manner.

As such, we consider these attendances and advice do not compromise our independence.

In addition, we confirm that we had no meetings with the Companies and we did not receive any remuneration from the Companies prior to our appointment.

(ii) Relevant Relationships (excluding Professional Services to the Insolvent)

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

Name	Nature of relationship	Reasons why no conflict of interest or duty
ANZ	<p>ANZ holds several charges on the whole or substantially the whole of the property of the Companies.</p> <p>McGrathNicol undertakes corporate recovery and advisory work from time to time on instructions from ANZ.</p>	<p>Each professional engagement undertaken for ANZ in relation to a particular entity or group of entities is conducted on an entirely separate basis which has no bearing on this appointment.</p> <p>These engagements are only commenced after full regard is given to potential conflicts of interest in relation to all interested stakeholders.</p> <p>McGrathNicol has not undertaken an engagement for ANZ in respect of the Companies. Given these factors, our independence in acting as Voluntary Administrator of the Companies has not been affected. In addition, ANZ has also made an appointment of Greg Hall and David Merryweather of PWC, as Receivers and Managers of the Companies</p>

(iii) Prior Professional services to the Insolvent

Neither we, nor our firm, have provided any professional services to the Companies in the previous 24 months.

(iv) No other relevant relationships to disclose

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

C Indemnities and up-front payments

ANZ has agreed to provide the Administrators with funding of up to \$100,000 for remuneration and expenses for the conduct of the administration. The loan is provided on an unconditional basis and is to be secured by the Administrators' right of indemnity under section 443D of the Corporations Act 2001.

Name	Nature of relationship	Reasons why no conflict of interest or duty
ANZ	Secured Creditor	<p>The funding is being provided to assist the Voluntary Administrators in conducting the administration.</p> <p>The funding will only be provided where creditors or the Court approve the Administrators' remuneration under section 449E of the Act.</p>

This does not include statutory indemnities. We have not received any other indemnities or up-front payments that should be disclosed.

D Appointments to Members of a Corporate Group

As specified on page one of this Declaration, the Administrators have been appointed as voluntary Administrators to five companies, of which three are in a group of companies (Rugama Trading Pty Ltd ACN 135 068 147, TLT Nominees Pty Ltd ACN 133 250 307 and Newcastle Liquor Wholesalers Pty Ltd ACN 135 338 635). The other two companies (James Australia Group Pty Ltd ACN 000 975 191 and Print National Nominees Pty Ltd ACN 098 730 431) are standalone entities owned by the same shareholder.

The Administrators are of the view that the appointment to the group of companies will have significant benefits to the conduct of the administration, particularly in that this will provide for cost-savings and enable as accurate as possible a view to be obtained of the activities and financial position of the companies as a whole. The Administrators are aware that there may be inter-company transactions within the group but at this time are not aware of any potential conflicts of interest arising from the appointments over the various group members. However, to the extent it becomes apparent that pre-appointment dealings between companies in the group may give rise to a conflict which may impact the outcome for creditors of either company, then the Administrators undertake to disclose any such conflicts to the creditors and as appropriate, seek Court directions as to the means of resolving the potential conflict.

Dated: 28 August 2013



Shaun Fraser, Partner



Chris Honey, Partner

Note:

If the circumstances change, or new information is identified, we are required under the Corporations Act 2001, the IPA Code of Professional Practice and APES 330 to update this Declaration and provide a copy to the creditors/Committee with our next communication as well as table a copy of any replacement declaration at the next meeting of the insolvent's creditors/Committee.

Any relationships, indemnities or up-front payments disclosed in the Declaration of Independence, Relevant Relationships and Indemnities ("DIRRI") must not be such that the Practitioner is no longer independent. The purpose of components B and C of the DIRRI is to disclose relationships that, while they do not result in the Practitioner having a conflict of interest or duty, ensure that creditors are aware of those relationships and understand why the Practitioner nevertheless remains independent.

Please note that the presentation of the above information is in accordance with the standard format suggested by the Insolvency Practitioners Association of Australia.