

5 November 2020

To the creditor as addressed

Dear Sir / Madam

AUSTRALASIAN MORTGAGE FINANCE LIMITED (Administrator Appointed)
ACN 615 711 772
(the "Company")

Initial Information for creditors

Ref: 000715VA - 4.1

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

1. Notification of appointment

I was appointed Administrator of the Company by a resolution of the Company's Directors on 3 November 2020.

A copy of my Declaration of Independence, Relevant Relationships and Indemnities (DIRRI) is attached as **Annexure A**. The DIRRI assists you to understand any relevant relationships that I have, and any indemnities or upfront payments that have been provided to me. I have considered each relationship and it is my opinion that none of the relationships disclosed in the DIRRI result in a conflict of interest or duty or affect my independence.

2. What is a voluntary administration?

A voluntary administration, or VA, is a process initiated by the directors of a company when they believe that the company is, or is likely to become, insolvent. This means that the company is unable to pay its debts or is likely to become unable to pay its debts.

A voluntary administration gives a company an opportunity to consider its financial position and its future. Creditors will be given an opportunity to vote on the future of the company.

According to the Company's records, you may be a creditor of the Company.

3. What happens to your debt?

All creditors of the Company are now creditors in the voluntary administration. As a creditor, you have certain rights, although your debt will be dealt with in the voluntary administration.

It is important to note that a voluntary administration creates restrictions on creditors being able to enforce their rights. You generally cannot enforce your claim, recover your property, enforce your security, commence an action to place the Company into liquidation or act on a personal guarantee.

If you have leased the Company property, have a retention of title claim or hold a Personal Property Security Interest in relation to the Company, please contact my staff as soon as possible.

4. Trading of the Business

I understand the Company ceased to trade before my appointment as Administrator.

5. Your rights as a creditor

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

- Make reasonable requests for information
- Give directions to me
- Appoint a reviewing liquidator
- To replace me as Administrator.

6. Meetings of creditors

As Administrator, I am required to hold two meetings of creditors.

6.1. First meeting of creditors

The first meeting of creditors will be held as follows:

Date: 13 November 2020
Time: 10.00 AM
Place: Rapsey Griffiths Turnaround + Insolvency, Level 5, 55-57 Hunter Street NEWCASTLE NSW 2300

As a result of the current restrictions in place and the effects of COVID-19, the meeting will proceed by electronic means only and there will be no option for creditors to attend the meeting in person. Teleconference facilities will be in place and you will need to contact my office by 4.00pm on Thursday, 12 November 2020 to advise of your attendance and to obtain details to access the meeting.

Further meeting information, including a notice of meeting is attached at **Annexure C**. To participate in this meeting, you may need to:

- **Submit a proof of debt form** – which is included at **Annexure D**. This form provides information about what the Company owes you, and should be submitted along with supporting documents for your claim.
- **Appoint a person** – a “proxy” or person authorised under a power of attorney – to vote on your behalf at the meeting. This may be necessary if you are unable to attend the meeting, or if the creditor is a company. A proxy form is included at **Annexure E**.

You can appoint the chairperson of the meeting as your proxy and direct the chairperson how you wish your vote to be cast. If you choose to do this, the chairperson must cast your vote as directed.

To facilitate the conduct of the meeting, completed proof of debt and, if applicable, proxy forms must be returned to my office by post, fax or email by no later than 4:00pm on the business day prior to the meeting.

At this meeting, creditors will consider whether a Committee of Inspection (COI) should be appointed. The role of a Committee of Inspection is to consult with the Administrator and receive reports on the conduct of the administration. A creditors’ committee can also approve the Administrator’s fees. An information sheet on the role

of a COI can be obtained from ARITA's website at arita.com.au/creditors.

6.2. Second meeting of creditors

I will also in due course call a second meeting of creditors. Before that meeting you will be sent the notice of meeting and a detailed report which sets out the options for the Company's future. I will also give my opinion as to what option I think is in the best interests of creditors. At that second meeting, creditors will decide about the future of the Company.

You are encouraged to attend these meetings and participate in the voluntary administration process.

7. Investigations

As Administrator of the Company, I have a duty to investigate the affairs of the Company.

Creditors are requested to provide me with any information and/or documentation which may assist me in completing my investigations, including but not limited to:

- Details of any demands, writs, judgments or other legal action taken by you against the Company;
- Completion and return of the enclosed Proof of Debt Form along with documentation in support of your claim; and
- Details of your dealings or contact with the Company in relation to unpaid accounts.

8. Costs of the voluntary administration

Included at **Annexure F** is my Initial Remuneration Notice. This document provides you with information about how I propose to be paid for undertaking the voluntary administration.

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

9. Receipts and payments

Creditors are advised:

- Pursuant to Section 70-5 of Schedule 2 to the Act – an Annual Administration Return will be lodged with ASIC within three (3) months of each anniversary of my appointment; and
- Pursuant to Section 70-6 of Schedule 2 to the Act – an End of Administration Return will be lodged with ASIC within one (1) month of the finalisation of the external administration.

There have been no receipts and payments in the external administration to date.

10. What happens next?

You should now:

- Read my report and the attached information;

- Advise my office in writing within seven (7) days in the event you consider you may have a claim against any insurance policies held by the Company prior to my appointment;
- Decide whether you are going to attend the first meeting; and
- Complete and return your proof of debt, and if required, proxy form by no later than 4:00pm on the business day prior to the meeting.

I will proceed with the voluntary administration, including:

- Preparing for and holding the meetings of creditors;
- Undertaking investigations into the Company's affairs;
- Analysing any offer for a deed of company arrangement that is received; and
- Preparing my detailed report which sets out the options for the Company's future.

As discussed above, you will receive further correspondence from me before the second meeting of creditors.

11. Where can you get more information?

The Australian Restructuring Insolvency and Turnaround Association (ARITA) provides information to assist creditors with understanding insolvency. This information is available from ARITA's website at arita.com.au/creditors.

ASIC also provides information sheets on a range of insolvency topics. These information sheets can be accessed on ASIC's website at asic.gov.au (search for "insolvency information sheets").

Please contact my office should you require further information.

Yours faithfully



Chad Rapsey
Administrator

Appointment date: 3 November 2020
Contact name: Cassie Burton
Contact number: (02) 4926 8800
Email: CassieB@rgia.com.au

Attachments

Annexure A - Declaration of Independence, Relevant Relationships and Indemnities

Annexure B - Information Sheet - Creditor Rights in Voluntary Administration

Annexure C - Notice of meeting

Annexure D - Proof of debt form

Annexure E - Proxy form

Annexure F - Initial remuneration notice

ANNEXURE A

Declaration of Independence, Relevant Relationships and Indemnities

5 November 2020

Declaration of Independence, Relevant Relationships and Indemnities (DIRRI)

AUSTRALASIAN MORTGAGE FINANCE LIMITED (Administrator Appointed)

ACN 615 711 772

(the "Company")

The purpose of this document is to assist creditors with understanding any relationships that the Administrator has and any indemnities or upfront payments that have been provided to the Administrator. None of the relationships disclosed in this document are such that the independence of the Administrator is affected.

This information is provided to you to enable you to make an informed assessment on any independence concerns, so you have trust and confidence in my independence and, if not, can act to remove and replace me if you wish

This declaration is made in respect of Chad Rapsey, my partners and Rapsey Griffiths Turnaround + Insolvency.

A. Independence

I, Chad Rapsey of Rapsey Griffiths Turnaround + Insolvency have undertaken a proper assessment of the risks to my independence prior to accepting the appointment as Administrator of the Company in accordance with the law and applicable professional standards. This assessment identified no real or potential risks to my independence. I am not aware of any reasons that would prevent me from accepting this appointment.

B. Declaration of Relationships

B1. *Circumstances of Appointment*

Referral

This appointment was referred to me by Matthews Folbigg Lawyers ("the Referrer"). I understand that the Referrer was a legal advisor to the Company.

The Referrer has previously referred other matters to me or this Firm for insolvency expertise and from time to time, I refer matters to the Referrer for legal expertise. I confirm that no prior work or referrals between my firm and the Referrer have been in relation to the Company.

I believe that this referral does not result in a conflict of interest or duty because:

- Neither I, nor my firm, are reliant on the Referrer for referrals in terms of number of appointments or the revenue generated by those appointments.
- Networks of referrals between professionals are normal and are acceptable provided the referral and relationship are based on the quality of professional service and expertise which in this case is for my insolvency expertise.
- The referral does not contain, or is not conditional upon the giving or receiving of referral commissions, inducements or benefits; the giving or receiving of spotter's fees; the giving or receiving of recurring commissions; or any other such arrangements that restrict the proper exercise of my judgment and duties.
- These circumstances do not preclude me from acting under the Act or under the Australian Restructuring Insolvency & Turnaround Association ("ARITA") Code of Professional Practice.

I declare that there is no expectation, agreement or understanding with the Referrer regarding the conduct of the administration.

Pre-Appointment Communications

The following table summarises the pre-appointment communications relating to this appointment:

Dates	Method of Communication and with Whom	Details / Purpose of Contact
10/08/2020	Email from the Referrer regarding referral of the Company for advice	<ul style="list-style-type: none"> • Obtaining sufficient information about the Company to advise on the solvency of the Company; • To clarify and explain for the Company and its Directors the various options available to the Company and the nature and consequences of an insolvency appointment; and • Providing a consent to act.
11/08/2020	Exchange of emails with Mr Peter Cossetto (a Director of the Company)	
12/08/2020	Teleconference with Mr Cossetto and Mr Leonard McKinnon (also a Director of the Company)	
13/08/2020 to 02/09/2020	Exchange of emails with Mr Cossetto	
03/09/2020	Teleconference with Mr Cossetto and Mr McKinnon	
08/09/2020 to 09/09/2020	Exchange of emails with Mr McKinnon	
29/10/2020	Exchange of emails with Mr Cossetto	
30/10/2020	Teleconference with Mr Cossetto and Mr McKinnon	
02/11/2020 to 03/11/2020	Exchange of emails and telephone calls with Mr Cossetto	

I received no remuneration for the above.

In my opinion, the above does not affect my independence for the following reasons:

- The Courts and the ARITA Code of Professional Practice specifically recognise the need for practitioners to provide advice on the insolvency process and the options available and do not consider that such advice results in a conflict or is an impediment to accepting the appointment;
- The nature of the communication provided to the Company is such that it would not be subject to review and challenge during the course of the administration; and
- The pre-appointment advice will not influence my ability to be able to fully comply with my statutory and fiduciary obligations associated with the administration of the Company in an objective and impartial manner.

I have provided no other information or advice to the Company, the Directors or their advisors prior to my appointment beyond that outlined in this DIRRI.

B2. Prior Professional services to the Insolvent

Neither I, nor my firm, have provided any professional services to the Company in the previous 24 months.

B3. Relevant Relationships (excluding Professional Services to the Insolvent)

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

Name	Nature of Relationship	Reasons why this relationship does not result in a conflict of interest or duty
Australian Taxation Office ("ATO")	<p>The ATO may be a creditor of the Company.</p> <p>I regularly receive requests for consents to act from various lawyers acting for the ATO in respect to applications made by the ATO to appoint a Liquidator to insolvent companies or a Trustee in Bankruptcy to insolvent individuals.</p>	<p>I believe that this relationship does not result in a conflict of interest or duty because:</p> <ul style="list-style-type: none">• There are no conditions on the conduct or outcome of the administration attached to my consent to act in this matter; and• I have not acted for the ATO in respect of this matter. Any work previously carried out in respect to the administration of other unrelated insolvent companies or individuals to which I have been appointed does not have any bearing on this administration and will not impact on compliance with my statutory obligations and fiduciary duties.

B4. Group appointments

I was not appointed to any other associated entities of the Company at the same time as my appointment to the Company.

B5. No other relevant relationships to disclose

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

C. Indemnities and up-front payments

I have not been indemnified in relation to this administration, other than any indemnities that I may be entitled to under statute and I have not received any up-front payments in respect of my remuneration or disbursements.



Chad Rapsey
Administrator

Note:

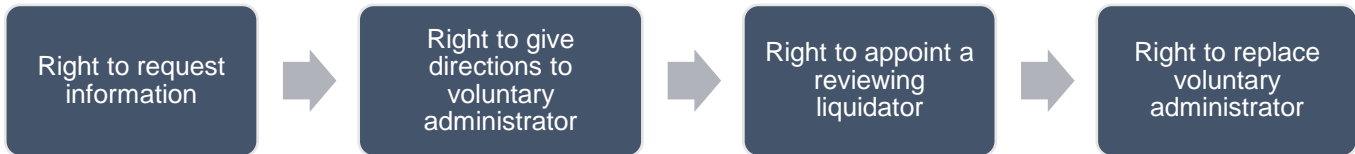
If circumstances change, or new information is identified, I am required under the Corporations Act 2001 and ARITA's Code of Professional Practice to update this Declaration and provide a copy to creditors with my next communication as well as table a copy of any replacement declaration at the next meeting of the insolvent's creditors. For Creditors' Voluntary Liquidations and voluntary administrations, this document and any updated versions of this document are required to be lodged with ASIC

ANNEXURE B

Information Sheet - Creditor Rights in Voluntary Administration

Creditor Rights in Voluntary Administrations

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



Right to request information

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

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

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

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

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

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

Requests must be reasonable.

They are not reasonable if:

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

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

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

Right to give directions to voluntary administrator

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

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

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

Right to appoint a reviewing liquidator

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

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

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

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

Right to replace voluntary administrator

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

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

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

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

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

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

**For more information, go to www.arita.com.au/creditors.
Specific queries about the voluntary administration should be directed to the voluntary administrator's office.**

ANNEXURE C

Notice of Meeting

**NOTICE OF MEETING OF CREDITORS OF COMPANY
AUSTRALASIAN MORTGAGE FINANCE LIMITED (Administrator Appointed)
ACN 615 711 772 (the "Company")**

Notice is given that a meeting of the creditors of the Company will be held as follows:

Date: 13 November 2020
Time: 10.00 AM
Place: Rapsey Griffiths Turnaround + Insolvency, Level 5, 55-57 Hunter Street NEWCASTLE NSW 2300

As a result of the current restrictions in place and the effects of COVID-19, the meeting will proceed by electronic means only and there will be no option for creditors to attend the meeting in person. Teleconference facilities will be in place and you will need to contact my office by 4.00pm on Thursday, 12 November 2020 to advise of your attendance and to obtain details to access the meeting.

Agenda

The purpose of the meeting is to:

- Provide a brief history of the Company and the background to the appointment.
- The meeting would also determine:
 - Whether to appoint a committee of inspection; and
 - if so, who are to be the committee's members.
- At the meeting, creditors may also, by resolution:
 - remove the Administrator from office; and
 - appoint someone else as administrator of the Company.
- Discuss any other relevant business which may arise.

Attending and voting at the meeting

Creditors are invited to attend the meeting, however they are not entitled to participate and vote at a meeting unless:

- **Proof of debt** (included at **Annexure D**): They have lodged with the Administrator particulars of the debt or claim and the claim has been admitted, wholly or in part, by the Administrator. If a proof of debt has already been lodged, they do not need to do so again. Refer to Note 1 for further guidance on entitlement to vote.
- **Proxies or attendance** (included at **Annexure E**): They are either present in person or by electronic facilities (if being made available) or validly represented by proxy, attorney or an authorised person under s250D of the Corporations Act. If a corporate creditor or represented, a proxy form, power of attorney or evidence of appointment of a company representative pursuant to Section 250D of the Corporations Act 2001 ("the Act") must be validly completed and provided to the Administrator at or before the meeting].

A proxy is only valid for a particular meeting.

To enable sufficient time to review, proofs of debt and proxies (or document authorising the representation) should be submitted to Cassie Burton at CassieB@rgia.com.au or by post by no later than 4:00pm on the business day prior to the meeting. If you choose to return these documents, please allow sufficient time for the documents to be received prior to the due date.

Electronic facilities

Teleconference facilities will be made available at the meeting. To access those facilities, you need to provide a statement by email to Cassie Burton on CassieB@rgia.com.au, not later than 2 business days before the meeting which sets out:

- **Name:** The name of the person and of the proxy or attorney (if any)
- **Address:** An address to which notices to the person, proxy or attorney may be sent
- **Contact:** The method of contacting the person, proxy or attorney for the purposes of the meeting.

On receipt of this statement, you will be provided with instructions on how to access the facilities for the meeting.

Participating at the meeting

The virtual meeting will be held via teleconference and will enable all participants a reasonable opportunity to participate in a vote taken at the meeting, and to ask questions, without being physically present, at the appropriate time when prompted by the administrator.

All voting will be taken on a poll in accordance with the *Corporations (Coronavirus Economic Response) Determination (No. 3) 2020*. This means that, to calculate the outcome of each resolution to be voted on, the administrator must calculate the number and dollar value of each vote in favour together with the number and dollar value of each vote against. A resolution is taken to have passed if a majority in both number and dollar value have voted in favour.

Any queries should be directed to Cassie Burton at CassieB@rgia.com.au or (02) 4926 8800.

Dated 5 November 2020



Chad Rapsey
Administrator

Rapsey Griffiths Turnaround + Insolvency , Level 5, 55-57 Hunter Street NEWCASTLE NSW 2300

Note 1: Entitlement to vote and completing proofs

IPR (Corp) 75 85 Entitlement to vote at meetings of creditors

- (1) A person other than a creditor (or the creditor's proxy or attorney) is not entitled to vote at a meeting of creditors.
- (2) Subject to subsections (3), (4) and (5), each creditor is entitled to vote and has one vote.
- (3) A person is not entitled to vote as a creditor at a meeting of creditors unless:
 - (a) his or her debt or claim has been admitted wholly or in part by the external administrator; or
 - (b) he or she has lodged, with the person presiding at the meeting, or with the person named in the notice convening the meeting as the person who may receive particulars of the debt or claim:
 - (i) those particulars; or
 - (ii) if required—a formal proof of the debt or claim.
- (4) A creditor must not vote in respect of:

- (a) an unliquidated debt; or
 - (b) a contingent debt; or
 - (c) an unliquidated or a contingent claim; or
 - (d) a debt the value of which is not established; unless a just estimate of its value has been made.
- (5) A creditor must not vote in respect of a debt or a claim on or secured by a bill of exchange, a promissory note or any other negotiable instrument or security held by the creditor unless he or she is willing to do the following:
- (a) treat the liability to him or her on the instrument or security of a person covered by subsection (6) as a security in his or her hands;
 - (b) estimate its value;
 - (c) for the purposes of voting (but not for the purposes of dividend), to deduct it from his or her debt or claim.
- (6) A person is covered by this subsection if:
- (a) the person's liability is a debt or a claim on, or secured by, a bill of exchange, a promissory note or any other negotiable instrument or security held by the creditor; and
 - (b) the person is either liable to the company directly, or may be liable to the company on the default of another person with respect to the liability; and
 - (c) the person is not an insolvent under administration or a person against whom a winding up order is in force.

IPR (Corp) 75-110 Voting on resolutions

- (1) For the purposes of determining whether a resolution is passed at a meeting of creditors of a company, the value of a creditor of the company who:
- (a) is a related creditor (within the meaning of subsection 75-41(4) of the Insolvency Practice Schedule (Corporations)), for the purposes of the vote, in relation to the company; and
 - (b) has been assigned a debt; and
 - (c) is present at the meeting personally, by telephone, by proxy or attorney; and
 - (d) is voting on the resolution;
- is to be worked out by taking the value of the assigned debt to be equal to the value of the consideration that the related creditor gave for the assignment of the debt.

ANNEXURE D

Proof of Debt form

FORM 535 – FORMAL PROOF OF DEBT OR CLAIM (GENERAL FORM)

Subregulation 5.6.49(2) -
Corporations Act 2001

AUSTRALASIAN MORTGAGE FINANCE LIMITED (Administrator Appointed)
ACN 615 711 772 ("the Company")

PART A – INSTRUCTIONS

This form provides information about what you believe the Company owes you as a creditor.

Please complete Parts B and C of this document and return to the Administrator with any documents to support your debt.

PART B – CREDITOR INFORMATION / DETAILS OF DEBT

1. This is to state that the Company was, on 3 November 2020 and still is, justly and truly indebted to the creditor named below for the amount stated below:

Name of Creditor _____

Address of Creditor _____

Contact Name _____ Telephone No _____

Email Address _____ Amount of Debt (\$) _____

I nominate to receive any future reports and correspondence office via email to the above email address Yes No

Please confirm whether you are a related creditor of the Company. If yes, provide details of the relationship below. Yes No

Particulars of the debt are:

Date	Consideration (state how the debt arose eg goods / services provided, type of entitlement, loan etc)	Amount (\$)	GST (\$)	Remarks (include details of vouchers substantiating payment)

I have attached the following documents in support of the above claim (tick all of the relevant boxes that apply):

Invoice/s Statement/s Guarantee/s
 Credit / Supply agreement/s Loan / other agreement/s Security document/s
 Itemised calculations Judgement/s Other evidence

2. To my knowledge or belief the creditor has not, nor has any person by the creditor's order, had or received any manner of satisfaction or security for the sum or any part of it except for the following: (Insert particulars of all securities held. Where the securities are on the property of the company, assess the value of those securities. If any bills or other negotiable securities are held, specify them in a separate schedule setting out the date, drawer, acceptor, amount and due date).

3. I know that the debt was incurred and for the consideration stated and that the debt, to the best of my knowledge and belief, still remains unpaid and unsatisfied. Tick the applicable box sets out your authority to complete/execute this document on behalf of the creditor (only one box in Part C below).

PART C – AUTHORITY

Basis of Authority to Complete/Execute this Document (tick one)

I am employed by the creditor and authorised in writing by the creditor to make this statement.

I am the creditor's agent authorised in writing to make this statement in writing.

I am the creditor personally

Signature _____ Date Signed _____

NAME IN BLOCK LETTERS _____ Position _____

If space provided for a particular purpose in a form is insufficient to contain all the required information in relation to a particular item, the information must be set out in an annexure. An annexure to a form must have an identifying mark; be endorsed with the words "This is the annexure of (insert number of pages) pages marked (insert an identifying mark) referred to in the (insert description of form) signed by me/us and dated (insert date of signing); and be signed by each person signing the form to which the document is annexed. The pages in an annexure must be numbered consecutively. If a form has a document annexed the following particulars of the annexure must be written on the form: the identifying mark; and the number of pages. A reference to an annexure includes a document that is with a form.

ANNEXURE E

Proxy

APPOINTMENT OF PROXY

Insolvency Practice Rules, 75-25 - Corporations Act 2001

AUSTRALASIAN MORTGAGE FINANCE LIMITED (Administrator Appointed)
ACN 615 711 772 ("the Company")

PART A – INSTRUCTIONS

This form enables you to appoint a representative to attend the below meeting on your behalf. Lodging a specific proxy form allows you to specify how your proxy must vote. Lodging a general proxy form allows your representative to choose how your vote is exercised. A proxy is required for any corporate creditor wishing to participate in the meeting.

Please complete Parts B, C, D and E of this document and return to my office by no later than 4:00pm on the business day prior to the meeting. You must also ensure that you have also submitted a proof of debt (which is included at **Annexure D**) with any documents to support your debt. Your claim against the Company must be admitted for the purposes of voting by the Administrator for your vote to count.

PART B – CREDITOR'S DETAILS

Name of Creditor _____

Address of Creditor _____

Contact Name _____ Telephone No _____

Email Address _____

PART C – APPOINTMENT OF PROXY

I/We, a creditor of the Company hereby appoint _____ or in his/her absence _____ as my/our proxy to vote at the below meeting of creditors of the Company, or at any adjournment of same:

Meeting Date: 13 November 2020

Meeting Time 10.00 AM

Meeting Place: Rapsey Griffiths Turnaround + Insolvency, Level 5, 55-57 Hunter Street NEWCASTLE NSW 2300

PART D – VOTING (TICK ONLY ONE BOX - EITHER GENERAL OR SPECIFIC)

This proxy is to be used as a **General Proxy** to vote on all matters arising at the meeting.

OR

This proxy is to be used as a **Specific Proxy** to vote on the following matters as specifically indicated below. The proxy is authorised to vote as a general proxy on resolutions other than those specified below.

#	Resolution	For	Against	Abstain
1	That a Committee of Inspection be established for the Company and the appointed members will be (list names): _____ _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

PART E – AUTHORITY

Basis of Authority to Complete/Execute this Document (tick one)

I am employed by the creditor and authorised in writing by the creditor to make this statement.

I am the creditor's agent authorised in writing to make this statement in writing.

I am the creditor personally

Signature _____ Date Signed _____

NAME IN BLOCK LETTERS _____ Position _____

ANNEXURE F

Initial Remuneration Notice

5 November 2020

Initial Remuneration Notice

AUSTRALASIAN MORTGAGE FINANCE LIMITED (Administrator Appointed)
ACN 615 711 772
(the "Company")

The purpose of the Initial Remuneration Notice is to provide you with information about how I propose my remuneration for undertaking the external administration will be set.

1. Remuneration Methods

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

- A. *Time based / hourly rates:*** This is the most common method. The total fee charged is based on the hourly rate charged for each person who carried out the work multiplied by the number of hours spent by each person on each of the tasks performed.
- B. *Fixed Fee:*** The total fee charged is normally quoted at the commencement of the administration and is the total cost for the administration. Sometimes a practitioner will finalise an administration for a fixed fee.
- C. *Percentage:*** The total fee charged is based on a percentage of a particular variable, such as the gross proceeds of assets realisations.
- D. *Contingency:*** The practitioner's fee is structured to be contingent on a particular outcome being achieved.

2. Method Chosen

Given the nature of this administration I propose that my remuneration will be calculated on the time based / hourly rates method. This is because:

- It ensures that creditors are only charged for work that is performed;
- I may be required to perform a number of tasks which do not relate to the realisation of assets, for example responding to creditor enquiries, reporting to ASIC, distributing funds in accordance with the provisions of the Corporations Act;
- I am unable to estimate with certainty the total amount of fees necessary to complete all tasks required in the administration;
- I have a time recording system that can produce a detailed analysis of time spent on each type of task by each individual staff member utilised in the administration;
- Time based remuneration calculates fees upon a basis of time spent at the level appropriate to the work performed; and
- The method provides full accountability in the method of calculation.

3. Explanation of Hourly Rates

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

Classification	Rate (Excl. GST) (\$)		Description / Experience
	Normal Hourly Rate	Discounted rate for this administration (10% Reduction)	
Appointee/ Director	620.00	558.00	CA qualified and holds tertiary qualifications in turnaround and / or insolvency. Registered Liquidator and/or Registered Trustee with specialist skills and 10+ years' experience in all forms of insolvency administrations. Leads the team carrying out an appointment. Member of CAANZ and ARITA.
Associate	550.00	495.00	CA or CPA qualified and holds tertiary qualifications in turnaround and / or insolvency. Typically 8+ years' experience in all forms of insolvency administrations. Well-developed technical and commercial skills, strong industry knowledge and is responsible to the appointee for the management of all facets of insolvency administrations and tasks. Member of CAANZ and ARITA.
Senior Manager	500.00	450.00	CA or CPA qualified and holds tertiary qualifications in turnaround and / or insolvency. Typically 7+ years' experience working on insolvency matters with at least 2 years as a Manager. Very strong knowledge of relevant insolvency legislation and issues and has experience conducting administrations and directing a number of staff. Has experience conducting medium to large administrations and directing staff.
Manager	465.00	418.50	Typically CA or CPA qualified, or largely completed CAANZ or CPA studies. Typically 5+ years' experience working on insolvency matters. Strong knowledge of relevant insolvency legislation and issues. Has experience conducting small to medium administrations and directing staff.
Supervisor 1	410.00	369.00	Typically completed or near completion of CA or CPA qualifications with 4 to 6 years insolvency experience. Sound knowledge of relevant insolvency legislation and issues.
Supervisor 2	380.00	342.00	Typically completed or near completion of CA or CPA qualifications with 4 to 5 years insolvency experience. Good knowledge of relevant insolvency legislation and issues.
Senior 1	370.00	333.00	University degree qualified, typically completing CA or CPA qualifications with 2 to 4 years accounting or insolvency experience. Good knowledge of basic insolvency legislation and issues
Senior 2	340.00	306.00	University degree qualified, typically completing CA or CPA qualifications with 2 to 3 years accounting or insolvency experience.
Intermediate 1	295.00	265.50	Typically completed or substantially completed a university degree in finance / accounting with 0 to 2 years accounting or insolvency experience. Under supervision, takes direction from senior staff in completing tasks.
Intermediate 2	275.00	247.50	Undertaking a university degree in finance / accounting with 0 to 1 years accounting or insolvency experience. Under supervision, takes direction from senior staff in completing tasks.
Trainee	210.00	189.00	Undertaking a university degree in finance / accounting with less than 1 year accounting or insolvency experience. Under supervision, takes direction from senior staff in completing tasks.
Paraprofessional	190.00	171.00	Well-developed administrative skills with experience supporting professional staff, including strong knowledge of software packages, personal assistance work and/or office management. May also have appropriate bookkeeping or similar skills.
Administration/ Secretary	180.00	162.00	Has appropriate skills and experience to support professional staff in an administrative capacity.

Notes:

1. Hourly rates effective from 1 March 2019.
2. The Guide to Level of Insolvency Experience is intended only to be a guide as to the qualifications and experience of the staff engaged. It should be noted that in some instances staff may be engaged under an appropriate classification principally due to their experience.
3. The firm may, from time to time, use staff which are based in the Philippines. All work performed is subject to the firm's usual review and quality assurance procedures.
4. Time spent on matters is recorded and charged in six (6) minute intervals.

4. Estimated remuneration

I estimate that this administration will cost between approximately \$30,000.00 and \$60,000.00 (excluding GST) to complete, subject to the following variables which may have a significant effect on this estimate and that I am unable to determine until I have undertaken further work in relation to the administration:

- This estimate does not include:
 - Holding meetings of members or dealing with member disputes or litigation
 - Extensions of the convening period or adjournment of creditor meetings
 - Costs associated with any subsequent form of external administration – such as Deed Administration or Liquidation
 - Conducting investigations beyond the minimum statutory requirements set out in the *Corporations Act 2001*
 - Dealing with unexpected, unforeseen, undisclosed or unknown complexities, difficulties or issues when realising assets
 - Tasks associated with declaring a dividend to any class of creditor, including the adjudication of proofs of debt for dividend purposes
 - Dealing with any other unexpected, unforeseen, undisclosed or unknown complexities, difficulties or issues which may arise during the course of the administration.
- This estimate assumes that:
 - The Company's books and records are reconciled, compliant with relevant legislation and that no difficulties are encountered in obtaining books and records of the Company
 - The Company's Directors, key staff, management, agents and personnel are cooperative and compliant
 - No offences / misconduct are identified during the course of the administration, and that no referrals are required to be submitted to relevant Regulatory authorities

Prior to my appointment, I provided an estimate of the cost of the administration to the Directors. This estimate is consistent with the estimate provided to the Directors prior to my appointment.

5. Disbursements

Disbursements are divided into three types:

- **External professional services** – these are recovered at cost. An example of an externally provided professional service is legal fees. It does not include insolvency services, as insolvency services are claimed as remuneration.
- **External non-professional costs** – these are recovered at cost. Examples of external non-professional expenses include travel, accommodation and search fees.
- **Firm non-professional costs** – such as photocopying, printing and postage. These costs, if charged to the external administration, would generally be charged at cost; though some expenses such as telephone calls, photocopying and printing may be charged at a rate which recoups both variable and fixed costs. The recovery of these costs must be on a reasonable commercial basis.

I am not required to seek creditor approval for expenses paid to third parties or for disbursements where I am recovering a cost incurred on behalf of the administration, but I must account to creditors. I must be satisfied that these expenses and disbursements are appropriate, justified and reasonable.

I am required to obtain creditor's consent for the payment of a disbursement where I, or a related entity of myself, may directly or indirectly obtain a profit. In these circumstances, creditors will be asked to approve my disbursements prior to these disbursements being paid from the administration.

Details of the basis of recovering disbursements in this administration are provided below.

Disbursement	Charges (\$) (Excluding GST)
External professional services	At Cost
External non-professional costs	At Cost
Firm non-professional costs	
Emailing	No charge
Postage	At cost
Printing / Photocopying	No charge
Staff vehicle use	ATO rates per km
Notes	
1. Rates effective from 1 March 2019.	
2. This may not be an exhaustive list of all the types of disbursements which may apply to this administration. Any other disbursements will typically be recovered at cost, however where there may be an element of profit or advantage, I will be required to seek creditor approval prior to payment of same.	



Chad Rapsey
Administrator