

3 April 2023

Initial circular to creditors

Dear Sir/Madam

**Lloyd Group Pty Ltd (ACN 069 674 479)
and certain entities listed in Schedule A
(All Administrators Appointed)
(the Companies)
(Trading as Lloyd Group)**

Appointment

Sal Algeri, Jason Tracy, Timothy Norman and I were appointed Joint and Several Voluntary Administrators (**Administrators**) of the Companies on 31 March 2023, pursuant to Section 436A of the *Corporations Act 2001* (the **Act**).

Declaration of Independence, Relevant Relationships and Indemnities (DIRRI)

We attach our DIRRI at **Annexure A**. The DIRRI discloses information regarding our independence, any prior personal or professional relationships that the Administrators and Deloitte had with the Companies or related parties and any indemnities received relating to this appointment.

First meeting of creditors

We are required to convene a first meeting of creditors within 8 business days following our appointment. The first meeting has been convened for **10:00AM (AEST) on Wednesday, 12 April 2023. This meeting will only be held virtually.**

We will be using the Deloitte Halo platform throughout the administration for creditors to lodge claims, communications, adjudication of claims and voting at the meetings of creditors. All creditors should:

1. Go to our website and register at <https://aurestructuring.deloitte-halo.com/Lloyd>
2. Lodge a claim.

The meeting will be hosted using Microsoft Teams Live Events technology and is accessible by registering to vote at our website: <https://aurestructuring.deloitte-halo.com/Lloyd>

Attendance at the first meeting of creditors is not mandatory and non-attendance will not prevent you from lodging a claim against the Companies or affect any of your rights as against the Companies that may exist as at the date of our appointment.

One of the purposes of the first meeting is to determine whether to appoint a committee of inspection. We will also use the first meeting to inform creditors of the administration process and provide any relevant update.

A Notice of Meeting is provided at **Annexure B**.

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Committee of inspection (COI)

At the first meeting, creditors will resolve on whether a COI should be appointed to the Companies.

The role of the COI is to consult with the Administrators about matters relevant to the voluntary administration and receive and consider reports from the Administrators. It may also approve the Administrators' fees. At times, the Administrators may call upon a COI for assistance. It is a voluntary role, and the COI members are not remunerated for their time. All members of the COI will have to sign a confidentiality undertaking to our satisfaction.

Should you wish to be a COI member or would like to nominate someone to act as a member please refer to the nomination form at **Annexure C**.

Administrators' Remuneration

Please refer to our Initial Remuneration Notice at **Annexure D**.

Voluntary administration process

The effect of our appointment is to place a moratorium on the payment of unsecured creditors' accounts in relation to trading and other debts incurred up to the date of our appointment, until creditors make a decision about the Companies' future at the second meeting of creditors (**Second Meeting**). Creditors with security interests including retention of title creditors will have their entitlements determined in accordance with relevant processes under applicable law.

Attached as **Annexure E** is an *Information Sheet – Voluntary administration: A guide for creditors*.

Second meeting of creditors

Pursuant to Section 439A of the Act, the Administrators are required to convene the Second Meeting to decide the future of the Companies. The period for convening the Second Meeting is 30 business days from the date of the appointment (**Convening Period**). Creditors will receive notice of that meeting in due course.

Creditors' rights

Attached as **Annexure F** is *Information Sheet – Creditors Rights in Voluntary Administration*.

Ongoing trading

We are currently undertaking an urgent assessment of projects to explore the options that may be available for completion. Whilst we undertake this process, we will be arranging maintenance of certain sites.

Separate notifications have been issued to principals and suppliers with respect to the status of specific projects, next steps and the ongoing supply processes during administration. Principals and suppliers should refer to the separate notices for further project information, supply instructions and contact details for specific project enquiries.

Whilst we assume responsibility for the business, the Companies' management team will continue to assist us with the operations of the business during the administration period.

We will not accept liability for payment for any goods or services supplied without the authority of the specified authorised signatories, whose names and specimen signatures are shown on the schedule attached at **Annexure I**.

Your continued support of the business is appreciated during this period and is critical to achieving a successful outcome for all creditors, including employees.

Queries

We encourage all creditors to register their claim on the Deloitte Halo platform. Once you have registered and lodged your claim, you will be able to send messages directly to our team who will endeavour to provide a prompt response to your query.

For all queries, depending on the nature, please send your questions via the Halo platform or to the following email addresses:

Employees: lloydgroupemp@deloitte.com.au

Lloyd Group: lloydgroup@deloitte.com.au

Yours faithfully



Sam Marsden

Joint and Several Administrator

List of Annexures:

- Annexure A** A Declaration of Independence, Indemnities & Relevant Relationships (**DIRRI**) for the purposes of Section 436DA of the Act
- Annexure B** Notice of Meeting of Creditors to be held on Wednesday, 12 April 2023 at 10:00AM (AEST)
- Annexure C** Nomination for Committee of Inspection (COI)
- Annexure D** Initial Remuneration Notice
- Annexure E** ASIC Information Sheet – Voluntary Administration: A guide for creditors
- Annexure F** ARITA Information Sheet – Creditor Rights in Voluntary Administration
- Annexure G** ARITA Information Sheet – Committees of Inspection
- Annexure H** Guide for Registering and Lodging a Claim in Halo
- Annexure I** Authorised signatories

Schedule A - Companies subject to Voluntary Administration

Company Name	ACN
Lloyd Group Investments Pty Ltd	633 451 948
Lloyd Group Holdings Pty Ltd	166 014 606
Lloyd Group Properties Pty Ltd	164 434 039
Lloyd Group (NSW) Pty Ltd	633 177 509
Lloyd Group (Vic) Pty Ltd	650 104 920
Lloyd Group Pty Ltd	069 674 479

Annexure A – Declaration of Independence, Indemnities & Relevant Relationships (DIRRI) for the purposes of Section 436DA of the Act



Declaration of Independence, Relevant Relationships and Indemnities

**Lloyd Group Pty Ltd (ACN 633 451 948)
and certain entities listed in Schedule A
(All Administrators Appointed)
(Lloyd Group or the Companies)
(Trading as Lloyd)**

This document requires the Practitioners appointed to an insolvent entity to make declarations as to:

- A. their independence generally;
- B. relationships, including:
 - (i) the circumstances of the appointment;
 - (ii) any relationships with the companies and others within the previous 24 months;
 - (iii) any prior professional services for the companies within the previous 24 months;
 - (iv) that there are no other relationships to declare; and
- C. any indemnities given, or up-front payments made, to the Practitioner.

This declaration is made in respect of ourselves, our partners and Deloitte Australia. In this document, Deloitte Australia means the Australian partnership of Deloitte Touche Tohmatsu and each of the entities under its control, including Deloitte Financial Advisory Pty Limited.

A. Independence

We, Sam Marsden, Salvatore Algeri, Jason Tracy and Tim Norman of Deloitte Australia have undertaken a proper assessment of the risks to our independence prior to accepting the appointment as Voluntary 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

Circumstances of appointment

On 22 March 2023, Hamilton Locke, external legal advisors to the Companies, organised an introductory meeting between the Directors of the Companies and Deloitte Australia.

On 23 March 2023, Deloitte Australia was engaged by Hamilton Locke (on behalf of the Companies) to consider contingency plans in the event an appointment as Voluntary Administrators by the Directors would be required. This engagement is detailed in section 1 below.

Prior Professional services to the Companies

We, Deloitte Australia have provided the professional services set out in the table below to the Companies in the 24 months prior to the acceptance of this appointment. The engagement was of limited scope, and immaterial to both the Companies and Deloitte Australia. We therefore do not consider that those prior services (whether individually or collectively) hamper, impede or influence our capacity to fully discharge the statutory and fiduciary obligations associated with the external administration of the Companies.

1. Contingency planning

Details		Reasons why there is no conflict of interest or duty
Description of services	Pre-appointment planning	<ul style="list-style-type: none"> This engagement was an immaterial prior professional engagement for the Companies and to Deloitte Australia, as it was limited with respect to fees, time incurred and scope. The engagement involved the assessment of the Companies' liquidity and alternative courses of action open to the Companies and the planning of a potential voluntary administration. Deloitte Australia undertakes work from time to time on behalf of Hamilton Locke, as do insolvency practitioners from other firms. This includes the appointment of Deloitte Australia's registered liquidators to companies as a formal appointment where Hamilton Locke has asked us to consent to act. We have not identified any issue in relation to this relationship that would give rise to a conflict in undertaking the administration of the Companies. The relationship has not impeded our independence.
Parties	Hamilton Locke and Deloitte Australia	
Date of commencement and completion	Engagement commenced on 23 March 2023 and terminated on our appointment as Administrators of the Companies	
Scope	<ul style="list-style-type: none"> Understanding the Companies current position, including liquidity Considering options available to the Companies if management's turnaround plans/sale are not achievable, including planning for a voluntary administration During the course of this engagement, we held nine meetings/telephone calls with the Companies management and/or Hamilton Locke, with these meetings taking place between 23 March 2023 and the day of our appointment. A detailed list of all meetings held during this period, 	

	including the attendees and agenda/subject of the meeting is attached at Schedule B.	<ul style="list-style-type: none"> • We are not paid any commissions, inducements or benefits by Hamilton Locke to undertake any appointments. There is no arrangement between us and Hamilton Locke which entails a commitment or undertaking that we will give any work arising out of the Administration to Hamilton Locke.
Fees	<ul style="list-style-type: none"> • Deloitte Australia has billed a total of \$50,000 (excluding GST) to Hamilton Locke for this engagement, which will be paid by Hamilton Locke in accordance with our terms of engagement with Hamilton Locke 	<ul style="list-style-type: none"> • We do not expect any of the work done would be subject to review or challenge during the course of the Administration or in the event of the Companies' liquidation, due to the nature of the engagement. • Referrals from lawyers, accountants, business advisors and government agencies are commonplace and do not affect our independence in discharging our duties as voluntary administrators. • 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. • An element of pre-planning is necessary in respect of an administration of this nature and complexity, particularly given the multiple Companies comprising the Lloyd Group. • The Courts also recognise that where an insolvency practitioner is engaged by a company's legal advisors and such engagement includes undertaking planning work in preparation for a possible voluntary administration of that company, such a pre-appointment

		<p>engagement does not prevent the practitioner from accepting a voluntary administration appointment provided that the engagement does not involve the practitioner advising the company or its board, directors, management, creditors or other stakeholders regarding the company's affairs, management or insolvency or the obligations and duties of the board, individual directors and management. We are satisfied that Deloitte Australia's engagement by Hamilton Locke meets these requirements.</p> <ul style="list-style-type: none">• The pre-appointment advice provided will not influence our ability to fully discharge the statutory and fiduciary obligations associated with the voluntary administration of the Companies in an objective and impartial manner.• The engagement was not predicated on any specific outcome, including the outcome of the voluntary administration.• In any event, we will engage another law firm to advise us in relation to any investigations which may be required in relation to potential claims against directors and officers of the Companies, as well as any other matters which we consider appropriate (including to the extent required to avoid any potential for perceived or actual conflicts).
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Relevant Relationships (excluding Professional Services to the Companies)

We, or Deloitte Australia, 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
Tokio Marine HCC (Tokio)	<p>We understand that Tokio is a significant actual or contingent creditor of certain Companies within the Lloyd Group.</p> <p>Deloitte Australia has provided tax, global mobility and marketing consulting services to Tokio.</p>	<p>We have never undertaken any work for Tokio in respect of the Companies.</p> <p>We do not consider previous engagements for Tokio to present a conflict as there is no arrangement between us that we will give any work arising out of the Administration to them.</p> <p>The provision of tax, global mobility and marketing consulting services to Tokio brings about a commercial relationship that in our opinion does not present a conflict or impediment as it does not impact upon the position of the Companies.</p> <p>We are not paid any commissions, inducements or benefits to undertake any engagements with Tokio and do not consider ourselves to be bound or in any way obligated to deliver a favourable outcome to any party.</p> <p>None of the Voluntary Administrators have provided services to Tokio.</p> <p>Therefore, there is no relationship with Tokio which in our view would restrict us from properly exercising our judgment and duties in relation to the appointment.</p>
Commonwealth Bank of Australia (CBA)	We understand that CBA is a significant actual or contingent secured creditor of certain	We have never undertaken any work for CBA in respect of the Companies.

	<p>Companies within the Lloyd Group.</p> <p>Deloitte Australia has provided Turnaround and Restructuring, Advisory and associated services to CBA.</p>	<p>We do not consider previous engagements for CBA to present a conflict as there is no arrangement between us that we will give any work arising out of the Administration to them.</p> <p>The provision of Turnaround and Restructuring, Advisory and associated services to CBA brings about a commercial relationship that in our opinion does not present a conflict or impediment as it does not impact upon the position of the Companies.</p> <p>We are not paid any commissions, inducements or benefits to undertake any engagements with CBA and do not consider ourselves to be bound or in any way obligated to deliver a favourable outcome to any party.</p> <p>Therefore, there is no relationship with CBA which in our view would restrict us from properly exercising our judgment and duties in relation to the appointment.</p>
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Group Appointment

As specified in Schedule A, we have been appointed as Voluntary Administrators to 6 companies in the Lloyd Group (“the Companies”). We are of the view that the appointment to the Companies will have practical benefits to our conduct, particularly in that this will enable an accurate view to be obtained of the financial position of the Companies as a whole. We are aware that there may be inter-company transactions between the Companies. At this time, we are not aware of any potential conflicts arising from our appointment over the Companies. However, if in the future any inter-company dealings give rise to a conflict then we undertake to disclose any such conflicts to the creditors and, if appropriate, seek Court directions or other relief that may be necessary.

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 security over the whole or substantially the whole of the Companies' property that should be disclosed.

C. Indemnities and up-front payments

Prior to our appointment the Directors transferred \$750,000 of company funds into the trust account of Hamilton Locke for the purpose of meeting a portion for the estimated costs of the Voluntary Administration (our prospective fees and legal costs). The CBA has consented to this arrangement given it forms part of the secured money.

We note that the payment of any remuneration to the voluntary administrators is subject to approval of the creditors.

We have not been indemnified in relation to this Administration, other than any indemnities that we may be entitled to under statute, and we have not received any up-front payments in respect of our remuneration or disbursements, other than the \$750,000 described above.

DATED this 3rd day of April 2023



Sam Marsden
Joint and Several Administrator



Jason Tracy
Joint and Several Administrator



Salvatore Algeri
Joint and Several Administrator



Tim Norman
Joint and Several Administrator

Notes:

1. If circumstances change, or new information is identified, we are required under the Corporations Act 2001 (Cth) and the ARITA Code of Professional Practice to update this Declaration and provide a copy to creditors with our next communication as well as table a copy of any replacement declaration at the next meeting of the insolvent's creditors.
2. Any relationships, indemnities or up-front payments disclosed in the DIRRI must not be such that the Practitioner is no longer independent. The purpose of Components A, 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.

Schedule A

Lloyd Group of Companies, all Administrators Appointed

	Company Name	ACN
1	Lloyd Group Investments Pty Ltd	633 451 948
2	Lloyd Group Holdings Pty Ltd	166 014 606
3	Lloyd Group Properties Pty Ltd	164 434 039
4	Lloyd Group (NSW) Pty Ltd	633 177 509
5	Lloyd Group (Vic) Pty Ltd	650 104 920
6	Lloyd Group Pty Ltd	069 674 479

Schedule B – Detailed list of engagement meetings

Date	Deloitte Australia attendees	Company attendees	Agenda / subject of discussion
23 March 2022	Salvatore Algeri, Jason Tracy, Sam Marsden and Deloitte Australia Team Members	Companies: Dustin Lloyd (Director), Clinton Lloyd (Director) Nick Edwards (Hamilton Locke)	In-person background discussion regarding the voluntary administration process in Australia, including recent experience. Introduction and overview of the contingency planning purpose and approach
24 March 2023	Jason Tracy, Sam Marsden and Deloitte Australia Team Members	Companies: Dustin Lloyd (Director), Clinton Lloyd (Director)	Contingency planning progress
25 March 2023	Sam Marsden	Companies: Dustin Lloyd (Director), Clinton Lloyd (Director)	Contingency planning progress
26 March 2023	Sam Marsden	Companies: Dustin Lloyd (Director), Clinton Lloyd (Director)	Contingency planning progress
28 March 2023	Sam Marsden	Companies: Dustin Lloyd (Director), Clinton Lloyd (Director)	Contingency planning progress
28 March 2023	Jason Tracy	Companies: Dustin Lloyd (Director)	Contingency planning progress
28 March 2023	Sam Marsden & Jason Tracy	Companies: Dustin Lloyd (Director), Clinton Lloyd (Director)	Contingency planning progress
29 March 2023	Sam Marsden	Companies: Dustin Lloyd (Director), Clinton Lloyd (Director)	Contingency planning progress
30 March 2023	Sam Marsden and Deloitte Australia Team Members	Companies: Dustin Lloyd (Director), Clinton Lloyd (Director), Clair Main (People and Culture Manager) Andrew Sale (General Manager, Victoria) Jeremy McLennan (CFO)	Contingency planning progress

Annexure B – Notice of Meeting of Creditors

Section 436E & 450A
Corporations Act 2001

5.3A.03A & 5.3A.07A & 5.6.75
Corporations Regulations 2001

Insolvency Practice Rules (Corporations)
75-10, 75-15, 75-20, 75-35, 75-40, 75-225

NOTICE OF FIRST MEETING OF
CREDITORS OF COMPANIES UNDER ADMINISTRATION
AND
NOTICE OF APPOINTMENT
OF JOINT AND SEVERAL ADMINISTRATORS

**Lloyd Group Pty Ltd (ACN 069 674 479)
and certain entities listed in Schedule A
(All Administrators Appointed)
(the Companies)
(Trading as Lloyd Group)**

On 31 March 2023 the Companies under section 436A of the *Corporations Act 2001* appointed Sam Marsden, Sal Algeri, Jason Tracy and Timothy Norman of Deloitte Financial Advisory Pty Ltd, Grosvenor Place, 225 George Street NSW 2000 as the Joint and Several Administrators of the Companies.

Notice is given under *Insolvency Practice Rules (Corporations)* (**IPR**) section 75-225 that a virtual concurrent meeting of creditors of the Companies (the **Meeting**) will be held:

Date: Wednesday, 12 April 2023

Time: 10:00AM (AEST)

URL: <https://aurestructuring.deloitte-halo.com/Lloyd>

All creditors are expected to attend by electronic means, and no physical place of meeting will be made available.

The purpose of the meeting is to:

- a. inform creditors of the administration process; and
- b. determine whether to appoint a committee of inspection.

At the meeting, creditors may also, by resolution:

- a. remove the Joint and Several Administrators from office (if applicable); and
- b. appoint someone else as administrator of the Companies.

Votes to be taken on a poll

Votes taken at the Meeting will be taken on a poll. This means that, to calculate the outcome of each resolution, the Administrators 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.

Attendance at this meeting is not compulsory.

Creditors may access electronic proofs of debt via the Deloitte Halo platform from 3 April 2023 at <https://aurestructuring.deloitte-halo.com/Lloyd>. Electronic proxy forms will also be available to creditors in the Deloitte Halo platform. Creditors will be notified via email when that occurs.

Proofs of debt must be lodged on the Deloitte Halo platform by 5:00PM (AEST) on Tuesday, 11 April 2023.

Creditors may attend virtually and vote in person electronically, by proxy or attorney. The appointment of a proxy must be in the approved form. A special proxy can be lodged confirming approval or rejection of each resolution.

Proxy forms must be lodged through the Halo platform not later than 5:00PM (AEST) on Tuesday, 11 April 2023. An attorney of the creditor must show the instrument by which he or she is appointed to the Chairperson of the meeting, prior to the commencement of the meeting.

Please note under IPR section 75-25 if you wish to participate in the meeting using such facilities you must give the convenor not later than 5.00PM (AEST) on Tuesday, 11 April 2023 a written statement, lodged via the Deloitte Halo platform, setting out:

- i. the name of the person and of the proxy or attorney (if any); and
- ii. an email address to which notices to the person, proxy or attorney may be sent; and
- iii. a method by which the person, proxy or attorney may be contacted for the purposes of the meeting.

Upon receipt of the above mentioned statement of participation, a link for the virtual meeting will be displayed after you log onto the Deloitte Halo platform.

Please note that additional guides on the process of lodging a claim and registering/voting for the meeting can be found in the Halo platform here – <https://aurestructuring.deloitte-halo.com/Lloyd>.

Dated: 3 April 2023



Sam Marsden
Joint and Several Administrator
Deloitte Financial Advisory Pty Ltd
225 George St
SYDNEY NSW 2000

GUIDANCE NOTES

Participating at a virtual meeting

The virtual meeting will be hosted using Microsoft Teams Live Events technology and is accessible by registering to vote at the following link <https://aurestructuring.deloitte-halo.com/Lloyd>.

The Microsoft Teams Live Events technology and Halo platform together enable all participants at the virtual meeting a reasonable opportunity to participate in a vote taken at the meeting, and to ask questions via the Microsoft Teams Live Events technology, without being physically present.

A creditor or proxy is able to participate in a vote taken at the meeting by voting on the Halo platform. Given the nature of the proposed resolutions at the Meeting, the creditor or proxy will only be able to vote at the Meeting in real-time as per announcements by the Chairperson of the Meeting. When voting commences, the eligible creditor or the creditor's proxy can lodge their vote by logging into Halo and clicking 'Start Voting' on the 'Claims' dashboard.

Only registered attendees are entitled to ask questions during the meeting. Due to the number of creditors that will be in attendance at the meeting, there are two options to submit questions:

1. Ask a question during the Meeting via the question and answer function available through the Microsoft platform.
2. Submit a question to be answered in advance via direct messaging to the Administrators' office in your Halo profile.

Questions submitted via the above means will then be collated and answered by the Administrators, who will use their best endeavours to answer all questions of creditors during allocated question and answer time.

Please note that, due to the number of creditors in attendance there will be no opportunity to ask a question verbally during the meeting. When submitting a question in the Microsoft Teams Live Event, please make sure you disclose your full name and the organisation which is a creditor of any of the companies in the Companies when submitting the question so that the Administrators can address your question directly and disclose to the meeting who is asking the question.

To ensure the meeting runs in a controlled manner, the Administrators will allow creditors to ask questions prior to the meeting which can then be answered by the Chairperson in the meeting. During the meeting, creditors will be able to ask questions through the Q&A chat functionality in the Microsoft Teams platform, which will be answered during the meeting of creditors. Final decisions regarding the technological features that may be employed will be made at the meeting.

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 the value of such debt or claim 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 Companies directly, or may be liable to the Companies 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.

Annexure C – Nomination for Committee of Inspection

**Lloyd Group Pty Ltd (ACN 069 674 479)
and certain entities listed in Schedule A
(All Administrators Appointed)
(the Companies)
(Trading as Lloyd Group)**

Insolvency Practice Schedule (Corporations) s80-15

NOMINATION FOR COMMITTEE OF INSPECTION

At the meeting of creditors to be held on Wednesday, 12 April 2023, a resolution will be proposed to determine whether to form a committee of inspection (**COI**) for each of the Companies. Should the creditors decide in favour, a COI will be duly formed. In this regard, we are seeking nominations from creditors for each of the Companies to be appointed to the relevant COI. If you would like to nominate yourself/your company to be appointed to the COI, please complete the details below and return this form via email to lloydgroup@deloitte.com.au no later than by 10:00AM (AEST) on Tuesday, 11 April 2023.

Duties and obligations of committee members:

Please read the attached information sheet at **Annexure G** prepared by the Australian Restructuring Insolvency & Turnaround Association (**ARITA**) which we would normally send after a creditor has been appointed, however, in this case, we are sending it prior to your nomination as it provides important information about the role and powers of a COI.

I am a creditor of the Companies "checked" in the list on the below in the amount of \$_____ and have duly lodged a claim in the administration. I have read the information provided and understand my duties and obligations should I be appointed to the proposed committee

Name of creditor:	
Creditor address:	
Contact name:	
Position:	
Email Address:	
Contact number:	

Return to: lloydgroup@deloitte.com.au

Annexure D – Initial Remuneration Notice

Initial Remuneration Notice

Lloyd Group Pty Ltd (ACN 069 674 479) and certain entities listed in Schedule A (All Administrators Appointed) (the Companies) (Trading as Lloyd Group)

The purpose of the Initial Remuneration notice is to provide you with the information about how we propose our remuneration for undertaking the 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:

1. **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.
2. **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.
3. **Percentage:** The total fee charged is based on a percentage of a particular variable, such as the gross proceeds of assets realisations.
4. **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 we propose that our remuneration be calculated on time based / hourly rates. This is because:

- It ensures that creditors are only charged for work that is performed
- We are 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.
- We are unable to estimate with certainty the total amount of fees necessary to complete all tasks required in the administration
- We 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
- The method provides full accountability in the method of calculation.

Details of the hourly rates are included below.

3. Explanation 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 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.

Title	Description	Hourly Rate (Excl GST)
Appointee	Registered liquidator. Brings his or her specialist skills to the administration or insolvency task.	\$890
Partner	Registered liquidator. Brings his or her specialist skills to the administration or insolvency task.	\$890
Principal/ Consultant	Typically CA or CPA qualified with in excess of 10 years' experience on insolvency matters with a number of years at manager level. Answerable to the appointee but otherwise responsible for all aspects of an administration. Capable of controlling all aspects of an administration. May be appropriately qualified to take appointments in his/her own right.	\$780
Director	Typically CA or CPA qualified with in excess of 7 years' experience on insolvency matters with a number of years at manager level. Answerable to the appointee but otherwise responsible for all aspects of an administration. Capable of controlling all aspects of an administration. May be appropriately qualified to take appointments in his/her own right.	\$780
Associate Director	Typically CA or CPA qualified with in excess of 5 years' experience on insolvency matters with a number of years at manager level. Answerable to the appointee and responsible for material aspects of an administration. Experienced in and capable of controlling most aspects of an administration.	\$675
Manager	Typically CA or CPA qualified with 5 to 8 years' experience working on insolvency matters. Will have experience conducting administrations and directing a number of staff.	\$580
Senior Analyst	Typically completed or near completion of CA or CPA qualifications with 3 to 6 years insolvency experience. Assists in planning and control of smaller matters as well as performing some more difficult tasks on larger matters.	\$500
Analyst	Typically studying towards CA or CPA qualification with 1 to 4 years insolvency experience. Works under supervision of more senior staff in performing day-to-day fieldwork.	\$460
Graduate	Junior staff member who has completed a university degree with less than one year's experience working on insolvency matters. Works under supervision of more senior staff in performing day-to-day fieldwork. This may include staff located in other offices of Deloitte overseas. These staff work under the supervision of Australian staff with insolvency experience.	\$350
Secretary	Advanced secretarial skills	\$250
Other Clerical	Support secretarial and administrative skills	\$250
Other Junior	Junior staff member who has not yet completed a university degree with less than one year's experience working on insolvency matters. Works under supervision of more senior staff in performing day-to-day fieldwork.	\$315

4. Estimate of the cost of the administration

We estimate that this administration will cost approximately \$1,000,000 to \$1,500,000 (excluding GST, legal fees and disbursements) to complete, subject to the following variables which may have a significant effect on this estimate and that we are unable to determine at this early stage in the administration:

- The timing and nature of a sale of the business, including whether a Deed of Company Arrangement will be required and our level of involvement in same.
- Matters that may arise from our investigation into the affairs of the Companies.

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 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.

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

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

For this engagement, we are using the Halo platform for communicating with creditors, managing claims and proofs of debt, collecting proxies and facilitating live voting at creditor meetings, managing creditor documents and the collection of bank account details and distribution of funds in the event of a dividend.

Given the size of this administration and volume of creditors, data and documentation involved, the fees relevant to the Halo platform is \$5,000 plus GST per month.

The fees cover:

- Initial set up of Halo platform for engagement
- Ongoing costs associated with server capacity, especially around significant events (e.g. 1st and 2nd creditors meetings)
- Securing sufficient hard disc drive storage capacity for creditor data and documentation
- Unlimited run time of webpage and platform, with 24 hours, 7 days a week accessibility for creditors

We believe that this cost is reasonable, as the Halo platform allows us to leverage advanced analytics and processes which reduces 'manual data entry' work thereby minimising staff time and therefore costs. This allows the Deloitte team to focus on more value-adding tasks for creditors in a more timely and cost-effective manner than the alternative manual process.

Details of the basis of recovering disbursements in this administration are set out in the table below.

Disbursement type	Rate (Excl GST)
External professional services	At cost
External non-professional services	
Advertising (other than ASIC public notices)	At cost
Photocopying, printing & postage (externally provided)	At cost
Halo	\$5,000 per month
Search fees	At cost
Firm non-professional costs:	
Administration fee*	\$600 fixed fee

* This fee contributes towards costs incurred by my firm in the administration of the engagement. Such costs include, amongst other things, variable levies incurred when certain notices are lodged with ASIC or advertised on the ASIC public notice website pursuant to *The ASIC Supervisory Cost Recovery Levy Act 2017*, the licensing and use of insolvency software to assist with the creation, preparation and maintenance of proper administration records, telephone calls and internal photocopying and printing. Based upon internal analysis of average costs incurred, \$600 is, in my opinion a reasonable commercial claim.

Dated: 3 April 2023



Sam Marsden
Joint and Several Administrator

Annexure E – ASIC Information Sheet – Voluntary Administration: A guide for creditors

Voluntary administration: A guide for creditors

This is **Information Sheet 74 (INFO 74)**. It provides information for unsecured creditors of companies in voluntary administration.

This information sheet covers:

- [who is a creditor?](#)
- [the purpose of voluntary administration](#)
- [the voluntary administrator's role](#)
- [effect of appointment](#)
- [voluntary administrator's liability](#)
- [creditors' meetings](#)
- [voting at a creditors' meeting](#)
- [company returned to directors](#)
- [liquidation](#)
- [deed of company arrangement](#)
- [approval of administrator's fees](#)
- [proposals to creditors without a meeting](#)
- [committee of inspection](#)
- [directors and voluntary administration](#)
- [other creditor rights](#)
- [questions and complaints](#)

Who is a creditor?

You are a creditor if the company owes you money. You may be owed money because you:

- supplied goods or services to the company
- made loans to the company
- paid for goods or services that you have not received
- are an employee owed money for unpaid wages and other entitlements.

A 'contingent creditor' is owed money by the company if a certain event occurs (e.g. if they succeed in a legal claim against the company).

Creditors might be secured or unsecured:

- A **secured creditor** holds a **security interest**, such as a mortgage, in some or all the company's assets, to secure a debt owed by the company. Lenders usually require a security interest in company assets when they provide a loan. If the creditor wants to ensure their security interest over personal property other than land is enforceable and given priority in an insolvency, they should register the security on the Personal Property Securities Register (PPSR). You can [search the PPSR](#) to find out if anyone holds a security interest (other than a mortgage over land) in the company's assets.
- An **unsecured creditor** does not hold a security interest in the company's assets.

Employees are a special category or class of unsecured creditors. Their outstanding entitlements are usually paid before the claims of other unsecured creditors. For more information, see [Information Sheet 75 Voluntary administration: A guide for employees](#) (INFO 75).

All references in this information sheet to 'creditors' are to unsecured creditors unless otherwise stated.

The purpose of voluntary administration

Voluntary administration is designed to resolve a company's future: see [Table 1](#). An independent registered liquidator (the voluntary administrator) takes full control of the company. This allows the director or a third-party time to find a way, if possible, to save the company or its business.

If it is not possible for the director or a third-party to come up with a plan to save the company or its business, the voluntary administrator aims to administer the company's affairs to obtain a better return (payment) to creditors than if the company had been immediately wound up (closed down). A mechanism for achieving these aims is a deed of company arrangement (DOCA).

A DOCA is a binding arrangement between a company and its creditors governing how the company's affairs will be dealt with. It is agreed to after the company enters voluntary administration. The DOCA is generally proposed by the director or any third-party, usually in consultation with the voluntary administrator, and is administered by a deed administrator (usually the registered liquidator who was the voluntary administrator).

A company's director(s) usually appoint/s a voluntary administrator after they determine the company is insolvent or likely to become insolvent. Less commonly, a liquidator, provisional liquidator, or [secured creditor](#) may appoint a voluntary administrator.

Table 1: The voluntary administration process

Step	What happens
Appointment of voluntary administrator	<p>A voluntary administrator can be appointed by:</p> <ul style="list-style-type: none"> the directors (by resolution of the board and in writing) a secured creditor (with a security interest in all or substantially all of the company's property) a liquidator (or provisional liquidator). <p>Voluntary administration begins on the appointment of the voluntary administrator.</p>
First meeting of creditors	<p>The voluntary administrator must hold the first meeting of creditors within eight business days of being appointed, unless the court allows an extension of time.</p> <p>At least five business days' notice of the meeting must be given to creditors.</p> <p>Creditors can vote at the meeting to:</p> <ul style="list-style-type: none"> replace the administrator, and/or form a committee of inspection.
Voluntary administrator's investigation and report	<p>The voluntary administrator must investigate the company's affairs and report to creditors on the alternative options available to the company (see below options)</p>

Step	What happens
Second meeting of creditors – meeting to decide company's future	<p>The voluntary administrator must hold the meeting to decide the company's future within 25 business days of being appointed (or 30 business days if the appointment is around Christmas or Easter), unless the court allows an extension of time.</p> <p>At least five business days' notice of the meeting must be given to creditors.</p> <p>Creditors can decide at this meeting to:</p> <ul style="list-style-type: none"> • return the company to the directors' control • accept a DOCA (the deed must be signed by the company within 15 business days following the meeting, unless the court allows an extension of time), or • put the company into liquidation (this happens immediately, and the administrator usually becomes the liquidator).

A company in voluntary administration may also be in receivership. For more information, see [Information Sheet 54 Receivership: A guide for creditors](#) (INFO 54).

The voluntary administrator's role

After taking control of the company, the voluntary administrator investigates and reports to creditors about the company's business, property, affairs and financial circumstances. They also report on the following three options available to creditors (including employees):

- end the voluntary administration and return the company to the directors' control
- approve a DOCA through which the company will pay all or part of its debts and then be free of those debts
- wind up the company and appoint a liquidator.

The voluntary administrator must give an opinion on each option, including an opinion on any DOCA proposal, and recommend which option is in the best interests of creditors.

In doing so, the voluntary administrator tries to:

- determine possible solutions to the company's problems
- assess any proposals put forward for the company's future
- compare the possible outcomes of any proposals with the likely outcome in a liquidation.

A creditors' meeting is held about five weeks after the company goes into voluntary administration to decide the company's future. In complex administrations, this meeting may be held later if the court orders.

The voluntary administrator has all the powers of the company and its directors, including the power to sell or close the company's business – or sell individual assets – in the lead up to creditors deciding the company's future.

The voluntary administrator is also responsible for reporting to ASIC possible offences by people involved with the company.

At the end of the administration, the voluntary administrator must lodge a detailed account of receipts and payments (known as the 'end of administration return') with ASIC. A copy of this account of receipts and payments may be obtained by searching [ASIC Connect](#) for a fee.

Although the voluntary administrator may be appointed by the directors, they must act fairly and impartially.

Effect of appointment

The effect of the appointment of a voluntary administrator is to provide the company with breathing space while the company's future is resolved. While the company is in voluntary administration:

- unsecured creditors cannot begin, continue or enforce their claims against the company without the administrator's consent or the court's permission
- owners of property (other than perishable property) used or occupied by the company, or people who lease such property to the company, cannot recover their property
- except in limited circumstances, secured creditors cannot enforce their security interest in the company's assets
- creditors or other eligible parties cannot commence a court application to put the company in liquidation
- a creditor holding a personal guarantee from the company's director or other person cannot act under the personal guarantee without the court's consent.

Voluntary administrator's liability

If the voluntary administrator incurs debts for the purchase of goods or services, hiring, leasing, using or occupying property during the administration, under the administrator's authority, they are paid from the available assets of the company as costs of the voluntary administration. The administrator is personally liable to pay these costs, or any shortfall if there are insufficient funds available from company asset sales.

To have the benefit of this protection as a provider of goods or services to a company in voluntary administration, you should ensure you receive a purchase order authorised in the manner advised by the administrator.

The voluntary administrator must decide whether to continue to use or occupy property owned by another party held or occupied by the company at the time of their appointment.

Within five business days after their appointment, the voluntary administrator must notify the owner of property whether they intend to continue to occupy or use the property and, if they do not intend to continue to occupy or use the property, the location of that property (if known). If the voluntary administrator decides to continue to occupy or use the property, they will be personally liable for any rent or amounts payable that arise after the end of the five business days.

Creditors' meetings

Two creditor meetings must be held during the voluntary administration.

First creditors' meeting

The voluntary administrator must hold the first creditors' meeting within eight business days after the voluntary administration begins.

At least five business days before the meeting, the voluntary administrator must notify as many creditors as practical in writing (provide a notice of meeting) and advertise the meeting. The advertisement must appear on ASIC's Published notices website.

The voluntary administrator must also send to creditors declarations about any relationships they may have or indemnities they have been given. This declaration will allow creditors to consider the voluntary administrator's independence and make an informed decision about whether to replace them with another voluntary administrator of the creditors' choice.

The purpose of the first meeting is for creditors to decide whether they want:

- to form a committee of inspection, and, if so, who will be on the committee
- the existing voluntary administrator to be removed and replaced by a voluntary administrator of their choice.

A committee of inspection may be formed to assist and advise the voluntary administrator. The committee of inspection also monitors the conduct of the voluntary administration, may approve certain steps in the administration and may give directions to the voluntary administrator. The voluntary administrator must have regard to the directions but is not always required to comply with them.

A creditor who wishes to nominate an alternative voluntary administrator at the first meeting must approach a registered liquidator before the meeting and obtain written consent that they would be prepared to act as voluntary administrator. The proposed alternative administrator should give to those attending the meeting declarations about any relationships they may have or indemnities they have been given. The voluntary administrator will only be replaced if the resolution to replace them is passed by the creditors at the meeting.

To be eligible to vote at this meeting, you must lodge details of your debt or claim with the voluntary administrator.

This meeting can be chaired by either the voluntary administrator or any other person nominated in writing by the administrator.

Second creditors' meeting (to decide the company's future)

After investigating the company's affairs and forming an opinion on each of the three options available to creditors, the administrator must provide an opinion on which option is in the best interests of creditors. The administrator must then call a second creditors' meeting. At this meeting, creditors are given the opportunity to decide the company's future.

This meeting is usually held about five weeks after the company goes into voluntary administration (six weeks if the appointment is around Christmas or Easter).

In complex voluntary administrations, more time is sometimes needed for the voluntary administrator to report to creditors. In these circumstances, the court can grant an extension of time to hold the meeting.

The voluntary administrator must chair this meeting.

At least five business days before the meeting, the voluntary administrator must send creditors:

- a notice of meeting
- the voluntary administrator's report
- the voluntary administrator's statement.

These will be accompanied by:

- a claim form (usually a 'proof of debt' form)
- a proxy voting form.

The meeting must also be advertised on ASIC's Published notices website.

Either or both the first and second creditors' meeting may be held using telephone, videoconferencing or web-based meeting facilities.

Voluntary administrator's report

This report must give enough information to explain the company's business, property, affairs and financial circumstances. The report should allow you to make an informed decision about the company's future.

The report should also provide an analysis of any proposals for the future of the company, including the possible outcomes, as well as a comparable estimate of what would be available for creditors in a liquidation.

You should read the voluntary administrator's report before you attend the second meeting or decide to appoint someone else to vote on your behalf at that meeting.

Voluntary administrator's statement

The voluntary administrator's statement must include the voluntary administrator's opinion, with reasons, on each of the options available to creditors, as well as an opinion on which option the voluntary administrator believes is in the best interests of creditors. The options are:

- end the voluntary administration and return the company to the directors
- approve a DOCA (if one is proposed)

- wind up the company and appoint a liquidator.

The voluntary administrator's statement must also include other information known to the voluntary administrator that will allow you to make an informed decision about each of the options above.

The statement must also advise whether there are any voidable transactions where money or property may be recoverable by a liquidator, if one were appointed. Voidable transactions include unfair preferences (certain creditors have been paid in preference to other creditors), unfair loans, insolvent trading and creditor-defeating dispositions, including illegal phoenix activity.

If the director or other third parties provide proposals for a DOCA, the voluntary administrator must provide creditors with a statement giving enough detail about each proposal to enable creditors to make an informed decision. The types of proposals allowed in a DOCA are very flexible.

Typically, a DOCA proposal will provide for the company to pay all or part of its debts, possibly over time, and then be free of those debts. It will often provide for the company to continue trading. How these things will happen varies from case to case because the terms allowed in a DOCA are also very flexible.

You should insist on being provided with as much information about the terms of the proposed DOCA as possible before the creditors' meeting. The minimum contents of a DOCA provide a guide on the information you might request if it has not already been provided.

Contact the voluntary administrator before the meeting if you believe the voluntary administrator's report or statement does not contain sufficient information to allow you to decide the company's future.

Voting at a creditors' meeting

To vote at any creditors' meeting you must lodge details of your debt or claim with the voluntary administrator. Usually, the voluntary administrator will provide you with a form called a proof of debt to complete and return before the meeting.

The chairperson of the meeting decides whether to accept the debt or claim for voting purposes. The chairperson may decide a creditor does not have a valid claim. In this case, they may not allow the creditor to vote. If the chairperson is not sure whether to accept the debt or claim, they must mark the vote as 'objected to' and allow the creditor to vote subject to the vote being declared invalid if the objection is sustained. This decision is only for voting purposes. It is not relevant to whether a creditor will receive a dividend (payment of their claim).

You can appeal to the court within 10 business days after the chairperson decides to accept or reject a proof of debt or claim for voting purposes.

A secured creditor can vote for the full amount of their debt without having to deduct the value of their security interest.

Voting by proxy

You can appoint an individual as proxy to attend and vote at a meeting on your behalf. Creditors who are companies will have to nominate a person as proxy so they can participate in the meeting. You do this by completing a proxy form sent out with the notice of meeting. You must provide the completed proxy form to the voluntary administrator before the meeting.

An electronic proxy form may be used if the liquidator allows electronic lodgement.

A 'special proxy' is used when you specify on the proxy form how the proxy is to vote on specified resolutions (the actual resolution wording is on the form). The proxy holder must vote in accordance with that instruction and cannot change the voting at the meeting. Further, the resolution specified in the form is the one you are voting on and if a different resolution is proposed (or the resolution is changed) then your special proxy vote should not be counted because you have not indicated how you will vote on that changed or different resolution. A 'general proxy' is used when you leave it to the proxy holder to decide how to vote on each resolution.

You can appoint the chairperson to represent you through either a special or general proxy. The voluntary administrator or one of their partners or employees must not use a general proxy to vote in favour of a resolution approving payment of

the voluntary administrator's fees.

Manner of voting

To vote on any resolution put to a creditors' meeting, creditors state aloud their agreement or disagreement, or a 'poll' is taken

If voting is on the voices, the resolution is passed if a majority present indicate agreement. It is up to the chairperson to decide if a majority is reached.

After the vote, the chairperson must tell those present whether the resolution passed or failed. If the chairperson cannot determine the outcome of a resolution on the voices, they may conduct a poll.

A person participating and entitled to vote can also demand a poll. If a poll is demanded, it must be taken immediately, and the chairperson determines how to take this poll.

If you intend to demand a poll, you must do so before, or as soon as, the chairperson has declared the result of a vote on the voices.

When a poll is taken, a resolution is passed if *both*:

- more than half the number of creditors who are voting (in person or by proxy) vote in favour of the resolution
- those creditors owed more than half of the total debt owed to creditors at the meeting vote in favour of the resolution.

This is referred to as a 'majority in number and value'. If a majority in both number and value is not reached under a poll (deadlock), the chairperson has a casting vote.

Chairperson's casting vote

When there is a deadlock, the chairperson may use their casting vote (except for resolutions to approve their remuneration) either in favour of or against the resolution. If the resolution relates to the liquidator's removal, the chairperson may only exercise the casting vote in favour of their removal. The chairperson may also decide not to use their casting vote, and then the deadlocked resolution is not passed.

The chairperson must inform the meeting (and include in the written minutes of meeting lodged with ASIC) the reasons why they did or did not to use their casting vote.

If you are dissatisfied with how the chairperson exercised their casting vote or failed to use their casting vote, you may, in specified circumstances, apply to the court for a review of the chairperson's decision. The court may vary or set aside the resolution or order the resolution is taken to have been passed.

Votes of related creditors

If directors and shareholders, their spouses, relatives and other entities controlled by them are creditors of the company, they are entitled to attend and vote at creditors' meetings, including the meeting to decide the company's future.

If a resolution is passed or defeated based on related creditor votes and you are dissatisfied with the outcome, you may, in specified circumstances, apply to the court for the resolution to be set aside and/or for a fresh resolution to be voted on without related creditor votes. Certain criteria must be met before the court will make such an order (e.g. the original result of the vote is against the interests of all or a class of creditors).

Deciding how to vote at the second meeting

How you vote at the meeting on the three possible options, as well as any competing proposals for a DOCA, is a commercial decision based on your assessment of the company and its future prospects, and your personal circumstances. The information provided by the voluntary administrator, including opinions expressed, will assist you. However, you are not obliged to accept the administrator's recommendation.

If you do not consider you have been given enough information to decide how to vote, and particularly whether to vote for any DOCA proposal, you can ask for a resolution to be put to creditors that the meeting be adjourned (up to a maximum

of 45 business days) and for the administrator to provide more information. You must make this request before a vote on the company's future. This resolution must be passed for the adjournment to take place.

Creditors also have the right, when a DOCA is proposed and considered at the meeting, to negotiate specific requirements into the terms of the DOCA (e.g. how the deed administrator is to report to creditors on the progress of the DOCA).

Any request to vary the DOCA proposal to include such requirements should be made before the vote takes place.

Minutes of meeting

The chairperson must prepare minutes of each meeting and a record of those who were present at each meeting.

The minutes must be lodged with ASIC within 10 business days of the meeting. A copy of the minutes of meeting may be obtained by searching [ASIC Connect](#) for a fee.

Company returned to directors

Rarely, creditors will resolve to return the company to its directors. If the company is returned to the directors, the directors are responsible for ensuring the company pays its outstanding debts as they fall due.

Liquidation

If creditors resolve the company go into liquidation, the voluntary administrator becomes the liquidator, unless creditors vote at the second meeting to appoint a different liquidator of their choice. The liquidation is a creditors' voluntary liquidation with any payments of [dividends](#) to creditors made in the order set out in the *Corporations Act 2001* (Corporations Act). For more information, see [Information Sheet 45 Liquidation: A guide for creditors](#) (INFO 45).

Deed of company arrangement

If creditors vote that the company enter a DOCA, the company must sign the deed within 15 business days of the creditors' meeting, unless the court allows a longer time. If this does not happen, the company will automatically go into liquidation, with the voluntary administrator becoming the liquidator.

The DOCA binds all [unsecured creditors](#), even if they voted against the proposal. It also binds owners of property, those who lease property to the company and secured creditors, if they voted in favour of the DOCA. In certain circumstances, the court can also order that these people are bound by the deed even if they did not vote for it. The DOCA does not prevent a creditor who holds a personal guarantee from the company's director or another person acting under the personal guarantee to be repaid their debt.

Contents of the deed

Whatever the nature of the DOCA, it must contain certain information, including the:

- name of the deed administrator
- property that will be used to pay creditors
- debts covered by the DOCA and the extent to which those debts are released
- order in which the available funds will be paid to creditors (the DOCA must ensure that employees have a [priority](#) in payment of outstanding employee entitlements unless eligible employees agree by a majority in both number and value to vary this priority)
- nature and duration of any suspension of rights against the company
- conditions (if any) for the DOCA to come into or continue operation
- circumstances in which the DOCA terminates.

There are also certain terms that will be automatically included in the DOCA, unless the DOCA says they will not apply. These are called the '[prescribed provisions](#)'. They include the powers of the deed administrator, termination of the DOCA and the appointment of a [committee of inspection](#).

The voluntary administrator's report should tell you which prescribed provisions are proposed to be excluded or varied and, if varied, how.

Monitoring the deed

The deed administrator must ensure the company (or others who have made commitments under the DOCA) carries through the commitments. The extent of the deed administrator's ongoing role will be set out in the DOCA.

Creditors can also play a role in monitoring the DOCA. If you are concerned that the company's (or others) obligations under the DOCA are not being met, you should promptly take this up with the deed administrator. Matters that may raise concern include deadlines for payments being missed or other actions promised under the DOCA not occurring.

Creditors have the right when a DOCA is proposed and considered at the second meeting to negotiate consequences of failure to meet deadlines into the terms of the DOCA. Any request to vary the DOCA proposal to include consequences should be made before a vote for the DOCA proposal occurs.

A director must notify the deed administrator if they become aware there has been, or is likely to be, a material contravention of the DOCA. In addition, the deed administrator must give notice to creditors as soon as practicable after becoming aware of a material contravention, or likely material contravention, of the DOCA.

A deed administrator must lodge with ASIC a detailed list of their receipts and payments (known as the annual administration return) annually on the anniversary of their appointment and at the end of their administration. A copy of the receipts and payments may be obtained by searching [ASIC Connect](#) for a fee.

Varying the deed

The deed administrator can call a creditors' meeting at any time to consider a proposed variation to the DOCA. The proposed resolutions must be set out in the notice of meeting sent to creditors.

The deed administrator must also call a meeting to consider a resolution to vary the DOCA if:

- the committee of inspection requests it (where there is a committee of inspection)
- creditors pass a resolution requiring the deed administrator call a meeting
- at least 25% in value of creditors request the deed administrator in writing to do so
- less than 25% but more than 10% in value of creditors ask the deed administrator in writing to do so and they pay for the cost of holding the meeting.

If the request to call a meeting is not reasonable, the deed administrator does not have to comply, but they must notify the person or body who made the request and set out reasons why.

The deed administrator may still convene a meeting to consider varying the DOCA if the person or body who made the request agrees (at the deed administrator's request) to pay the costs of calling and holding the meeting.

Payment of dividends under a deed

The order in which creditor claims are paid depends on the terms of the DOCA. Sometimes the DOCA proposal is for creditor claims to be paid in the same order as in a liquidation. Other times, a different order is proposed.

The DOCA must ensure employee entitlements are paid before (in priority to) other unsecured creditors unless eligible employees agreed to vary the order.

Before you decide how to vote at the creditors' meeting, make sure you understand how the DOCA will affect the order of payment of your debt or claim.

You may wish to seek independent legal advice if the DOCA proposes a different order to that in a liquidation, or if creditors approve such a DOCA.

Establishing your claim under a deed

How debts or claims are dealt with under a DOCA depends on the DOCA's terms. Sometimes the DOCA incorporates the Corporations Act provisions for dealing with debts or claims in a liquidation.

Before any dividend is paid to you for your debt or claim, you will need to give the deed administrator information to prove your debt. You may need to complete a 'proof of debt' form. You should attach copies of all relevant invoices or other supporting documents to the claim form because your debt or claim may be rejected if there is insufficient evidence to support it.

If a creditor is a company, the claim form should be signed by a person authorised by the company.

When you submit your claim, ask the deed administrator to acknowledge receipt of your claim and ask if they require any further information.

If the deed administrator rejects your claim, follow the steps outlined in the notice of rejection and/or seek competent legal advice on your options to appeal the decision to reject your claim. Depending on the terms of the DOCA, you may have a limited time to take legal action to challenge the decision.

Contact the deed administrator if you have questions about the calculation of your claim or the timing of the payment.

How a deed comes to an end

A DOCA may end when:

- the obligations under the DOCA have been fulfilled and creditors have been paid
- the DOCA automatically terminates following certain conditions being met (as set out in the DOCA). In this case, the DOCA may provide that the company will go into liquidation because the conditions have been met
- the deed administrator calls a meeting of creditors (on their own initiative or at the direction of creditors or the committee of inspection if one has been formed), and creditors vote to end the DOCA. This may occur because there has been a breach of the DOCA or it is unlikely the terms of the DOCA can be fulfilled. At this time, creditors may be asked to vote to put the company into liquidation, or
- the DOCA is terminated because a creditor, the company, ASIC or any other interested person applies to the court and the court is satisfied that:
 - creditors were provided false and misleading information when the decision to accept the DOCA proposal was made
 - the voluntary administrator's report left out information material to the decision to accept the DOCA proposal
 - the DOCA cannot proceed without undue delay or injustice
 - the DOCA is unfair or discriminatory to the interests of one or more creditors or against the interests of all creditors.

If the court terminates the DOCA as a result of such an application, the company automatically goes into liquidation.

Approval of administrator's fees

Both a voluntary administrator and deed administrator are entitled to be paid for the necessary work they properly perform. Generally, their fees will be paid from available assets before any payments are made to creditors. If there are no – or only limited – assets the administrator is sometimes not paid (or only partially paid) for the work they do. They may arrange for a third party to contribute to their fees.

An administrator/deed administrator is also entitled to ask for approval to pay their estimated future fees (for work yet to be done). This is usually requested to allow them to continue doing work up to a certain point in time (e.g. to achieve a particular outcome) or to the completion of the administration/deed administration.

The fees cannot be paid until the amount has been approved by creditors, a committee of inspection or the court. Creditors, the voluntary administrator or deed administrator, or ASIC can ask the court to review the amount of fees approved. The voluntary administrator or deed administrator can also put a proposal to creditors to approve their fees without holding a meeting.

If you are asked to approve fees at a general meeting of creditors or at a meeting of a committee of inspection, the voluntary administrator or deed administrator must give you a report with sufficient information to help you assess

whether the requested fees are reasonable. This should be given to you at the same time as the notice of the meeting or with the proposal. This report should be in simple language and set out:

- a summary of the major tasks performed or likely to be performed
- the costs of completing those tasks and how they were calculated
- the periods when funds will be drawn to pay the fees
- the estimated total fees or range of fees
- an explanation of the likely impact the fees will have on any payments to creditors
- other information that will assist you to determine whether the fees claimed are reasonable.

If you are in any doubt about how the fees were calculated, ask the voluntary administrator or deed administrator for more information.

If you do not think the fees are reasonable, raise your concerns with the voluntary administrator or deed administrator.

Apart from fees, the voluntary administrator and deed administrator are entitled to reimbursement for out-of-pocket expenses. This reimbursement may require creditor, committee of inspection or court approval.

For further information, see [Information Sheet 85 Approving fees: A guide for creditors](#) (INFO 85).

Proposals to creditors without a meeting

Instead of convening a creditors' meeting, the voluntary administrator or deed administrator can put proposals to creditors by giving notice in writing.

This notice must be given to each creditor entitled to receive notice of a meeting and:

- include a statement of the reasons for the proposal and likely impact the proposal will have on creditors
- invite the creditor to either:
 - vote 'yes' or 'no' for the proposal
 - object to the proposal without a meeting
- specify a reasonable time for the administrator to receive creditor replies.

To vote on the proposal, you must lodge details of your debt or claim with the administrator and complete the provided voting documents.

You can vote 'yes' or 'no' on the proposal and/or object to the proposal without a creditors' meeting. You should return your response to the administrator within the time specified in the notice, which must be at least 15 business days after notice is given to creditors.

A resolution is passed if the majority of creditors in number and value who responded to the notice voted 'yes' and if 25% or less in value of the creditors who responded objected to the proposal being resolved without a creditors' meeting.

The administrator should provide enough information to allow creditors to make an informed decision. Contact the administrator if you need further information to help you decide.

If the proposal without a meeting relates to the approval of remuneration, the voluntary administrator or deed administrator must provide you with the same information as if a meeting had been called.

The administrator must lodge with ASIC a statement about the outcome of the proposal. A copy of the outcome of the proposal may be obtained by searching [ASIC Connect](#) for a fee.

Committee of inspection

A committee of inspection may be formed to assist and advise the voluntary administrator or deed administrator. The committee of inspection also:

- monitors the conduct of the voluntary administrator or deed administrator

- may approve certain steps in the voluntary administration or deed administration
- may give directions to the voluntary administrator or deed administrator.

The voluntary administrator or deed administrator must have regard to the directions but is not always required to comply with them.

In a voluntary administration, the committee may be formed at the first creditors' meeting.

All creditors are entitled to stand for committee membership. Members appointed to the committee of inspection represent the interests of all creditors.

If a creditor is a company, the creditor can nominate, in writing, an individual to represent it on the committee.

A person can be appointed as a member of the committee of inspection by:

- resolution of creditors
- a creditor or group of creditors owed at least 10% of the value of creditors' claims
- an employee or group of employees owed at least 50% in value of outstanding employee entitlements.

A member of the committee of inspection must not directly or indirectly derive any profit or advantage from the administration of the company unless creditors resolve to allow it or a court grants leave to derive the profit or advantage. Deriving a profit or advantage can arise during ongoing trading with the company after the liquidator is appointed.

A committee of inspection has various powers and functions, including to:

- approve the voluntary administrator's or deed administrator's remuneration
- direct the voluntary administrator or deed administrator to convene a creditors' meeting
- request the voluntary administrator or deed administrator to give information, provide a report or produce a document
- obtain specialist advice or assistance (with the prior approval of the voluntary administrator, deed administrator or the court) that the committee considers desirable about the conduct of the voluntary administration or the deed administration.

If the request to convene a meeting or provide information is not reasonable, the voluntary administrator or deed administrator is not required to comply with the request.

A committee of inspection can determine its own procedures and exercises its powers through resolutions passed at meetings of the committee. A resolution is passed by a majority in number of its members present at a meeting. The committee of inspection can only act if a majority of its members attend.

Minutes of meetings of the committee of inspection must be prepared and lodged with ASIC. A copy of the minutes of the committee of inspection meetings may be obtained by searching [ASIC Connect](#) for a fee.

ASIC is entitled to attend a meeting of the committee of inspection.

Directors and voluntary administration

Directors cannot use their powers while the company is in voluntary administration. They must help the voluntary administrator by providing the company's books and records, a [Report on Company Activities and Property](#) and providing any further information about these that the voluntary administrator reasonably requires.

If the company goes from voluntary administration into a DOCA, the directors' powers depend on the DOCA's terms. When the DOCA is completed, the directors regain full control of the company, unless the DOCA provides for the company to go into liquidation on completion.

If the company goes from voluntary administration or a DOCA into liquidation, the directors cannot use their powers. If creditors resolve that the voluntary administration should end, control of the company goes back to the directors.

Other creditor rights

Request for information

Creditors can, by resolution or individually, request the voluntary administrator or deed administrator to give information, provide a report or produce a document.

The voluntary administrator or deed administrator must comply with this request unless:

- the information, report or document is not relevant to the administration
- the voluntary administrator or deed administrator would breach their duties if they complied with the request
- it is not reasonable to comply with the request.

There are rules governing when a direction is not reasonable, including if the voluntary administrator or deed administrator, acting in good faith, thinks that:

- complying with the request would substantially prejudice the interests of one or more creditors or a third party, and that the prejudice outweighs the benefits of complying with the request
- the information would otherwise be privileged from production in legal proceedings
- there is not enough money to cover the costs incurred to comply with the request.

If the direction is not reasonable, the voluntary administrator or deed administrator must notify the requesting party and set out reasons why the request is not reasonable.

If the requesting party agrees to pay the costs of providing the information and security for those costs (if the voluntary administrator or deed administrator requires it), the voluntary administrator or deed administrator must comply with the request.

Appoint a reviewing liquidator

Creditors can resolve to appoint a reviewing liquidator to carry out a review into fees and/or costs incurred by the voluntary administrator or deed administrator. With the voluntary administrator or deed administrator's agreement, one or more creditors may also appoint a reviewing liquidator.

A creditor can also apply for ASIC to appoint a reviewing liquidator: see [Form 5605 Application for ASIC to appoint a reviewing liquidator](#).

Where creditors resolve to appoint a reviewing liquidator, the review is limited to:

- remuneration approved within the six months before the reviewing liquidator is appointed
- costs or expenses incurred during the 12 months before the reviewing liquidator is appointed (unless the voluntary administrator or deed administrator agrees to a longer period).

The reviewing liquidator must be a registered liquidator. A creditor who wishes to appoint a reviewing liquidator must approach a registered liquidator to get written consent that they would be prepared to act as reviewing liquidator. The person must also make a written [declaration about any relationships](#) they or their firm have that might affect their independence to act as reviewing liquidator.

The voluntary administrator or deed administrator, and their staff, must cooperate with the reviewing liquidator.

If creditors pass a resolution to appoint a reviewing liquidator, the reviewing liquidator's costs form part of the expenses of the [external administration](#). If one or more creditors appoint the reviewing liquidator with the consent of the voluntary administrator or deed administrator without passing a resolution, the reviewing liquidator's costs are borne by the creditor(s) who appoint the reviewing liquidator.

Questions and complaints

Contact the voluntary administrator or deed administrator to raise questions or complaints. If this fails to resolve your concerns, including any concerns about their conduct, you can [lodge a report of misconduct with ASIC](#). Reports of misconduct against companies and their officers can also be made to ASIC.

Lodging your report of misconduct online ensures we can quickly respond to your concerns.

ASIC does not usually become involved in matters of a voluntary administrator's or deed administrator's commercial judgement.

More information

- › [Information Sheet 39 *Insolvency information for directors, employees, creditors and shareholders*](#) (INFO 39)
- › [Australian Restructuring Insolvency & Turnaround Association \(ARITA\) website](#)
- › [ARITA Code of Professional Practice for Insolvency Practitioners](#)

Important notice

Please note that this information sheet is a summary giving you basic information about a particular topic. It does not cover the whole of the relevant law regarding that topic, and it is not a substitute for professional advice.

You should also note that because this information sheet avoids legal language wherever possible, it might include some generalisations about the application of the law. Some provisions of the law referred to have exceptions or important qualifications. In most cases your particular circumstances must be taken into account when determining how the law applies to you.

Information sheets provide concise guidance on a specific process or compliance issue or an overview of detailed guidance.

This information sheet was reissued in August 2020.

Last updated: 23/03/2023 01:40

Annexure F – ARITA Information Sheet – Creditor Rights in Voluntary Administration

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 G – ARITA Information Sheet – Committees of Inspection

Information Sheet: Committees of Inspection

You have been elected to be, or are considering standing for the role of, a member of a Committee of Inspection (COI) in either a liquidation, voluntary administration or deed of company arrangement of a company (collectively referred to as an external administration).

This information sheet is to assist you with understanding your rights and responsibilities as a member of a COI.

What is a COI?

A COI is a small group of creditors elected to represent the interests of creditors in the external administration. The COI advises and assists the external administrator and also has the power to approve and request certain things – this is discussed in more detail below.

Membership of the COI is a voluntary, unpaid position.

Who can be elected to a COI?

To be eligible to be appointed as a member of a COI, a person must be:

- A creditor
- A person holding the power of attorney of a creditor
- A person authorised in writing by a creditor; or
- A representative of the Commonwealth where a claim for financial assistance has, or is likely to be, made in relation to unpaid employee entitlements.

If a member of the COI is a company, it can be represented by an individual authorised in writing to act on that creditor's behalf. It also allows the creditor to maintain its representation if a change in the individual is required

A COI usually has between 5 and 7 members, though it can have more, or less, depending on the size of the external administration.

A member of a COI can be appointed by:

- resolution at a meeting of creditors
- an employee or a group of employees owed at least 50% of the entitlements owed to employees of the company
- a large creditor or group of creditors that are owed at least 10% of the value of the creditors' claims,

If an employee or group of employees, or a large creditor or group of creditors, appoints a member to the COI, they cannot vote on the general resolution of creditors to appoint members to the COI. Each of these groups also have the power to remove their appointed member of the COI and appoint someone else.

If you are absent from 5 consecutive meetings of the COI without leave of the COI or you become an insolvent under administration, you are removed from the COI.

What are the roles and powers of a COI?

A COI has the following roles:

- to advise and assist the liquidator, voluntary administrator or deed administrator (collectively referred to as the external administrator)
- to give directions to the external administrator
- to monitor the conduct of the external administration.

In respect of directions, the external administrator is only required to have regard to those directions. If there is a conflict between the directions of the COI and the creditors, the directions of the creditors prevail. If the external administrator chooses not to comply with the directions of the COI, the external administrator must document why.

A COI also has the power to:

- approve remuneration of the external administrator after the external administrator has provided the COI with a Remuneration Approval Report (a detailed report setting out the remuneration for undertaking the external administration)
- approve the use of some of the external administrator's powers in a liquidation (compromise of debts over \$100,000 and entering into contracts over 3 months)
- require the external administrator to convene a meeting of the company's creditors
- request information from the external administrator
- approve the destruction of the books and records of the external administration on the conclusion of the external administration
- with the approval of the external administrator, obtain specialist advice or assistance in relation to the conduct of the external administration
- apply to the Court for the Court to enquire into the external administration.

An external administrator is not required to convene a meeting of creditors if the request by the COI is unreasonable, or provide requested information if the request is unreasonable, not relevant to the administration or would cause the external administrator to breach their duties.

A request to convene a meeting of creditors is unreasonable if:

- it would substantially prejudice the interests of a creditor or third party
- there are insufficient funds in the external administration to cover the cost of the request
- a meeting of creditors dealing with the same matters has already been held or will be held within 15 business days, or
- the request is vexatious.

If a request for a meeting is reasonable, the external administrator must hold a meeting of creditors as soon as reasonably practicable.

A request for information is unreasonable if:

- it would substantially prejudice the interests of a creditor or third party
- the information would be subject to legal professional privilege
- disclosure of the information would be a breach of confidence
- there are insufficient funds in the external administration to cover the cost of the request
- the information has been provided or is required to be provided within 20 business days, or
- the request is vexatious.

If the request for information is not unreasonable, the external administrator must provide the requested information within 5 business days, but the law provides for further time in certain circumstances.

An external administrator must inform the COI if their meeting or information request is not reasonable and the reason why.

How does the COI exercise its powers?

A COI exercises its powers by passing resolutions at meetings of the COI. To pass a resolution, a meeting must be convened and a majority of the members of the COI must be in attendance.

A meeting is convened by the external administrator by giving notice of the meeting to the members of the COI. Meetings of the COI can be convened at short notice. The external administrator must keep minutes of the meeting and lodge them with ASIC within one month of the end of the meeting.

ASIC is entitled to attend any meeting of a COI.

What restrictions are there on COI members?

A member of a COI must not directly or indirectly derive any profit or advantage from the external administration. This includes by purchasing assets of the company or by entering into a transaction with the company or a creditor of the company. This prohibition extends to related entities of the member of the COI and a large creditor(s) that appoints a member to the COI.

Creditors, by resolution at a meeting of creditors, can resolve to allow the transaction. The member of the COI or the large creditor(s) that appoints a member to the COI is not allowed to vote on the resolution.

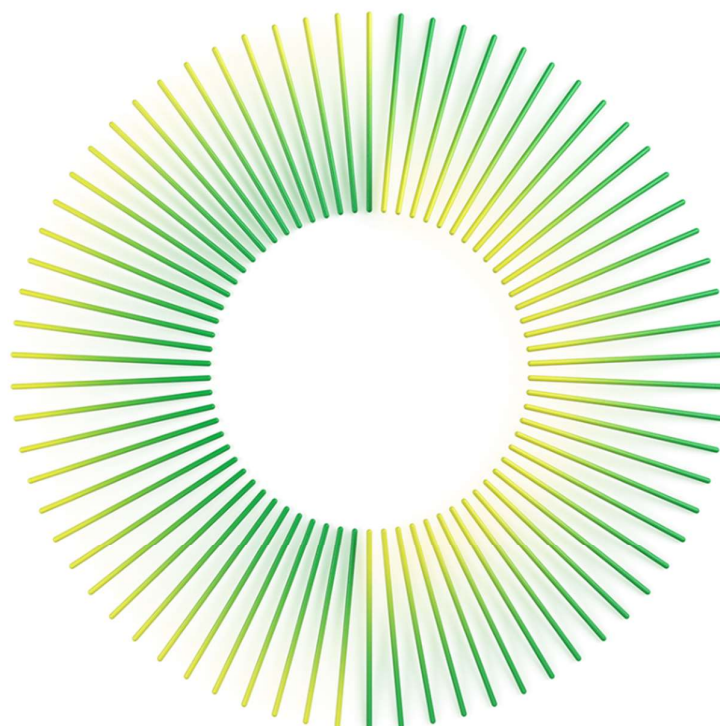
Where can you get more information?

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

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

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




Annexure H – Guide for Lodging a Claim and Voting in Halo



Halo – How to Guide

Lloyd Group Pty Ltd ACN 069 674 479
and certain entities listed in Schedule A
(All Administrators Appointed)
(the Companies)
(Trading as Lloyd Group)

Contents

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	Register in Halo	4
	Add a claim	8

Overview

The Administrators of the entities listed in Schedule A (**the Companies**) will be using Deloitte’s Halo platform as the primary tool for communicating with creditors and managing claims (known as proofs of debt). Halo will also be used to conduct voting on any resolutions for the meetings of creditors.

The Administrators have prepared this guide to assist you as a creditor or potential creditor to understand the steps that must occur to ensure you are appropriately registered and have lodged your claim in Halo. The next three pages set out an overview of these steps. Refer to the later sections of this guide for further details of the specific actions, screens in Halo and FAQs for each of these steps.

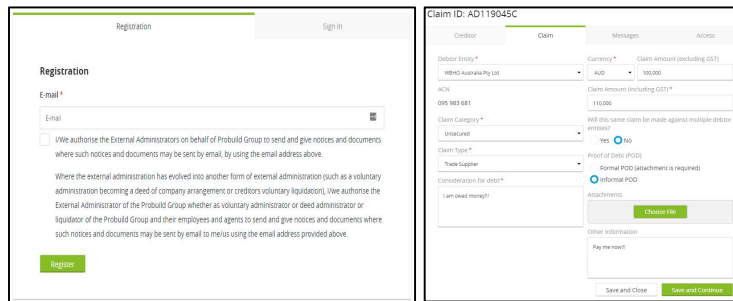
These are the key dates in relation to voting in Halo at the First Meeting of Creditors:

- Initial notice to creditors released **Monday, 3 April 2023**
- Deadline for registering and submitting a claim in Halo **Tuesday, 11 April 2023, 5:00pm (AEST)**
- Deadline for submitting a proxy **Tuesday, 11 April 2023, 5:00pm (AEST)**
- First meeting of creditors held and voting closes **Wednesday, 12 April 2023, 10:00am (AEST)**

1 Register in Halo

You’ll need an email address and basic contact information to register at this page:

<https://aurestructuring.deloitte-halo.com/Lloyd>



2 Add a claim

All images are indicative, actual Halo screens may look slightly different

Adding a claim in Halo requires basic details of your claim, including:

- the company that owes you money;
- the claim type (e.g. financier, employee, subcontractor, trade supplier); and
- a description of the amount you are owed.

You can also upload additional documentation to support your claim for consideration by the Administrators (e.g. copy of invoice).

Please only lodge one claim, for the total amount that you are owed i.e. do not enter multiple claims for each invoice.

1 Register in Halo

Halo is the platform used to manage claims (proofs of debt) during the Administration.

You will need to register in Halo to:

- (1) submit claims and supporting documentation or modify previous claims submitted, and
- (2) provide, verify or update contact information provided to the Administrators.

How to register in Halo

- ✓ Click [here](#) which will direct you to access the 'My Account' page.
- ✓ Enter your chosen email address and authorise your consent to electronic communication (terms and conditions).
- ✓ Once the terms and conditions box is ticked, select '**Register**'. Be sure not to close the Halo webpage at this stage.

Please click [here](#) if you need further guidance or help in registering, signing in or submitting your claims.

Registration Sign In

Registration

E-mail *

E-mail

I/We authorise the External Administrator on behalf of the Virgin Group to send and give notices and documents where such notices and documents may be sent by email, by using the email address above.

Where the external administration has evolved into another form of external administration (such as a voluntary administration becoming a deed of company arrangement or creditors voluntary liquidation), I/we authorise the External Administrator of the Virgin Group whether as voluntary administrator or deed administrator or liquidatory of the Virgin Group and his employees and agents to send and give notices and documents where such notices and documents may be sent by email to me/us using the email address provided above.

Register

- ✓ You will then be sent a verification email with a '**One Time Password (OTP)**' and a verification link to your email address.
- ✓ In the email sent from Halo, you are able to verify your email address by either clicking the **verification link** or entering the listed OTP on the Halo webpage.

Please click [here](#) if you need further guidance or help in registering, signing in or submitting your claims.

Registration Sign In

Registration

Enter the one time password you've received

Verify Account

- ✓ If entering the OTP, enter the digits and click **'Verify Account'** on the Halo webpage. If clicking the verification link, a new webpage will open.
- ✓ Add your contact details into the form and select **'Sign Up'**.

Please click [here](#) if you need further guidance or help in registering, signing in or submitting your claims.

Registration Sign in

Registration

First Name *

Surname *

Phone *


- 61

Are you representing an organisation? *

Yes No

E-mail *

mat@simpson@delloitte.com.au

 Sign in later using this E-mail

Password *

Password

Min 8 Characters Lowercase Uppercase Letters & Numbers Special Characters

Confirm Password *

Confirm Password

Sign Up

FAQs on registering in Halo

What is Halo?

Deloitte's Halo platform is the primary tool for communicating with creditors and managing creditors' claims (proofs of debt). Halo will also be used to conduct voting on any resolutions for meetings of creditors.

Do I need to register? How do I register?

If you are a first-time user, you will need to register in the Halo platform or confirm your email account.

I didn't receive an One Time Password (OTP) email, where is it?

Please check your spam/junk folder for the OTP email. Additionally, OTP emails can take up to 30 minutes or longer to arrive in your inbox depending on the IT security your organisation has in place. If your OTP doesn't arrive after an hour, please contact the Halo team via message in the Halo platform.

My OTP isn't working, what do I do?

If you are getting an **'Invalid OTP'** error when entering your OTP, it is likely the OTP is entered incorrectly, or it has expired. Please request a new OTP. If you are getting an **'Invalid email or password'** error, you are entering the OTP in the wrong field. The OTP should be entered in the box which appears after you request the OTP. Please request a new OTP and do not close the webpage as you will need to enter the OTP here.

I forgot my password, what do I do?

You can reset your password on the **'Sign In'** tab by clicking **'Forgot password'**. You will need to enter the email you registered with. After entering your email and clicking **'Request Password'**, do not close the webpage. A field should appear which says, **'Enter the one-time password you've received'**. Do not enter the OTP in the regular **'Sign in'** tab as you will receive the error message **'Invalid email or password'**. Enter the OTP you received in this field and click **'Verify Account'**. You will then have the option to change your password.

How can I change my contact details?

If you have already registered in the Halo platform, sign in via **'My Account'** to change your username or contact number. If you have not registered or signed in to the Halo platform, you can submit a request to change your contact details by emailing the team at lloydgroup@deloitte.com.au. Our team will get back to you and provide assistance.

Why was I asked to provide consent to be contacted before registering?

By registering on this website, you authorise the Administrators to send and give notices and documents where such notices and documents may be sent by email, by using the email address provided.

We will contact you regarding your claim via the email address you have provided. Where the voluntary administration has evolved into another form of external administration (such as a voluntary administration becoming a deed of company arrangement or creditors' voluntary liquidation), you authorise the Administrators of the Companies whether as voluntary administrator or deed administrator or liquidator of the Companies and their employees and agents to send and give notices and documents where such notices and documents may be sent by email to you using the email address provided.

This will help us to efficiently manage the external administration and any other subsequent external administration of the Companies where we are appointees. Naturally, we will not send you anything that does not relate to our role as appointees of the Companies.

What will my information be used for?

The information provided in the Halo platform will be used by the Administrators in carrying out their duties as Voluntary Administrators of the Companies such as management of creditor claims, communications with creditors, assessment of the financial position of the Companies or for preparation of statutory reporting as required by law.

You have various rights in relation to your personal information, including the right to seek access to, or to correct, your information (for more information, please see our [Privacy Statement](#)). More information about how we will handle your personal information, how you can lodge a complaint, how you can contact us and how you may access and seek correction of your information are set out in our Privacy Statement at <https://www2.deloitte.com/au/en/legal/privacy.html>.

At no point are you required to provide sensitive personal information (also called ‘special category’ personal information), such as information about your ethnicity, health and wellbeing or sexuality. If you do choose to include such information in your free-text answers in providing claim information (proof of debt) to the Administrators (i.e. because you think it is relevant to the claim question) this is your consent for Deloitte and the Administrators to collect and process that sensitive personal information. For any other enquiries, you can contact the privacy team at: privacy@deloitte.com.au

2 Add a claim

Once you have verified your account or registered as a new user, you can log in to submit claims (proofs of debt) or modify previous claims provided.

If you have previously submitted a claim it should be displayed on your **'My Claims'** dashboard. If your previously submitted claim is not on your **'My Claims'** dashboard, please contact us by mailing the team at lloydgroup@deloitte.com.au.

To add a claim in Halo

- ✓ Click [here](#) which will direct you to access the **'My Account'** page
- ✓ Click the **'Sign In'** tab and enter your email address and password you registered during the registration process.

Please click [here](#) if you need further guidance or help in registering, signing in or submitting your claims.

Registration | **Sign In**

Sign In

E-mail *

Password *

Sign In [Forgot Password](#)

- ✓ Navigate to **'My Claims'** dashboard.

User Profile

My Claims Dashboard

- ✓ Click **'Add Claim'**

Search Claim, Creditor

Grant Access

Add Claim

- ✓ Fill out the form with the relevant creditor information and click **'Save Creditor'**.

The screenshot shows a form titled "Creditor" with a close button (X) in the top right corner. The form is divided into two main sections: "Creditor Quick Select" and "Creditor Address".

Creditor Quick Select:

- A text input field with the placeholder "Type or double-click for list".
- A link: "+ New Creditor".
- Creditor Type *** with three radio button options: "Company", "Individual", and "Employee".
- A text input field for "Creditor First Name".

Creditor Address:

- Three stacked text input fields for "Street Name 1", "Street Name 2", and "Street Name 3".
- A text input field for "Town/City".
- A text input field for "Postal Code".
- A dropdown menu for "- Select Country -".
- A text input field for "State".

A green button labeled "Save Creditor" is located at the bottom right of the form and is circled in red.

- ✓ Fill out the claim information and upload any supporting documents by selecting **'Choose File'**.

The screenshot shows a section titled "Proof of Debt (POD)" with a dropdown arrow on the left. Below the title are two radio button options: "Formal POD (attachment is required)" and "Informal POD". The "Informal POD" option is selected.

Below the radio buttons is a section titled "Attachments" with a dropdown arrow on the left. Underneath is a grey button labeled "Choose File", which is circled in red.

Below the "Attachments" section is a section titled "Other Information" with a text input field.

- ✓ Once your claim is completed, select **'Save'**.
- ✓ Your claim will now appear on your **'My Claims'** dashboard. Each claim is assigned with a unique claim identification number (**Claim ID**) which is visible on your **'My Claims'** dashboard next to the relevant claim.

FAQs on adding a claim

I need to submit multiple claims. How do I enter these claims?

A separate proof of debt (claim) will need to be registered with the Administrators for each claim against a different company. As such, the online '**Add Claim**' submission form will need to be completed for each claim.

Once a creditor's details have been entered, this creditor will be pre-populated in the claim submission form, so the details do not have to be re-entered when entering multiple claims for the same creditor.

For faster entry of multiple claims by the same creditor, you can click '**Save and New**' to skip selecting the creditor and can quickly enter details of the each of the separate claims for that creditor.

How do I grant others access to my claims?

In the '**My Claims**' dashboard page, select the claims that you would like to grant access to and select the 'Grant Access' button. Provide the email and details of the user that you would like to grant access to and click 'Save'. If the user you are granting access to has not previously accessed the Halo platform, they will need to register a password via one-time pin to access your claim information.

Please note that granting others access to your claims includes giving the invited user the ability to:

- Access claim information and details
- Communicate with the Administrators in relation to the claim via the 'Communications' tab on each claim
- Receive notices related to the claim and to modify, edit or delete the claim
- Add, modify or delete documents attached to the claim
- Add access for other users to the claim
- Nominate a proxy or vote at the creditors' meeting in relation to the claims

How will I know my claim has been received?

When you have completed the online '**Add Claim**' form in Halo and clicked '**Save**' a '**Claim Saved**' confirmation message will appear. Your submitted claims will then appear when you sign in via [My Account](#). '**My Claims**' dashboard will list your submitted claims.

I have claims for a number of creditors under my control (e.g. companies in a group).

How do I enter these claims?

Details for each creditor will need to be provided in the '**Add Claim**' submission form. Then separate claims will need to be registered for each creditor against the appropriate entity belonging to the Companies.

Once a creditor's details have been entered, this creditor will be pre-populated in the claim submission form so the details for that creditor will not have to be re-entered when entering multiple claims for the same creditor.

How do I submit supporting documentation for my claim(s)?

If you have previously registered via the platform and have registered your claim, please sign in to [My Account](#), select the Claim ID of the claim that you would like to submit documentation for and navigate to the '**Communications**' tab. Attach the relevant files such as statements, invoices or contracts and click '**Submit**' to send these documents to the Administrators.

Once uploaded, a blue document indicator will appear next to this claim in the **'My Claims'** dashboard. The uploaded documents will be accessible on the claim details page for that claim when you select the Claim ID of the claim from the **'My Claims'** dashboard.

Schedule A – Companies subject to Voluntary Administration

No.	Company Name	Date of Appointment	ACN
1	Lloyd Group Investments Pty Ltd	31-Mar-23	633 451 948
2	Lloyd Group Holdings Pty Ltd	31-Mar-23	166 014 606
3	Lloyd Group Properties Pty Ltd	31-Mar-23	164 434 039
4	Lloyd Group (NSW) Pty Ltd	31-Mar-23	633 177 509
5	Lloyd Group (Vic) Pty Ltd	31-Mar-23	650 104 920
6	Lloyd Group Pty Ltd	31-Mar-23	069 674 479



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Annexure I – Authorised signatories


**Lloyd Group Pty Ltd (ACN 069 674 479)
and certain entities listed in Schedule A
(All Administrators Appointed)
(the Companies)
(Trading as Lloyd Group)**

Authorised Signatories

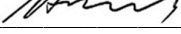
NAME: Sam Marsden

SIGNATURE:  _____

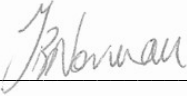
NAME: Sal Algeri

SIGNATURE:  _____

NAME: Jason Tracy

SIGNATURE:  _____

NAME: Tim Norman

SIGNATURE:  _____