

TO THE CREDITOR AS ADDRESSED

31 August 2016

Dear Sir/Madam

**Tasman Civil Underground Pty Ltd
(In Liquidation)
ACN 163 327 955
(the "Company")**

Vaughan Neil Strawbridge and I were appointed Joint and Several Liquidators of the Company by special resolution of the members of the Company passed at a duly convened meeting on the 24 August 2016.

I am required by the Corporations Act 2001 (the "Act") to convene a meeting of the creditors of the Company within 11 days of the members' meeting at which the special resolution to wind up the Company was passed.

Accordingly, please find enclosed:

1. Notice of Meeting of Creditors to be held on 9 September 2016 at 11:00am at the Plaza Ballroom, Hyatt Regency, Perth, Western Australia.
2. Summary of Affairs of the Company.
3. List of creditors setting out their estimated claim amounts.
4. Informal Claim Form (a Formal Proof of Debt is not required for voting purposes but see Note 1 in the Notice of Meeting as to lodging particulars of the debt or claim with the Chairperson through this office).
5. Instrument of proxy.
6. A leaflet for your perusal titled "Information for Creditors".
7. Declaration of Independence / Indemnities & Relevant Relationships.
8. Liquidators' Remuneration Report.
9. ASIC Information Sheet

Should you have any queries in this matter, please contact Michael Buzzo of this office on (08) 9365 8027 or via email at mbuzzo@deloitte.com.au.

Yours faithfully,



Jason Tracy
Joint and Several Liquidator

Encs.

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Member of Deloitte Touche Tohmatsu Limited

FORM 529
CORPORATIONS ACT 2001

Section 497(1)
Subregulation 5.6.12(6)

NOTICE OF MEETING OF CREDITORS

TASMAN CIVIL UNDERGROUND PTY LTD
(IN LIQUIDATION)
ACN 113 204 461

NOTICE IS GIVEN that a meeting of the creditors will be held at the Plaza Ballroom, Hyatt Regency, 99 Adelaide Terrace, Perth, Western Australia on 9 September 2016 at 11:00am.

The purpose of the meeting is:

1. To consider a Report as to Affairs of the Company and the circumstances leading up to the Liquidation of the Company.
2. To consider the appointment of an alternative Liquidator.
3. To consider the appointment of a Committee of Inspection if appropriate.
4. To consider and, if thought fit, approve the remuneration of the Liquidators, their partners and staff for the period from 24 August 2016 to 28 August 2016, in the amount of \$6,852.00 calculated at the hourly rates applicable to the grades or classifications set out in accordance with Deloitte Financial Advisory Pty Ltd's schedule of hourly rates, plus GST and that the Liquidators be authorised to make period payments on account of such accruing remuneration.
5. To consider and, if thought fit, approve the remuneration of the Liquidators, their partners and staff for the period from 29 August 2016 to the finalisation of the Liquidation, in the amount of \$104,510.00 calculated at the hourly rates applicable to the grades or classifications set out in accordance with Deloitte Financial Advisory Pty Ltd's schedule of hourly rates, plus GST and that the Liquidators be authorised to make period payments on account of such accruing remuneration.
6. To consider any other business that may be lawfully brought forward.
7. To consider and, if thought fit, consent to the destruction of the Company's books and records six months after the finalisation of the Liquidation.

Attendance at this meeting is not compulsory. Creditors may attend and vote in person, by proxy or by attorney. The appointment of a proxy must be made in accordance with Form 532.

A specific proxy can be lodged showing approval or rejection of each resolution. Proxy forms or facsimiles thereof must be lodged with our office by 4.00pm on the day prior to the meeting. Where a facsimile copy of a proxy is sent, the original must be lodged with our office within 72 hours after receipt of the facsimile. An attorney of the creditor must show the instrument by which he or she is appointed to the Chairman of the meeting, prior to the commencement of the meeting.

In accordance with Regulation 5.6.23(1) of the Corporations Regulations, creditors will not be entitled to vote at this meeting unless they have lodged particulars of their claim against the Company with us prior to the commencement of the meeting. Telephone conference facilities will be available at the meeting. Please contact Michael Buzzo by email at mbuzzo@deloitte.com.au to obtain the teleconference details.

Please note under Corporations Regulations 5.16.13A:

- (a) A person, or the proxy or attorney of a person, who wishes to participate in the meeting by telephone must give to the liquidator, not later than the second-last working day before the day on which the meeting is to be held, written statement setting out:
 - (i) the name of the person and of the proxy or attorney (if any); and
 - (ii) an address to which notices to the person, proxy or attorney may be sent; and
 - (iii) a telephone number at which the person, proxy or attorney may be contacted; and
 - (iv) any facsimile transmission number to which notices to the person, proxy or attorney may be sent.
- (b) A person, or the proxy or attorney of a person, who participates in the meeting by telephone must pay any costs incurred by the person, proxy or attorney in participating and is not entitled to be reimbursed for those costs from the assets of the company.

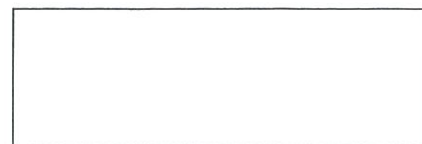
DATED this 31st day of August 2016.



Jason Tracy
Joint and Several Liquidator

Deloitte Financial Advisory Pty Ltd
Tower 2
Brookfield Place
123 St Georges Terrace
Perth WA 6000

Telephone: (08) 9365 7000



Presentation of summary of affairs of a company

Form 509
Corporations Act 2001
497(2)(b)(i)

If there is insufficient space in any section of the form, you may photocopy the relevant page(s) and submit as part of this lodgement

Lodgement details

Who should ASIC contact if there is a query about this form?

Name

Adam Staley

ASIC registered agent number (if applicable)

Company / entity name

Deloitte Financial Advisory Pty Ltd

ACN/ABN/ARBN/ARSN

Telephone number

(08) 9365 8015

Postal address

Tower 2
Brookfield Place
123 St Georges Terrace
PERTH WA 6000

Email address (optional)

astaley@deloitte.com.au

Company details

Company Name

Tasman Civil Underground Pty Ltd

ACN

163 327 955

Summary of assets and liabilities

Date to which summary is made up

Date

29 / 8 / 16

[D D] [M M] [Y Y Y Y]

Continued... Summary of assets and liabilities

| | | valuation (show whether cost or net book amount) | estimated realisable values |
|---|---|--|-----------------------------|
| 1 | assets not specifically charged | | |
| | (a) interest in land | 0 | |
| | (b) sundry debtors | 0 | |
| | (c) cash on hand | 0 | |
| | (d) cash at bank | 4,829 | 4,829 |
| | (e) stock as detailed in inventory | 0 | 0 |
| | (f) work in progress as detailed in inventory | 315,757 | 0 |
| | (g) plant and machinery as detailed in inventory | 61,949 | 30,000 |
| | (h) other assets | 106,755 | 0 |
| 2 | Assets subject to specific charges less amounts owing | 42,091 | 0 |
| | TOTAL assets | 531,381 | 34,829 |
| | TOTAL estimated realisable values | | |
| 3 | less preferential creditors entitled to priority over the holders of debentures under any floating charge | 0 | |
| 4 | less amounts owing and secured by debenture or floating charge over company's assets to: | 0 | |
| 5 | less preferential creditors estimated amount available for unsecured creditors | 220,754 | 220,754 |
| 6 | creditors (unsecured) amount claimed | 942,596 | 942,596 |
| 7 | balances owing to partly secured creditors total claims security held | 0 | |
| 8 | contingent assets estimated to produce | 0 | |
| 9 | contingent liabilities estimated to rank for estimated deficiency/surplus (subject to costs of administration/liquidation) share capital issued paid up | 60,000 | |

Signature

This form must be signed by a Director

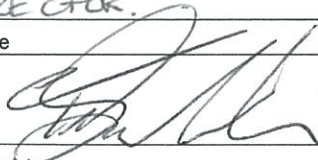
Name of person signing

TONY SMOLENSKI

Capacity

DIRECTOR

Signature



Date signed

29/8/16

Lodgement

Send completed and signed forms to:

Australian Securities and Investments Commission

PO Box 4000, Gippsland Mail Centre VIC 3841

Or lodge the form online by visiting the ASIC website www.asic.gov.au

For more information

Web www.asic.gov.au

Need help? www.asic.gov.au/question

Telephone 1300 300 630

Unsecured Creditors

| Name | Address | | | | | (\$) |
|----------------------------------|-------------------------------|---------------|-----|------|--|------------|
| Allpipe Technologies | 43 Castlecrag Drive | Kallaroo | WA | 6025 | | 3,206.50 |
| Australian Civil Haulage Pty. | Unit 20/28 Belmont Avenue | Belmont | WA | 6104 | | 6,593.76 |
| Australian Taxation Office | Locked Bag 1936 | Albury | NSW | 1936 | | 32,427.00 |
| BGC Concrete | PO Box 7223 | Perth | WA | 6000 | | 6,634.54 |
| Boral Construction Materials | Locked Bag 5025 | Parramatta | NSW | 2124 | | 685.08 |
| Capo & Co Pty Ltd | PO Box 323 | Mt Hawthorn | WA | 6915 | | 2,475.00 |
| Civil Assist Australia | Po Box 1089 | Canning Vale | WA | 6155 | | 197,897.02 |
| Concut Pty Ltd | PO Box 53 | Applecross | WA | 6153 | | 788.70 |
| Conplant Pty Ltd | PO Box 1013 | Ingleburn | NSW | 1819 | | 2,019.60 |
| Department for Planning and In | GPO Box K777 | Perth | WA | 6842 | | 1,716.80 |
| Direct Trades Supply Pty Ltd | 123 Kelvin Road | Maddington | WA | 6109 | | 2,789.05 |
| Dobbie Dico Meter Co | Po Box 3225 | Malaga | WA | 6945 | | 14,291.21 |
| Fasta Couriers & Taxi Trucks | 35B Sarich Court | Osborne Park | WA | 6017 | | 1,047.39 |
| Filters Plus (WA) Pty Ltd | 1 McDermott Street | Welshpool | WA | 6106 | | 249.66 |
| Fortus | PO Box 2000 | Seville Grove | WA | 6112 | | 485.06 |
| Ghems Holdings Pty Ltd | 4 Duffy St | Bassendean | WA | 6054 | | 1,636.80 |
| GM Microtunnelling | 2 Tincombe Grove | Baldivis | WA | 6171 | | 176,619.85 |
| Green & Gold Hiab Services | PO Box 6944 | Malaga | WA | 6944 | | 277.20 |
| Ground Support Systems | Lot 153 Talbot Road | Hazelmere | WA | 6055 | | 11,312.10 |
| Holcim (Australia) Pty Ltd | Tower B Level 8 | Chatswood | NSW | 2067 | | 80,400.54 |
| Kennards Hire Pty Ltd | PO Box 2316 | Burwood | NSW | 1805 | | 1,751.00 |
| JS Langford & RJ Langford | 1304 Rowley Road | Darling Downs | WA | 6122 | | 371.25 |
| The Lifting Company | PO Box 203 | Bentley | WA | 6106 | | 429.00 |
| Mabey Hire Pty Ltd | PO Box 4335 | Loganholme | QLD | 4129 | | 35,654.51 |
| McRobert Contracting Pty Ltd | PO Box 3467 | Success | WA | 6964 | | 907.50 |
| Miniquip Pty Ltd | Po Box 1015 | Bibra Lake | WA | 6965 | | 1,747.90 |
| Mitchell & Horsley Engineering | 30 Wells Street | Bellevue | WA | 6056 | | 440.00 |
| Peak Traffic Management | PO Box 2016 | Mandurah DC | WA | 6210 | | 3,109.16 |
| Permatech | PO Box 1450 | Wangara DC | WA | 6947 | | 517.00 |
| Pirtek Midland | PO Box 3588 | Midland | WA | 6056 | | 100.38 |
| Position Partners Pty Ltd | Unit 1 / 11 Geddes Street | Balcatta | WA | 6021 | | 4,751.82 |
| Prosser Toyota | PO Box 234 | Gosnells | WA | 6990 | | 447.04 |
| RCPA (WA) Pty Ltd | Po Box 1006 | Bibra Lake | WA | 6965 | | 125,469.57 |
| Riverjet Pipeline Solutions | 22-24 Faulkner Ave | Belmont | WA | 6104 | | 4,851.00 |
| Rototherm Australia | 2/84 Barberry Way | Bibra Lake | WA | 6163 | | 517.00 |
| Seek Limited | GPO Box 2335 | Sydney | NSW | 2001 | | 289.30 |
| Simmonds Steel | PO Box 1339 | Wangara | WA | 6947 | | 238.70 |
| S & LJ Rigby Contractors Pty Ltd | 5 Calytrix Rd | Roleystone | WA | 6111 | | 1,562.00 |
| TC Precast | Po Box 2014 | Rockingham | WA | 6967 | | 100,869.45 |
| Tradelink | Locked Bag 71 | Virginia BC | QLD | 4014 | | 514.50 |
| Tuss Group Pty Ltd | PO Box 311 | Gingin | WA | 6503 | | 3,465.00 |
| WA Airsprings | Unit 4 125-129 Welshpool Road | Welshpool | WA | 6444 | | 660.00 |
| WA Bluemetal | PO Box 1457 | Bibra Lake | WA | 6965 | | 15,452.14 |

INFORMAL PROOF OF DEBT FORM

Regulation 5.6.47

TASMAN CIVIL UNDERGROUND PTY LTD
(IN LIQUIDATION)
ACN 163 327 955

Name of creditor:

Address of creditor:

.....

ABN:

Amount of debt claimed:\$.....

(see note)

Amount of GST included:\$.....

Consideration for debt:

Whether debt secured or

unsecured:

If secured, give details of security including dates, etc:

.....

.....

.....

Balance, if any, after deducting value of security (see note):

.....

.....

.....

.....
Creditor
(or person authorised by creditor)

.....
Dated

Note:

Under the Corporations Regulations, a creditor is not entitled to vote at a meeting unless (Regulation 5.6.23):

- a. his claim has been admitted, wholly or in part, by the Joint and Several Liquidators; or
- b. he has lodged with the Joint and Several Liquidators particulars of the debt or claim, or if required, a formal proof of debt.

A secured creditor may vote (Regulation 5.6.24):

- a. for the whole of his debt provided that he surrenders his security;
- b. for the deficiency if the value of the security is less than the amount of the debt.

Proxies must be made available to the Joint and Several Liquidators.

CORPORATIONS ACT 2001

APPOINTMENT OF PROXY
CREDITORS MEETINGTASMAN CIVIL UNDERGROUND PTY LTD
(IN LIQUIDATION)
ACN 163 327 955

*I/*We (1)
 of
 a creditor of Tasman Civil Underground Pty Ltd, appoint (2)

 or in his or her absence
 as *my/our *general/special proxy to vote at the meeting of creditors to be held on 9 September 2016, or at any adjournment
 of that meeting.(3)

(i) to vote on all matters arising at the meeting (IF GENERAL PROXY) ☐

OR

(ii) to vote for or against the following resolutions (IF SPECIAL PROXY)

IMPORTANT: Please Tick "For", "Against" Or "Abstain" Only If Special Proxy

| | For | Against | Abstain |
|--|--------------------------|--------------------------|--------------------------|
| 1. To consider the removal of the Joint and Several Liquidators and the appointment of alternative Liquidators. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. To consider the appointment of a "Committee of Inspection". | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. To consider and, if thought fit, approve the remuneration of the Joint and Several Liquidators, their partners and staff for the period from 24 August 2016 to 28 August 2016, in the amount of \$6,852.00, plus GST calculated at the hourly rates applicable to the grades or classifications set out in accordance with Deloitte Financial Advisory Pty Ltd's schedule of hourly rates, plus GST and that the Liquidators be authorised to make period payments on account of such accruing remuneration. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. To consider and, if thought fit, approve the remuneration of the Joint and Several Liquidators, their partners and staff for the period from 29 August 2016 to the finalisation of the Liquidation, in the amount of \$104,510.00, plus GST calculated at the hourly rates applicable to the grades or classifications set out in accordance with Deloitte Financial Advisory Pty Ltd's schedule of hourly rates, plus GST and that the Liquidators be authorised to make period payments on account of such accruing remuneration. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. To consider and, if thought fit, consent to the destruction of the Company's books and records six months after the finalisation of the Liquidation. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

DATED this day of 2016.

Signature

CERTIFICATE OF WITNESS

This certificate is to be completed only if the person giving the proxy is blind or incapable of writing. The signature of the creditor, contributory, debenture holder or member must not be witnessed by the person nominated as proxy.

I, of
certify that the above instrument appointing a proxy was completed by me in the presence of and at the request of the person appointing the proxy and read to him or her before he or she signed or marked the instrument.

Dated:

Signature of Witness:

Description:

Place of Residence:

* Strike out if inapplicable

- (1) If a firm, strike out "I" and set out the full name of the firm.
- (2) Insert the name, address and description of the person appointed.
- (3) If a special proxy add the words "to vote for" or the words "to vote against" and specify the particular resolution.



ASIC

Australian Securities & Investments Commission

ASIC Guide for

INFORMATION SHEET 85

Approving fees: a guide for creditors

If a company is in financial difficulty, it can be put under the control of an independent external administrator.

This information sheet gives general information for creditors on the approval of an external administrator's fees in a liquidation of an insolvent company, voluntary administration or deed of company arrangement (other forms of external administration are not discussed in this information sheet). It outlines the rights that creditors have in the approval process.

Entitlement to fees and costs

A liquidator, voluntary administrator or deed administrator (i.e. an 'external administrator') is entitled to be:

- paid reasonable fees, or remuneration, for the work they perform, once these fees have been approved by a creditors' committee, creditors or a court, and
- reimbursed for out-of-pocket costs incurred in performing their role (these costs do not need creditors' committee, creditor or court approval).

External administrators are only entitled to an amount of fees that is reasonable for the work that they and their staff properly perform in the external administration. What is reasonable will depend on the type of external administration and the issues that need to be resolved. Some are straightforward, while others are more complex.

External administrators must undertake some tasks that may not directly benefit creditors. These include reporting potential breaches of the law and lodging a detailed listing of receipts and payments with ASIC every six months. The external administrator is entitled to be paid for completing these statutory tasks.

For more on the tasks involved, see ASIC's information sheets *INFO 45 Liquidation: a guide for creditors* and *INFO 74 Voluntary administration: a guide for creditors*.

Out-of-pocket costs that are commonly reimbursed include:

Important note: This information sheet contains a summary of basic information on the topic. It is not a substitute for legal advice. Some provisions of the law referred to may have important exceptions or qualifications. This document may not contain all of the information about the law or the exceptions and qualifications that are relevant to your circumstances. You will need a qualified professional adviser to take into account your particular circumstances and to tell you how the law applies to you.

- legal fees
- valuer's, real estate agent's and auctioneer's fees
- stationery, photocopying, telephone and postage costs
- retrieval costs for recovering the company's computer records, and
- storage costs for the company's books and records.

Creditors have a direct interest in the level of fees and costs, as the external administrator will, generally, be paid from the company's available assets before any payments to creditors. If there are not enough assets, the external administrator may have arranged for a third party to pay any shortfall. As a creditor, you should receive details of such an arrangement. If there are not enough assets to pay the fees and costs, and there is no third party payment arrangement, any shortfall is not paid.

Who may approve fees

Who may approve fees depends on the type of external administration: see Table 1. The external administrator must provide sufficient information to enable the relevant decision-making body to assess whether the fees are reasonable.

Table 1: Who may approve fees

| | Creditors' Committee | Creditors | Court |
|--|----------------------|-------------------|----------------|
| Administrator in a voluntary administration | ✓ ¹ | ✓ | ✓ |
| Administrator of a deed of company arrangement | ✓ ¹ | ✓ | ✓ |
| Creditors' voluntary liquidator | ✓ ¹ | ✓ ⁵ | x ³ |
| Court-appointed liquidator | ✓ ¹ | ✓ ^{4, 5} | ✓ ² |

1. If there is one.

2. If there is no approval by the committee or the creditors.

3. Unless an application is made for a fee review.

4. If there is no creditors' committee or the committee fails to approve the fees.

5. If insufficient creditors turn up to the meeting called by the liquidator to approve fees, the liquidator is entitled to be paid up to a maximum of \$5000, or more if specified in the Corporations Regulations 2001.

Creditors' committee approval

If there is a creditors' committee, members are chosen by a vote of creditors as a whole. In approving the fees, the members represent the interests of all the creditors, not just their own individual interests.

There is not a creditors' committee in every external administration. A creditors' committee makes its decision by a majority in number of its members present at a meeting, but it can only act if a majority of its members attend.

To find out more about creditors' committees and how they are formed, see ASIC's information sheets INFO 45 *Liquidation: a guide for creditors*, INFO 74 *Voluntary administration: a guide for creditors* and INFO 41 *Insolvency: a glossary of terms*.

Creditors' approval

Creditors approve fees by passing a resolution at a creditors' meeting. Unless creditors call for a poll, the resolution is passed if a simple majority of creditors present and voting, in person or by proxy,

indicate that they agree to the resolution. Unlike where acting as committee members, creditors may vote according to their individual interests.

If a poll is taken, rather than a vote being decided on the voices or by a show of hands, a majority in *number* and *value* of creditors present and voting must agree. A poll requires the votes of each creditor to be recorded.

A separate resolution of creditors is required for approving fees for an administrator in a voluntary administration and an administrator of a deed of company arrangement, even if the administrator is the same person in both administrations.

A proxy is where a creditor appoints someone else to represent them at a creditors' meeting and to vote on their behalf. A proxy can be either a *general* proxy or a *special* proxy. A general proxy allows the person holding the proxy to vote as they wish on a resolution, while a special proxy directs the proxy holder to vote in a particular way.

A creditor will sometimes appoint the external administrator as a proxy to vote on the creditor's behalf. An external administrator, their partners or staff must not use a general proxy to vote on approval of their fees; they must hold a special proxy in order to do this. They must vote all special proxies as directed, even those against approval of their fees.

Calculation of fees

Fees may be calculated using one of a number of different methods, such as:

- on the basis of *time spent* by the external administrator and their staff
- a quoted *fixed fee*, based on an upfront estimate, or
- a percentage of asset realisations.

Charging on a time basis is the most common method. External administrators have a scale of hourly rates, with different rates for each category of staff working on the external administration, including the external administrator.

If the external administrator intends to charge on a time basis, you should receive a copy of these hourly rates soon after their appointment and before you are asked to approve the fees.

The external administrator and their staff will record the time taken for the various tasks involved, and a record will be kept of the nature of the work performed.

It is important to note that the hourly rates do not represent an hourly wage for the external administrator and their staff. The external administrator is running a business—an insolvency practice—and the hourly rates will be based on the cost of running the business, including overheads such as rent for business premises, utilities, wages and superannuation for staff who are not charged out at an hourly rate (such as personal assistants), information technology support, office equipment and supplies, insurances, taxes, and a profit.

External administrators are professionals who are required to have qualifications and experience, be independent and maintain up-to-date skills. Many of the costs of running an insolvency practice are fixed costs that must be paid, even if there are insufficient assets available to pay the external administrator for their services. External administrators compete for work and their rates should reflect this.

These are all matters that committee members or creditors should be aware of when considering the fees presented. However, regardless of these matters, creditors have a right to question the external administrator about the fees and whether the rates are negotiable.

It is up to the external administrator to justify why the method chosen for calculating fees is an appropriate method for the particular external administration. As a creditor, you also have a right to question the external administrator about the calculation method used and how the calculation was made.

Report on proposed fees

When seeking approval of fees, the external administrator must send committee members/creditors a report with the notice of meeting setting out:

- information that will enable the committee members/creditors to make an informed assessment of whether the proposed fees are reasonable
- a summary description of the major tasks performed, or to be performed, and
- the costs associated with each of these tasks.

Committee members/creditors may be asked to approve fees for work already performed or based on an estimate of work yet to be carried out.

If the work is yet to be carried out, it is advisable to set a maximum limit ('cap') on the amount that the external administrator may receive. For example, future fees calculated according to time spent may be approved on the basis of the number of hours worked at the rates charged (as set out in the provided rate scale) up to a cap of \$X. If the work involved then exceeds this figure, the external administrator will have to ask the creditors' committee/creditors to approve a further amount of fees, after accounting for the fees already incurred.

Deciding if fees are reasonable

If asked to approve an amount of fees either as a committee member or by resolution at a creditors' meeting, your task is to decide if that amount of fees is reasonable, given the work carried out in the external administration and the results of that work.

You may find the following information from the external administrator useful in deciding if the fees claimed are reasonable:

- the method used to calculate fees
- the major tasks that have been performed, or are likely to be performed, for the fees
- the fees/estimated fees (as applicable) for each of the major tasks
- the size and complexity (or otherwise) of the external administration
- the amount of fees (if any) that have previously been approved
- if the fees are calculated, in whole or in part, on a time basis:
 - the period over which the work was, or is likely to be performed
 - if the fees are for work that has already been carried out, the time spent by each level of staff on each of the major tasks
 - if the fees are for work that is yet to be carried out, whether the fees are capped.

If you need more information about fees than is provided in the external administrator's report, you should let them know before the meeting at which fees will be voted on.

What can you do if you think the fees are not reasonable?

If you do not think the fees being claimed are reasonable, you should raise your concerns with the external administrator. It is your decision whether to vote in favour of, or against, a resolution to approve fees.

Generally, if fees are approved by a creditors' committee/creditors and you wish to challenge this decision, you may apply to the court and ask the court to review the fees. Special rules apply to court liquidations.

You may wish to seek your own legal advice if you are considering applying for a court review of the fees.

Reimbursement of out-of-pocket costs

An external administrator should be very careful incurring costs that must be paid from the external administration—as careful as if they were dealing with their own money. Their report on fees should also include information on the out-of-pocket costs of the external administration.

If you have questions about any of these costs, you should ask the external administrator and, if necessary, bring it up at a creditors' committee/creditors' meeting. If you are still concerned, you have the right to ask the court to review the costs.

Queries and complaints

You should first raise any queries or complaints with the external administrator. If this fails to resolve your concerns, including any concerns about their conduct, you can lodge a complaint with ASIC at www.asic.gov.au/complain, or write to:

ASIC Complaints
PO Box 9149
TRARALGON VIC 3844

ASIC will usually not become involved in matters of commercial judgement by an external administrator. Complaints against companies and their officers can also be made to ASIC. For other enquiries, email ASIC through infoline@asic.gov.au, or call ASIC's Infoline on 1300 300 630 for the cost of a local call.

To find out more

For an explanation of terms used in this information sheet, see ASIC information sheet INFO 41 *Insolvency: a glossary of terms*. For more on voluntary administration, liquidation and receivership, see ASIC's related information sheets, available at www.asic.gov.au/insolvencyinfosheets:

- INFO 74 *Voluntary administration: a guide for creditors*
- INFO 75 *Voluntary administration: a guide for employees*
- INFO 45 *Liquidation: a guide for creditors*
- INFO 46 *Liquidation: a guide for employees*
- INFO 54 *Receivership: a guide for creditors*
- INFO 55 *Receivership: a guide for employees*
- INFO 43 *Insolvency: a guide for shareholders*
- INFO 42 *Insolvency: a guide for directors*
- INFO 84 *Independence of external administrators: a guide for creditors*

These are also available from the Australian Restructuring Insolvency & Turnaround Association (ARITA) website at www.arita.com.au. The ARITA website also contains the ARITA's Code of Professional Practice for Insolvency Practitioners, which applies to ARITA members.

Declaration of Independence, Relevant Relationships and Indemnities

Tasman Civil Pty Ltd ACN 113 204 461 and Tasman Civil Underground Pty Ltd (ACN 163 327 955) (the Companies)

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 company and others within the previous 24 months;
 - (iii) any prior professional services for the company 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 Financial Advisory Pty Ltd. References to Deloitte in this declaration include the Australian Partnership of Deloitte Touche Tohmatsu and its controlled entities.

A. Independence

We, Jason Tracy and Vaughan Strawbridge of Deloitte Financial Advisory Pty Ltd have undertaken a proper assessment of the risks to our independence prior to accepting the appointment as liquidators of the Companies in accordance with the law and applicable professional standards. This assessment identified no real or potential risks to our independence. We are not aware of any reasons that would prevent us from accepting this appointment.

B. Declaration of Relationships

i. Circumstances of appointment

We were appointed Liquidators of the Companies on 24 August 2016.

Martina Crowley (Ms Crowley) a Partner of Deloitte Private Pty Limited introduced Jason Tracy (Mr Tracy) to one of the Companies' directors Tony Smolenski (Mr Smolenski) on 30 May 2016. In attendance at this meeting was Mr Tracy, Ms Crowley, Mr Smolenski and the Companies accountant Jeni Preen (Ms Preen). At this meeting the Companies' financial performance and current position was discussed.

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Member of Deloitte Touche Tohmatsu Limited

Following a later telephone discussion with Ms Preen, Deloitte Financial Advisory Pty Ltd was engaged by the Companies on 14 June 2016 to assess the Companies' short term cash flow forecast, working capital requirements and provide options to address the Companies' financial position (Phase 1 Work). Deloitte Financial Advisory Pty Ltd was paid \$15,000 (ex GST) in advance to perform the Phase 1 Work. The Phase 1 Work is described further in section iii.

On 27 July 2016 Mr Tracy and Ms Crowley met with Mr Smolenski and Ms Preen to discuss the findings from Deloitte Financial Advisory Pty Limited's Phase 1 Work. Following this meeting, Deloitte Financial Advisory Pty Ltd was engaged by the Companies to further assess the Companies' balance sheet position in a potential insolvency scenario (Phase 2 Work). Deloitte Financial Advisory Pty Ltd was paid \$10,000 (ex GST) in advance to perform the Phase 2 Work.

On 12 August 2016 Mr Tracy, Mr Morris and Ms Crowley met with Mr Smolenski and Ms Preen to discuss the findings of the Phase 2 Work and to discuss the Companies' financial position. The Phase 2 Work is described further in section iii.

On 17 August 2016 Mr Tracy and the Companies' legal advisor, Mr Richard Johnson of HWL Ebsworth met Mr Smolenski to consider potential insolvency options.

On 23 August 2016 Mr Tracy and Mr Johnson met with Mr Smolenski and Mr Gordon McCabe to consider potential insolvency options and for Mr Tracy and Mr Strawbridge to provide their consents to act as liquidators.

In our opinion the meetings held do not affect our independence for the following reasons as they:

- Allowed us to obtain sufficient information about the Companies for us to agree to accept the appointments
- To clarify and explain the nature and consequences of insolvency for the Companies; and
- For us to provide consents to act.

These meetings were in the nature of a pre-appointment discussions and were limited to the financial position of the Companies. During these meetings advice was limited to verbal discussions of the potential options available. It is our opinion that these meetings do not present a conflict or impediment as we do not consider ourselves to be bound to provide services to the Companies in relation to this matter or in any way obligated to deliver a favourable outcome to any party, nor will the advice provided be subject to review and challenge during the course of the liquidation. The Courts and the ARITA's Code of Professional Practice specifically recognise the need for practitioners to provide advice on the insolvency process and the options available and do not consider that such advice results in a conflict or is an impediment to accepting the appointment.

The prior engagements of Deloitte Financial Advisory Pty Ltd and Deloitte Private Pty Ltd do not affect our independence for the reasons as outlined at section (iii) below.

We have provided no other information or advice to the Companies, prior to our appointment beyond that outlined in this DIRRI.

ii. Relevant Relationships (excluding Professional Services to the Companies)

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

| Name | | Reasons why not an impediment or conflict |
|---------------------------------------|--|--|
| National Australia Bank Limited (NAB) | <p>NAB holds a General Security Interest over the whole/substantially the whole of the property of the Company.</p> <p>We have undertaken a number of formal insolvency and advisory engagements for NAB in the usual course of business.</p> <p>Deloitte has provided and continues to provide Accounting, Advisory, Consulting, Data Analytics, Forensic, Risk Services and Tax services to NAB.</p> | <p>We have never undertaken any work for NAB in respect of the Companies.</p> <p>We do not consider previous formal insolvency and advisory engagements accepted for NAB to present a conflict as there is no connection between these engagements and the Company.</p> <p>The provision of Accounting, Advisory, Consulting, Data Analytics, Forensic, Risk Services and Tax services to NAB 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 Company.</p> <p>We are not paid any commissions, inducements or benefits to undertake any engagements with NAB 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 NAB which in our view would restrict us from properly exercising our judgment and duties in relation to the appointment.</p> |

As specified on page 1, we have been appointed as liquidator of two related 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. We are aware that there may be inter-company transactions between the Companies but 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 required, seek Court directions as to the appropriate means of resolving the conflict.

iii. Prior Professional services to the Companies

We, or a member of our Firm, have provided the following professional services to the Companies in the 24 months prior to the acceptance of this appointment:

| Nature of Professional Service | Reasons why there is no conflict of interest or duty |
|--|--|
| The engagements listed in this section fall within the exceptions to the two year rule for a prior professional relationship, where the relationship is deemed to be an "Immaterial Professional Relationship" as defined in the | |

Code of Professional Practice for Insolvency Practitioners:

- Was of limited scope; and limited time and/or fees; and
- Would not normally be subject to review by the Practitioner during the course of the Administration

For each engagement listed we set out the reasons why there is no conflict of interest or duty based on the definition of "Immaterial Professional Relationship"

Management accounting consulting and compilation of financial information

This work took place from 10 November 2015 to May 2016. Deloitte Private Pty Ltd invoiced fees of \$42,750 (ex GST) for performing this work and was paid \$12,500 (ex GST) for this work. The balance of fees were written off by Deloitte Private Pty Ltd.

Deloitte Private Pty Ltd was engaged to assist the Companies to compile financial information for the Companies to prepare monthly management accounts. Deloitte Private Pty Limited provided advice of a high level and general nature that included recommending the Companies improve their management accounting processes. Deloitte Private Pty Ltd Partner, Martina Crowley also attended meetings with Tony Smolenski and Jeni Preen in December 2015, February 2016, March 2016 and April 2016. At each meeting Ms Crowley provided feedback on the management accounts prepared by the Companies and suggested areas requiring further analysis by management.

The services rendered were an immaterial professional relationship for the following reasons:

1. The engagement was limited with respect to fees, time incurred and scope.
2. Work undertaken was based on the Companies' data and Deloitte did not audit, verify or assure the source data. The appointed auditor for the Companies is Crowe Horwath.
3. Deloitte was not involved in decision making but only in the identification of possible issues for further analysis. Deloitte did not conduct any detailed analysis itself.
4. Deloitte only identified areas of financial reporting that needed improvement and did not provide detail as to what those improvements should be.
5. The Companies were ultimately responsible for the financial statements and contents of them.

This work by Deloitte for the Companies is not a matter that would be subject to review during the liquidation and will not influence our ability to be able to fully comply with the statutory and fiduciary obligations associated with the liquidation of the Companies in an objective and impartial manner.

Assessing cash flow forecast and working capital position (Phase 1 Work)

This work took place from 14 June 2016 to 27 July 2016. Deloitte Financial Advisory Pty Ltd invoiced and was paid in advance \$15,000 (ex GST) for performing this work.

This work was performed by Deloitte Financial Advisory Pty Ltd in order to provide the Companies with advice on business sustainability and options to address the financial position of the Companies.

This work was of the nature of pre-appointment advice to gain an understanding of the Companies' financial position and to advise the Companies of their options.

This work by Deloitte for the Companies is not a matter that would be subject to review during the liquidation and will not influence our ability to be able to fully comply with the statutory and fiduciary obligations associated with the liquidation of the

| | |
|---|---|
| | Companies in an objective and impartial manner. |
| <p>Assessing financial position upon formal insolvency and advice as to alternative courses of action available to the Company.</p> <p>This work took place from 1 August 2016 to 12 August 2016. Deloitte Financial Advisory Pty Ltd invoiced and was paid in advance \$10,000 (ex GST) for performing this work.</p> | <p>This work was performed by Deloitte Financial Advisory Pty Ltd in order to provide the Companies with an estimate of the likely returns to creditors upon insolvency and to provide the Companies with options to address the current financial position.</p> <p>This work was of the nature of pre-appointment advice to gain an understanding of the Companies' financial position and to advise the Companies of their options.</p> <p>This work by Deloitte for the Companies is not a matter that would be subject to review during the liquidation and will not influence our ability to be able to fully comply with the statutory and fiduciary obligations associated with the liquidation of the Companies in an objective and impartial manner.</p> |

iv. No other relevant relationships to disclose

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

C. Indemnities and up-front payments

We have not been indemnified in relation to these liquidations, 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.

Dated: 25 August 2016



Jason Tracy



Vaughan Strawbridge

Note:

1. If circumstances change, or new information is identified, we are required under the Corporations Act and the ARITA Code of Professional Practice to update this Declaration and provide a copy to creditors with my/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 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.

Remuneration Report**Initial Advice Creditors****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.

Method chosen

Given the nature of this administration we propose that our remuneration be calculated on Time based / hourly rates. This is because:

- *We will only be paid for work done, subject to sufficient realisations of the Company's assets.*
- *It ensures creditors are only charged for work that is performed. Our time is recorded and charged in six minute increments and staff are allocated to duties according to their relevant experience and qualifications*
- *We are required to perform a number of tasks which do not relate to the realisation of assets, e.g. responding to creditor queries, reporting to the ASIC, distributing funds in accordance with the provisions of the Corporations Act 2001*
- *We are unable to estimate with certainty the total amount of fees necessary to complete all tasks required in this administration.*

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. | \$615 |
| Principal | 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. | \$510 |

| | | |
|------------------|---|-----------|
| Account Director | Typically CA or CPA qualified with in excess of 8 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. | \$510 |
| Manager | Typically CA or CPA qualified with 6 to 8 years' experience working on insolvency matters. Will have experience conducting administrations and directing a number of staff. | \$390-440 |
| Senior Analyst | Typically completed or near completion of CA or CPA qualifications with 4 to 6 years insolvency experience. Assists in planning and control of smaller matters as well as performing some more difficult tasks on larger matters. | \$230-330 |
| Analyst | Typically studying towards CA or CPA qualification with 2 to 4 years insolvency experience. Works under supervision of more senior staff in performing day-to-day fieldwork. | \$190-220 |
| 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. | \$115 |
| Support Staff | Advanced secretarial skills | \$170 |

Part 1 Declaration

Jason Tracy and Vaughan Strawbridge of Deloitte Financial Advisory Pty Ltd have undertaken a proper assessment of this remuneration claim for our appointment as Joint and Several Liquidators of Tasman Civil Underground Pty Ltd in accordance with the law and applicable professional standards. We are satisfied that the remuneration claimed is in respect of necessary work, properly performed, or to be properly performed, in the conduct of the Administration.

Part 2 Executive Summary

To date, no remuneration has been approved and paid in this administration. This remuneration report details approval sought for the following fees:

| Period | Report Reference | Amount (ex GST) |
|--|------------------|-----------------|
| Past remuneration approved: | - | - |
| Current remuneration approval sought: | | |
| Liquidation | | |
| 24 August 2016 to 28 August 2016 | 3 | \$6,852.00 |
| 28 August 2016 to Finalisation | 6 | \$104,510.00 |
| Total – Liquidation | | \$111,362.00 |

Please refer to report section references detailed above for full details of the calculation and composition of the remuneration approval sought.

Part 3 Description of work completed

Resolution 1 – 24 August 2016 to 28 August 2016

| | | |
|-----------------------------|--|--|
| Company: | Tasman Civil Underground Pty Ltd (In Liquidation) | Period From: 24 August 2016 Period To: 28 August 2016 |
| Practitioner(s): | Jason Tracy and Vaughan Strawbridge | Firm: Deloitte Financial Advisory Pty Ltd |
| Administration Type: | Creditors Voluntary Administration | |

| Task Area | General Description | Includes |
|---|--|---|
| Assets [4.5 hours] [\$1,845.00] | Plant and Equipment | Attendance at sites with plant and equipment Securing plant and equipment Reviewing asset listings Liaising with valuers, auctioneers and interested parties |
| | Debtors | Reviewing and assessing debtors ledgers |
| | Other Assets | Tasks associated with realising other assets |
| | Leasing | Reviewing leasing documents Liaising with owners/lessors |
| Creditors [1.7 hours] [\$559.00] | Creditor Enquiries | Receive and follow up creditor enquiries via telephone Review and prepare correspondence to creditors and their representatives via facsimile, email and post |
| | Retention of Title Claims | Search of the PPSR register Notify creditors identified from PPSR register Review of responses from secured creditors |
| | Secured creditors | Notifying PPSR registered creditors of appointment Responding to secured creditors' queries Ongoing correspondence with secured creditors |
| | Creditor reports | Preparing general reports to creditors |
| | Meeting of Creditors | Preparation meeting notices, proxies and advertisements Forward notice of meeting to all known creditors |
| Employees [0.5 hours] [\$255.00] | Employees enquiry | Receive and follow up employee enquiries via telephone Notification of termination Review and prepare correspondence to employees and their representatives via facsimile, email and post Preparation of letters to employees advising of their entitlements and options available |
| | Calculation of entitlements | Calculating employee entitlements Reviewing employee files and company's books and records Reconciling superannuation accounts Reviewing awards |
| Administration [14.1 hours] | Correspondence | Preparation of general correspondence |
| | Document maintenance/file review/checklist | Filing of documents Updating checklists |
| | Insurance | Identification of potential issues requiring attention of insurance specialists |

| Task Area | General Description | Includes |
|--------------|---------------------------------|--|
| [\$4,193.00] | | Correspondence with Willis regarding initial and ongoing insurance requirements Reviewing insurance policies Correspondence with previous brokers |
| | Bank account administration | Preparing correspondence opening and closing accounts Requesting bank statements Bank account reconciliations Correspondence with bank regarding specific transfers |
| | ASIC Form 524 and other forms | Preparing and lodging ASIC forms including 505, 911 etc Correspondence with ASIC regarding statutory forms |
| | ATO & other statutory reporting | Notification of appointment Preparing BAS Completing payment summaries |
| | Planning / Review | Discussions regarding status of administration |

Part 4 Calculation of Remuneration

| Employee | Position | \$/hour (ex GST) | Total actual hours | Total (\$) | Task Area | | | | | | | |
|-------------------------|----------------|---------------------|--------------------------|-------------------|------------|-------------------|------------|-----------------|------------|-----------------|----------------|-------------------|
| | | | | | Assets | | Creditors | | Employees | | Administration | |
| | | | | | Hrs | \$ | Hrs | \$ | Hrs | \$ | Hrs | \$ |
| Jude Morris | Director | 510 | 5.8 | \$2,958.00 | 2.0 | \$1,020.00 | 0.6 | \$306.00 | 0.5 | \$255.00 | 2.7 | \$1,377.00 |
| Robert Tornatore | Senior Analyst | 330 | 1.7 | \$561.00 | 1.1 | \$363.00 | 0.0 | \$0.00 | 0.0 | \$0.00 | 0.6 | \$198.00 |
| Daniel Jackson | Senior Analyst | 330 | 3.7 | \$1,221.00 | 1.4 | \$462.00 | 0.1 | \$33.00 | 0.0 | \$0.00 | 2.2 | \$726.00 |
| Adam Stanley | Analyst | 220 | 7.0 | \$1,540.00 | 0.0 | \$0.00 | 1.0 | \$220.00 | 0.0 | \$0.00 | 6.0 | \$1,320.00 |
| Michael Buzzo | Analyst | 220 | 2.6 | \$572.00 | 0.0 | \$0.00 | 0.0 | \$0.00 | 0.0 | \$0.00 | 2.6 | \$572.00 |
| Total | | | 20.8 | \$6,852.00 | 4.5 | \$1,845.00 | 1.7 | \$559.00 | 0.5 | \$255.00 | 14.1 | \$4,193.00 |
| GST | | | | \$685.20 | | | | | | | | |
| Total (Inc. GST) | | | | \$7,537.20 | | | | | | | | |
| Average hourly rate | | | | \$329.42 | | \$410.00 | | \$328.82 | | \$510.00 | | \$297.38 |

Part 5 Statement of Remuneration Claim

At the meeting of creditors to be held on 9 September 2016, I shall be asking that creditors consider and if thought fit approve the following resolution:

“That the remuneration of the Joint and Several Liquidators, their partners and staff for the period from 24 August 2016 to 28 August 2016, in the amount of \$6,852.00, plus GST be approved on a time basis at the hourly rates applicable to the grades or classifications set out in accordance with Deloitte Financial Advisory Pty Ltd’s schedule of hourly rates, plus GST and that the Liquidators be authorised to make period payments on account of such accruing remuneration.”

Part 6 Description of work completed**Resolution 2 – 29 August 2016 to finalisation**

| | | |
|-----------------------------|--|--|
| Company: | Tasman Civil Underground Pty Ltd (In Liquidation) | Period From: 24 August 2016 Period To: Finalisation |
| Practitioner(s): | Jason Tracy and Vaughan Strawbridge | Firm: Deloitte Financial Advisory Pty Ltd |
| Administration Type: | Creditors Voluntary Administration | |

| Task Area | General Description | Includes |
|---|------------------------------------|---|
| Assets [104.0 hours] [\$39,275.00] | Plant and Equipment | Liaising with valuers, auctioneers and interested parties Reviewing asset listings Internal meetings to discuss/review offers received Liaising with purchasers Realisation of plant and equipment |
| | Assets subject to specific charges | All tasks associated with realising charged assets |
| | Debtors | Correspondence with debtors Collection of debtors Liaising with debt collectors and solicitors |
| | Other Assets | Tasks associated with realising other assets |
| | Leasing | Reviewing leasing documents Liaising with owners/lessors Tasks associated with disclaiming leases |
| Creditors [45.0 hours] [\$18,510.00] | Creditor Enquiries | Receive and follow up creditor enquiries via telephone Review and prepare correspondence to creditors and their representatives via facsimile, email and post Correspondence with committee of creditors members |
| | Retention of Title Claims | Receive initial notification of creditor's intention to claim Provision of retention of title claim form to creditor Receive completed retention of title claim form Maintain retention of title file Meeting claimant on site to identify goods Adjudicate retention of title claim Forward correspondence to claimant notifying outcome of adjudication Preparation of payment vouchers to satisfy valid claim Preparation of correspondence to claimant to accompany payment of claim (if valid) |
| | Secured creditor reporting | Responding to secured creditors' queries |
| | Creditor reports | Preparing general reports to creditors |
| | Dealing with proofs of debt | Receipting and filing POD when not related to a dividend Corresponding with OSR and ATO regarding POD when not related to a dividend |

| Task Area | General Description | Includes |
|---|-----------------------------|--|
| | Meeting of Creditors | Preparation meeting notices, proxies and advertisements Forward notice of meeting to all known creditors Preparation of meeting file, including agenda, certificate of postage, attendance register, list of creditors, reports to creditors, advertisement of meeting and draft minutes of meeting. Preparation and lodgement minutes of meetings with ASIC Respond to stakeholder queries and questions immediately following meeting |
| Employees [21.0 hours] [\$8,080.00] | Employees enquiry | Receive and follow up employee enquiries via telephone Review and prepare correspondence to creditors and their representatives via facsimile, email and post Preparation of letters to employees advising of their entitlements and options available Receive and prepare correspondence in response to employees objections to leave entitlements |
| | FEG | Correspondence with FEG Preparing notification spreadsheet Preparing FEG quotations Preparing FEG distributions |
| | Calculation of entitlements | Calculating employee entitlements Reviewing employee files and company's books and records Reconciling superannuation accounts Reviewing awards Liaising with solicitors regarding entitlements |
| | Employee dividend | Correspondence with employees regarding dividend Correspondence with ATO regarding SGC proof of debt Calculating dividend rate Preparing dividend file Advertising dividend notice Preparing distribution Receipting POD Adjudicating POD Ensuring PAYG is remitted to ATO |
| | Other employee issues | Correspondence with Child Support Correspondence with Centrelink |
| Investigation [62.0 hours] [\$24,105.00] | Conducting investigation | Collection of company books and records Reviewing company's books and records Preparation of comparative financial statements Preparation of deficiency statement Review of specific transactions and liaising with directors regarding certain transactions Liaising with directors regarding certain transactions Preparation of investigation file Lodgement of investigation with the ASIC Preparation and lodgement of supplementary report if required |
| | Litigation / Recoveries | Initiating legal action to recover funds owing Internal meetings to discuss status of litigation Preparing brief to solicitors |

| Task Area | General Description | Includes |
|---|--|--|
| | | Liaising with solicitors regarding recovery actions Attending to negotiations Attending to settlement matters |
| | ASIC reporting | Preparing statutory investigation reports Liaising with ASIC |
| Dividend [19.0 hours] [\$5,445.00] | Processing PODs | Preparation of correspondence to potential creditors inviting lodgement of POD Receipt of POD Maintain POD register Adjudicating POD Request further information from claimants regarding POD Preparation of correspondence to claimant advising outcome of adjudication |
| | Dividend procedures | Preparation of correspondence to creditors advising of intention to declare dividend Advertisement of intention to declare dividend Preparation of dividend calculation Preparation of correspondence to creditors announcing declaration of dividend Advertise announcement of dividend Preparation of distribution Preparation of dividend file Preparation of payment vouchers to pay dividend Preparation of correspondence to creditors enclosing payment of dividend |
| Administration [21.0 hours] [\$9,095.00] | Correspondence | Preparation of general correspondence |
| | Document maintenance/file review/checklist | First month, then 6 monthly administration review Filing of documents File reviews Updating checklists |
| | Insurance | Correspondence with Willis regarding ongoing insurance requirements Reviewing insurance policies |
| | Bank account administration | Preparing correspondence opening and closing accounts Requesting bank statements Bank account reconciliations Correspondence with bank regarding specific transfers |
| | ASIC Form 524 and other forms | Preparing and lodging ASIC forms including 505, 524, 911 etc Correspondence with ASIC regarding statutory forms |
| | ATO & other statutory reporting | Notification of appointment Preparing BAS Completing payment summaries |
| | Finalisation | Notifying ATO of finalisation Cancelling ABN / GST / PAYG registration Completing checklists Finalising WIP |
| | Planning / Review | Discussions regarding status of administration |
| | Books and records / storage | Dealing with records in storage Sending job files to storage |

Part 7 Calculation of Remuneration

| Employee | Position | \$ /hour (ex GST) | Total actual hours | Total (\$) | Task Area | | | | | | | | | | | |
|-------------------------|----------------|----------------------|--------------------------|---------------------|--------------|--------------------|-------------|--------------------|-------------|-------------------|---------------|--------------------|-------------|-------------------|----------------|-------------------|
| | | | | | Assets | | Creditors | | Employees | | Investigation | | Dividend | | Administration | |
| | | | | | Hrs | \$ | Hrs | \$ | Hrs | \$ | Hrs | \$ | Hrs | \$ | Hrs | \$ |
| Jason Tracy | Appointee | 615 | 42.0 | \$25,830.00 | 15.0 | \$9,225.00 | 8.0 | \$4,920.00 | 6.0 | \$3,690.00 | 8.0 | \$4,920.00 | 1.0 | \$615.00 | 4.0 | \$2,460.00 |
| Vaughan Strawbridge | Appointee | 615 | 8.0 | \$4,920.00 | 2.0 | \$1,230.00 | 2.0 | \$1,230.00 | 0.0 | \$0.00 | 1.0 | \$615.00 | 0.0 | \$0.00 | 3.0 | \$1,845.00 |
| Jude Morris | Director | 510 | 55.0 | \$28,050.00 | 20.0 | \$10,200.00 | 10.0 | \$5,100.00 | 3.0 | \$1,530.00 | 15.0 | \$7,650.00 | 3.0 | \$1,530.00 | 4.0 | \$2,040.00 |
| Clayton Kendall | Director | 510 | 4.0 | \$2,040.00 | 2.0 | \$1,020.00 | 0.0 | \$0.00 | 0.0 | \$0.00 | 2.0 | \$1,020.00 | 0.0 | \$0.00 | 0.0 | \$0.00 |
| Robert Tornatore | Senior Analyst | 330 | 37.0 | \$12,210.00 | 10.0 | \$3,300.00 | 10.0 | \$3,300.00 | 0.0 | \$0.00 | 15.0 | \$4,950.00 | 0.0 | \$0.00 | 2.0 | \$660.00 |
| Daniel Jackson | Senior Analyst | 330 | 34.0 | \$11,220.00 | 20.0 | \$6,600.00 | 6.0 | \$1,980.00 | 2.0 | \$660.00 | 3.0 | \$990.00 | 0.0 | \$0.00 | 3.0 | \$990.00 |
| Adam Stanley | Analyst | 220 | 46.0 | \$10,120.00 | 15.0 | \$3,300.00 | 4.0 | \$880.00 | 4.0 | \$880.00 | 10.0 | \$2,200.00 | 10.0 | \$2,200.00 | 3.0 | \$660.00 |
| Michael Buzzo | Analyst | 220 | 46.0 | \$10,120.00 | 20.0 | \$4,400.00 | 5.0 | \$1,100.00 | 6.0 | \$1,320.00 | 8.0 | \$1,760.00 | 5.0 | \$1,100.00 | 2.0 | \$440.00 |
| Total | | | 272.0 | \$104,510.00 | 104.0 | \$39,275.00 | 45.0 | \$18,510.00 | 21.0 | \$8,080.00 | 62.0 | \$24,105.00 | 19.0 | \$5,445.00 | 21.0 | \$9,095.00 |
| GST | | | | \$10,451.00 | | | | | | | | | | | | |
| Total (Inc. GST) | | | | \$114,961.00 | | | | | | | | | | | | |
| Average hourly rate | | | | \$384.23 | \$377.64 | | \$411.33 | | \$384.76 | | \$388.79 | | \$286.58 | | \$433.10 | |

Part 8 Statement of Remuneration Claim

At the meeting of creditors to be held on 9 September 2016, I shall be asking that creditors consider and if thought fit approve the following resolution:

“That the remuneration of the Joint and Several Liquidators, their partners and staff for the period from 29 August 2016 to the finalisation of the Liquidation, in the amount of \$104,510.00, plus GST be approved on a time basis at the hourly rates applicable to the grades or classifications set out in accordance with Deloitte Financial Advisory Pty Ltd’s schedule of hourly rates, plus GST and that the Liquidators be authorised to make period payments on account of such accruing remuneration.”

Part 9 Remuneration Recoverable From External Sources

In respect of the corporate administrations, remuneration payments received in relation to the Fair Entitlements Guarantee Act 2012 or predecessor schemes, or from the Assetless Administration Fund operated by ASIC are considered separate arrangements involving a limited or partial funding agreement. Where higher fees are incurred than the amount covered by the funding agreement there is no restriction in the Administration being charged for the shortfall on the basis that all remuneration claimed is necessary and properly incurred in accordance with the ARITA Code.

While the money received under the funding agreement is not subject to creditor approval and can be paid directly to the practitioner, any shortfall must be appropriately approved in accordance with the appropriate legislation prior to drawing.

To date, I have not received any funding from external sources.

Part 10 Disbursements

Disbursements are divided into three types:

- Externally provided professional services - these are recovered at cost. An example of an externally provided professional service disbursement is legal fees.
- Externally provided non-professional costs such as travel, accommodation and search fees - these are recovered at cost.
- Internal disbursements such as photocopying, printing and postage. These disbursements, 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.

I am not required to seek creditor approval for disbursements, but must account to creditors in my receipts and payments. Details of the basis of recovering internal disbursements in this administration are provided below. To date, no disbursements have been incurred in the administration. Accordingly, full details of any actual costs incurred will be provided with future reporting.

Future disbursements provided by my firm will be charged to the administration on the following basis:

| Internal disbursements | Rate (Excl GST) |
|--|---|
| Advertising | At cost – based on commercial rates charged by ASIC and state and national newspapers |
| Courier | At cost – based on commercial rates charged by major courier providers |
| Postage | At cost – Australia Post Rates |
| Staff vehicle use | \$0.70 per km |
| Stationery, printing, photocopying, telephone & data | 5% of incurred insolvency fees |

Scale applicable for financial year ending 30 June 2016

Part 11 Summary of Receipts and Payments

There have been no receipts and payments in the Liquidators' accounts to date.

Part 12 Queries

Should creditors have any queries with respect to the contents of this report, our estimated remuneration and approval, please contact Michael Buzzo of this office on (08) 9365 8027.

Part 13 Information Sheet

Attached to the Report to Creditors, is a copy of ASIC Information Sheet 85: *Approving Fees: a guide for creditors*.



ASIC

Australian Securities & Investments Commission

INFORMATION SHEET 46

Liquidation: a guide for employees

If a company is in financial difficulty, its shareholders, creditors or the court can put the company into liquidation.

This information sheet provides general information for employees of companies in liquidation. Employees should also read ASIC information sheet INFO 45 *Liquidation: a guide for creditors*.

Who is an employee?

You are likely to be classified as an employee if you are:

- engaged by a company under an award, Certified Agreement, Australian Workplace Agreement, or a contract of employment, and
- paid a salary, wages or commission.

Contractors are not employees. They are ordinary unsecured creditors of the company.

If you are an employee who is owed money for unpaid wages, superannuation, annual leave, sick leave, long service leave, retrenchment pay or other benefits, you are a creditor of the company. You may be entitled to some or all of what you are owed in priority to the company's other creditors.

The purpose of liquidation

The purpose of liquidation of an insolvent company is to have an independent and suitably qualified person (the liquidator) take control of the company so that its affairs can be wound up in an orderly and fair way for the benefit of creditors.

There are two types of insolvent liquidation:

- creditors' voluntary liquidation, and
- court liquidation.

The most common type is a creditors' voluntary liquidation, which usually begins in one of two ways:

- creditors vote for liquidation following a voluntary administration or a terminated deed of company arrangement, or
- an insolvent company's shareholders resolve to liquidate the company and appoint a liquidator. Within 11 days of being appointed by shareholders, the liquidator must call a meeting of creditors who may confirm the liquidator's appointment or appoint another liquidator of the creditors' choice.

Important note: This information sheet contains a summary of basic information on the topic. It is not a substitute for legal advice. Some provisions of the law referred to may have important exceptions or qualifications. This document may not contain all of the information about the law or the exceptions and qualifications that are relevant to your circumstances. You will need a qualified professional adviser to take into account your particular circumstances and to tell you how the law applies to you.

In a court liquidation, a liquidator is appointed by the court to wind up a company, following an application, usually by a creditor. Others, including a director, a shareholder and ASIC, can also make a winding-up application to the court.

It is possible for a company in liquidation to also be in receivership: see ASIC information sheet INFO 55 *Receivership: a guide for employees* for more information.

The liquidator's role

When a company is being liquidated because it is insolvent, the liquidator has a duty to all the company's creditors. Their role is to:

- collect, protect and realise the company's assets
- investigate and report to creditors about the company's affairs, including any unfair preferences which may be recoverable, any uncommercial transactions which may be set aside, and any possible claims against the company's officers
- enquire into the failure of the company and possible offences by people involved with the company, and report to ASIC
- after payment of the costs of the liquidation, and subject to the rights of any secured creditor, distribute the proceeds of realisation—first to priority creditors, including employees, and then to other unsecured creditors, and
- apply for deregistration of the company on completion of the liquidation.

Except for lodging documents and reports required under the *Corporations Act 2001* (Corporations Act), a liquidator is not required to do any work unless there are enough assets to pay their costs.

Employee entitlements

In most cases, the liquidation of a company terminates the employment of employees.

Employees have the right, if there are funds left over after payment of the fees and expenses of the liquidator, to be paid their outstanding entitlements in priority to other unsecured creditors. Priority employee entitlements are grouped into classes and paid in the following order:

1. outstanding wages and superannuation
2. outstanding leave of absence (including annual leave and sick leave, where applicable, and long service leave), and
3. retrenchment pay.

Each class is paid in full before the next class is paid. If there are insufficient funds to pay a class in full, the available funds are paid on a pro rata basis (and the next class or classes will be paid nothing).

The priority claims of directors and their spouses or relatives for the period they are a director, spouse or relative of a director are limited to a maximum of \$2000 for outstanding wages and superannuation, and \$1500 for outstanding leave entitlements. Directors and their spouses or relatives are not entitled to any priority retrenchment pay for the period they are a director, spouse or relative of a director.

Employees may also be entitled to make a claim against the Fair Entitlements Guarantee — that is, (FEG) (see below).

If the liquidator continues to trade the business for a short period to help in the winding up, employee entitlements accruing during this period (on terms agreed with the liquidator) are paid out of available assets as a cost of the winding up and before other outstanding employee entitlements.

Attempts to avoid employee entitlements

It is an offence for anyone to enter into an agreement or transaction with the intention of avoiding employee entitlements of a company.

If the company is in liquidation and the employees suffer damage or loss as a result of a person entering into such an agreement or transaction, that person is liable to pay compensation for the loss suffered. Employees have priority to any compensation recovered by a liquidator.

If you believe such an offence has been committed, tell the liquidator. You can also make a complaint to ASIC (see below).

Proving your claim

Before any amount is paid to you for your outstanding entitlements, you will need to give the liquidator sufficient information to prove your debt. The relevant form is called a 'proof of debt', and can be obtained from the liquidator.

The liquidator will notify you if there are likely to be funds available for distribution and will call for proofs of debt to be lodged.

The liquidator may be able to tell you what the company records state is owed to you. However, as the records of a company in liquidation are often not well maintained, it is important that you keep your pay records or other records of the terms of your employment. You may also need these records to help you complete your income tax return and establish your entitlement to FEG.

If company records are inadequate and you have insufficient information to justify your claim, it may be rejected.

When submitting your claim, ask the liquidator to acknowledge receipt of your claim and advise if any further information is needed.

If you have a query regarding the calculation of your claim, or the timing of the payment, discuss this with the liquidator.

If the liquidator rejects your claim and you are dissatisfied with the decision, your first step should be to promptly contact the liquidator to see if you can resolve the matter. If you can't, you have a limited time to appeal to the court. The liquidator will notify you of this time in the notice of rejection. It must be at least 14 days after you receive the notice. The court has the power to extend the time to appeal. If you don't appeal within this time, the liquidator's decision on your claim is final.

A liquidator may also ask you to submit a proof of debt for the purposes of voting at a creditors' meeting.

The Fair Entitlements Guarantee (FEG)

FEG is a basic payment scheme designed to assist employees whose employment has been terminated due to the liquidation or bankruptcy of their employer and who are owed certain employee entitlements. FEG is administered by the Department of Employment, in accordance with the FEG Operational Arrangements. You may be eligible for assistance under FEG if you:

- lost your employment because your former employer had a liquidator appointed
- are owed certain employee entitlements, and
- lodge your claim within 12 months of the date you lost your job or the date your former employer went into liquidation, whichever is the latest.

Assistance is not available if:

- your former employer is under the control of an administrator, receiver and manager, or is subject to a deed of company arrangement or a creditors' trust.
- you were not an employee (i.e. you were a contractor, sub-contractor or an agent), or
- funds will be available from your insolvent employer to pay your outstanding entitlements within 16 weeks of Department of Employment receiving your FEG claim.

Under FEG, employees may be eligible to receive payment for eligible entitlements that are provided for in legislation, an award, a statutory agreement (such as an Australian Workplace Agreement or Collective Agreement), a written contract of employment, or otherwise evidenced in writing, for amounts outstanding for:

- unpaid and underpaid wages in the three-month period prior to the appointment of the insolvency practitioner (including amounts deducted from your wages, but not paid on; for example voluntary superannuation contributions made by you, but not passed on to your superannuation fund)
- all unpaid annual leave
- all unpaid long service leave
- up to maximum of 5 weeks of unpaid pay in lieu of notice, and
- up to a maximum of 4 weeks per full year of service redundancy pay.

Employees who earn more than the FEG maximum annual wage at the date that their employment was terminated will have their FEG advance calculated as if they earned that limit. The maximum annual wage is indexed annually and available at www.employment.gov.au/FEG.

In liquidations, FEG advances are treated as advances under the Corporations Act. This means that if funds become available during the insolvency process, Department of Employment will seek to recover payments from the insolvent employer up to the amounts employees received under FEG.

Any FEG advance may affect your entitlement to a government allowance provided by Centrelink. To discuss the effect of FEG, contact Centrelink on 13 10 21.

For more on FEG, visit the website at www.employment.gov.au/FEG or contact the FEG Hotline on 1300 135 040 or email feg@employment.gov.au.

Employer superannuation contributions are not covered by FEG. To pursue your outstanding superannuation entitlements, you may wish to contact the Superannuation Infoline, administered by the Australian Taxation Office, on 13 10 20.

Payment Summaries and Separation Certificates

Most employees require a PAYG Payment Summary (group certificate) to complete and lodge their income tax return. A Separation Certificate may also be required before an employee who loses their job can apply for social security.

If a liquidator pays you any employee entitlements, they must provide you with a PAYG Payment Summary recording the entitlements paid and any income tax deducted. Contact the liquidator to find out if they are going to prepare your PAYG Payment Summary for entitlements paid by the company prior to their appointment and, if so, what period it will cover. The liquidator is not obliged to prepare this.

If you can't obtain a PAYG Payment Summary for any period, contact the Australian Taxation Office on 13 28 61 to find out how to meet your obligations.

Also contact the liquidator to find out if they are going to prepare your Separation Certificate. Contact Centrelink on 13 10 21 to find out what you should do if you can't obtain a Separation Certificate.

Committee of inspection

In a liquidation, a creditors' committee, called a 'committee of inspection', may be formed to assist the liquidator, approve their fees and, in limited circumstances, approve the use of some of their powers. Employees may wish to nominate a representative to be on this committee and have a say in matters that may impact on their interests.

Queries and complaints

You should first raise any queries or complaints with the liquidator. If this fails to resolve your concerns, including any concerns about the liquidator's conduct, you can lodge a complaint with ASIC at www.asic.gov.au/complain, or write to:

ASIC Complaints
PO Box 9149
TRARALGON VIC 3844

ASIC will usually not become involved in matters of commercial judgement by a liquidator. Complaints against companies and their officers can also be made to ASIC. For other enquiries, contact ASIC's infoline on 1300 300 630 or make an enquiry at www.asic.gov.au/question.

To find out more

For an explanation of terms used in this information sheet, see ASIC's information sheet INFO 41 *Insolvency: a glossary of terms*. For more on external administration, see ASIC's related information sheets at www.asic.gov.au/insolvencyinfosheets:

- INFO 74 *Voluntary administration: a guide for creditors*
- INFO 75 *Voluntary administration: a guide for employees*
- INFO 45 *Liquidation: a guide for creditors*
- INFO 54 *Receivership: a guide for creditors*
- INFO 55 *Receivership: a guide for employees*
- INFO 43 *Insolvency: a guide for shareholders*
- INFO 42 *Insolvency: a guide for directors*
- INFO 84 *Independence of external administrators: a guide for creditors*
- INFO 85 *Approving fees: a guide for creditors*

These are also available from the Australian Restructuring Insolvency & Turnaround Association (ARITA) website at www.arita.com.au. The ARITA website also contains the ARITA's Code of Professional Practice for Insolvency Professionals, which applies to ARITA members.

**TASMAN CIVIL UNDERGROUND PTY LTD
(IN LIQUIDATION)
ACN 163 327 955**

**Corporations Act 2001 Section 600G
Corporations Regulations 2001 5.6.11A**

**CREDITOR'S APPROVAL FORM FOR ELECTRONIC METHODS OF GIVING OR SENDING CERTAIN
NOTICES UNDER REGULATION 5.6.11A**

Should you wish to receive notices and documents relating to the liquidation of Tasman Civil Underground Pty Ltd via email, please complete this form and return it to Michael Buzzo per the details below.

☐ I/We authorise the Deloitte Financial Advisory Pty Ltd on behalf of the company Tasman Civil Underground Pty Ltd to send notices via the email address provided below.

☐ I/We authorise the Deloitte Financial Advisory Pty Ltd to send notices via the email address provided below on all future administrations run by Deloitte Financial Advisory Pty Ltd that I/We are creditors for.

| | |
|--------------------------|--|
| Signature: | |
| Creditor name: | |
| Creditor address: | |
| Contact name: | |
| Position: | |
| Email Address: | |
| Contact number: | |

Return to:

Deloitte Financial Advisory Pty Ltd
Via Post: GPO Box A46, Perth WA 6837
Via Email: mbuzzo@deloitte.com.au