

Our Ref: Perth 475710.0001/012/OC

8 July 2020

ARATANA PTY LTD (IN LIQUIDATION) ("THE COMPANY") ACN 630 538 519

Initial Information for Creditors

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

Notification of appointment

On 24 June 2020 the members of the Company resolved to wind up the Company and Ian Francis and I, Nathan Stubing, were appointed Joint and Several Liquidators of the Company.

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

What is a Creditors' Voluntary Liquidation?

A creditors' voluntary liquidation is a liquidation initiated by the Company in circumstances where it insolvent, as it is unable to pay all of its creditors as they fall due.

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

Information regarding the liquidation process is contained in the Australian Securities and Investments Commission (**ASIC**) information sheet **attached** at **Appendix B** titled *"Insolvency information for directors, employees, creditors and shareholders"*.

What happens to your debt?

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

FTI Consulting (Australia) Pty Limited

ABN 49 160 397 811 | ACN 160 397 811 | AFSL Authorised Representative # 001269325

Level 47, Central Park | 152-158 St George's Terrace | Perth WA 6000 | Australia

Postal Address | PO Box Z5486 | Perth WA 6831 | Australia

+61 8 9321 8533 telephone | +61 8 9321 8544 fax | fticonsulting.com

Liability limited by a scheme approved under Professional Standards Legislation.

In the event that there are monies to be distributed to creditors in the future, you will need to submit a formal proof of debt form, which is **attached** at **Appendix C**. A proof of debt is also used for voting purposes at any meetings of creditors.

If you have leased the company property, have a retention of title claim or hold a Personal Property Security in relation to the Company, please contact my office as soon as possible. Further information is **attached** at **Appendix D**.

Your rights as a creditor

Information regarding your rights as a creditor is provided in the information sheet **included** at **Appendix E**.

I wish to draw to your attention the special right to request a meeting in the first 20 business days of a creditor's voluntary liquidation. If I receive a request for a meeting from at least 5% of known creditors that are not a related entity of the Company, I am required to hold a meeting, as long as the request is reasonable. The details of whether a request is reasonable or not is **included** in the information sheet at **Appendix E**.

Summary of the Company's affairs

I received a Report On Company Activities and Property Part A (**ROCAP Part A**) from the directors on 24 June 2020. A summary of the Company's affairs prepared from the information contained in the ROCAP Part A is **attached** at **Appendix F**.

Presentation of Summary of Affairs of a Company (Form 509) and Listing of creditors

I have **attached** at **Appendix G** a list of creditors, including their addresses and the estimated value of their claims, as disclosed in the records of the Company. Any creditors related to the Company are identified. I am required to provide this information to creditors under law.

Also **attached** (as **Appendix H**) is the Presentation of Summary of Affairs of a Company (Form 509).

What happens next?

I will proceed with the liquidation, including:

- recovering and selling any available property
- investigating the Company's affairs
- reporting to the corporate regulator, ASIC

If I receive a request for a meeting that complies with the guidelines set out in the creditor rights information sheet, I will hold a meeting of creditors.

I will write to you within three months of our appointment advising whether a dividend is likely and update you on the progress of our investigations.

I may write to you again after that with further information on the progress of the liquidation.

Costs of the liquidation

Included at **Appendix I** is our Initial Remuneration Notice. This document provides you with information about how we propose to be paid for undertaking the liquidation.

I am seeking approval for my remuneration for undertaking the liquidation by way of proposal, without holding a creditors' meeting. The Notice of Proposal to Creditors is **attached** at **Appendix J**.

Please complete and return the Proposals by no later than 24 July 2020. The proposals may be sent to me as follows:

Return to: Aratana Pty Ltd (In Liquidation)
 C/- FTI Consulting (Australia) Pty Ltd
 Level 47, 152 – 158 St Georges Terrace, PERTH WA 6000
 PO Box Z5486, St Georges Terrace, PERTH WA 6831
 By Email: olivia.cookson@fticonsulting.com

I **attach** a Remuneration Approval Report at **Appendix K** which provides you with detailed information so that you can understand what tasks will be undertaken and the costs of those tasks.

Where can you get more information?

The Australian Restructuring Insolvency and Turnaround Association (**ARITA**) provides information to assist creditors with understanding liquidations and insolvency.

This information is available from ARITA's website at **arita.com.au/creditors**.

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

Statutory notices and advertisements about the Company will be published on ASIC's Published Notices website at **www.insolvencynotices.asic.gov.au**.

Please contact Olivia Cookson of this office, if you have any queries in relation to the enclosed documents, or the liquidation generally.



Nathan Stubing

Joint and Several Liquidator

LIST OF APPENDICES

No	Appendix	Description
1	Appendix A	Declaration of Independence, Relevant Relationships and Indemnities (DIRRI).
2	Appendix B	ASIC information sheet titled <i>“Insolvency information for directors, employees, creditors and shareholders”</i> .
3	Appendix C	Form 535 – Formal Proof of Debt or Claim form.
4	Appendix D	Important statements for all creditors and suppliers.
5	Appendix E	ARITA information sheet titled <i>“Creditor Rights in Liquidations”</i> .
6	Appendix F	Summary of the Company’s Affairs.
7	Appendix G	List of creditors of the Company.
8	Appendix H	Presentation of Summary of Affairs of a Company (Form 509).
9	Appendix I	The Liquidators’ Initial Remuneration Notice.
10	Appendix J	Notice of Proposal to Creditors without a meeting form.
11	Appendix K	Remuneration Approval Report.

Appendix A

DECLARATION OF INDEPENDENCE, RELEVANT RELATIONSHIPS, AND INDEMNITIES

ARATANA PTY LIMITED ACN 630 538 519 (IN LIQUIDATION) ("THE COMPANY")

This declaration is made in respect of us, Nathan Thomas Kirkham Stubing and Ian Charles Francis ("**the Liquidators**"), our fellow Senior Managing Directors/Managing Directors, FTI Consulting (Australia) Pty Ltd ("**FTI Consulting**" or "**Firm**") and associated entities.

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

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

A. INDEPENDENCE

We, Ian Francis and Nathan Stubing of FTI Consulting have undertaken an assessment of the risks to our independence prior to accepting the appointment as Joint and Several Liquidators of the Company 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

This appointment was referred to FTI Consulting by Kylie Lee Gillis ("**Ms Gillis**"), who is the Director of the Company. We believe that this referral does not result in us having a conflict of interest or duty because of the following reasons:

- a) Neither us, nor FTI Consulting have any formal or informal referral arrangements with Ms Gillis and, to our knowledge, she does not exclusively refer such work to us or FTI Consulting.
- b) FTI Consulting is not reliant upon referrals from Ms Gillis, who are one of a considerable number of firms, organisations and persons who refer work to, or seek advice from, FTI Consulting. This engagement is not financially significant to FTI Consulting and the receiving or otherwise of other referrals from Ms Gillis is not material to FTI Consulting;
- c) Work referrals arising from networks of business professionals, advisors and other persons are normal and accepted arrangements, and do not inherently impact on us discharging our statutory duties and obligations with independence and impartiality;
- d) There are no conditions on the conduct or outcome of this administration arising from the referral, including no fees/commissions, agreements for the work in the administration, or other benefits.

Nathan Stubing met with Kylie Gillis and Gary Bassi on 4 March 2020. The purpose of the meeting was to:

- a) obtain sufficient information about the Company to enable discussion around the financial position of the Company;
- b) explain the various forms of insolvency appointments, the options available, and the consequences of an insolvency appointment; and
- c) outline the process following an insolvency appointment;

On 5 June 2020, Ms Gillis and Mr Bassi phoned Mr Stubing to advise that they wished to proceed with the winding up of the Company.

On 9 June 2020, Mr Stubing met with Ms Gillis and Mr Bassi at the Company's former place of business in order to discuss the potential appointment and provide appointment documents for execution.

On 24 June 2020, Mr Stubing and Ms Gillis held a telephone call to discuss the execution of the appointment documents and at which time, Ms Kylie Gillis executed the appointment documents.

We have received no remuneration for these meetings and advice.

In our opinion, these meetings do not affect our independence for the following reasons:

- a) The Courts and relevant professional bodies 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;
- b) The nature of the advice provided to the Company is such that it would not be subject to review and challenge during the course of our appointment;
- c) The conversations with the Director were of a general nature and no specific advice, other than to seek their own independent advice, was given;
- d) No advice has been given to the directors in their capacity as directors of the Company, or in relation to their personal circumstances; and
- e) The pre-appointment advice will not influence our ability to be able to fully comply with the statutory and fiduciary obligations associated with the appointment as Joint and Several Liquidators of the Company in an objective and impartial manner.

We have provided no other information or advice to the Company, its directors and advisors prior to our appointment beyond that outlined in this DIRRI.

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

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

Name	Nature of relationship	Reasons
Westpac Banking Corporation (“Westpac”)	FTI Consulting has held relationships with Westpac by virtue of the nature of its business. FTI Consulting undertakes corporate recovery and advisory from time to time on instructions from Westpac. Westpac has Personal Property Securities Register (“PPSR”) over the Company’s assets.	We believe that this relationship does not result in a conflict of interest or duty because: ▪ Each professional engagement undertaken for Westpac in relation to a particular entity or group of entities is conducted on an entirely separate basis, which has no bearing on this appointment; ▪ These engagements are only commenced after full regard is given to potential conflicts of interest in relation to all interested stakeholders; and ▪ FTI Consulting has not undertaken an engagement for Westpac with respect to the Company. ▪ Given these abovementioned factors, or independence in acting as Liquidators of the Company had not been affected.

iii. Prior Professional Services to the Insolvent

Neither we nor our Firm have provided any professional services to, or in relation to, the Company in the previous 24 months.

iv. No other relevant relationships to disclose

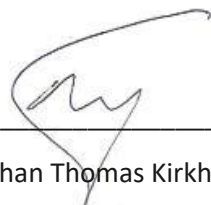
There are no other known relevant relationships, including personal, business and professional relationships, from the previous 24 months with the Company, an associate of the Company, a former insolvency practitioner appointed to the Company or any person or entity that is entitled to enforce a security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

C. INDEMNITIES AND UP-FRONT PAYMENTS

We have been provided with the following indemnities and/or upfront payments for the conduct of this administration:

Name	Relationship with the Company	Nature of indemnity or payment
Kylie Gillis	Director	\$10,000

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



Nathan Thomas Kirkham Stubing



Ian Charles Francis

Date: 8 July 2020

NOTE:

1. If circumstances change, or new information is identified, we are required under the Corporations Act 2001 and ARITA's 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 Company's creditors. For Creditors' Voluntary Liquidations and Voluntary Administrations, this document and any updated versions of this document are required to be lodged with ASIC.
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.

Appendix B

[Home](#)> [Regulatory resources](#)> [Insolvency](#)> [Insolvency information for directors, employees, creditors and shareholders](#)

Insolvency information for directors, employees, creditors and shareholders

This information sheet (INFO 39) lists ASIC's information sheets for directors, employees, creditors and shareholders affected by a company's insolvency.

We have produced these with endorsement from the Australian Restructuring Insolvency & Turnaround Association (ARITA).

The information sheets give a basic understanding of the three most common company insolvency procedures – liquidation, voluntary administration and receivership – as well as the independence requirements for external administrators and approving external administrator remuneration. There is also a glossary of commonly used insolvency terms.

List of information sheets

- [INFO 41](#) Insolvency: A glossary of terms
- [INFO 42](#) Insolvency: A guide for directors
- [INFO 43](#) Insolvency: A guide for shareholders
- [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 74](#) Voluntary administration: A guide for creditors
- [INFO 75](#) Voluntary administration: A guide for employees
- [INFO 84](#) Independence of external administrators: A guide for creditors
- [INFO 85](#) Approving fees: A guide for creditors

Where can I get more information?

Further information is available from the [ARITA website](#). The ARITA website also contains the [ARITA Code of Professional Practice for Insolvency Practitioners](#).

This is **Information Sheet 39 (INFO 39)** updated on 1 September 2017. Information sheets provide concise guidance on a specific process or compliance issue or an overview of detailed guidance.

Last updated: 01/09/2017 10:57

Appendix C

FORM 535 – FORMAL PROOF OF DEBT OR CLAIM

Subregulation 5.6.49(2)

Corporations Act 2001

ARATANA PTY LTD (IN LIQUIDATION) ACN 630 538 519

To the Liquidators of **Aratana Pty Ltd ACN 630 538 519 (In Liquidation)** (the "Company")

1. This is to state that the Company was on 24 June 2020, and still is, justly and truly indebted to: _____

(full name, ABN and address of the creditor and, if applicable, the creditor's partners) for _____ dollars and _____ cents

Particulars of the debt are:

Date	Consideration (state how the debt arose)	Amount (\$/c)	Remarks (include details of voucher substantiating payment)
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2. To my knowledge or belief the creditor has not, nor has any person by the creditor's order, had or received any satisfaction or security for the sum or any part of it except for the following: _____

(insert particulars of all securities held. If the securities are on the property of the company, assess the value of those securities. If any bills or other negotiable securities are held, show them in a schedule in the following form).

Date	Drawer	Acceptor	Amount (\$/c)	Due Date
------	--------	----------	---------------	----------

3. Signed by (select correct option):

- ☐ I am the creditor personally.
- ☐ I am employed by the creditor and authorised in writing by the creditor to make this statement. I know that the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied.
- ☐ I am the creditor's agent authorised in writing to make this statement in writing. I know the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied.

Signature: _____ Dated: _____

Name: _____ Occupation*: _____

Address: _____

* If prepared by an employee or agent of the creditor, also insert a description of the occupation of the creditor

RECEIVE REPORTS BY EMAIL	Yes	No
Do you wish to receive all future reports and correspondence from our office via email?	☐	☐
Email:.....		

Appendix D

Important Statements for All Creditors and Suppliers

No Adoption of Any Contracts or Assumption of Liabilities of the Company by the Liquidators

The Liquidators are not personally adopting, and will not adopt, any agreement or contract that you may have with the Company. The Liquidators will not be liable for any liability of the Company under any agreement or contract with you. Any payments made by the Liquidators for any goods or services does not constitute, nor in any way imply, adoption of any contract or an assumption of any liability of the Company by the Liquidators.

Parties Who are Required to Contact Us

Please contact us as soon as possible if you:

- Have supplied any goods or collateral to the Company and you have registered a security interest in such property on the Personal Property Security Register (“PPSR”);
- Are otherwise claiming security or proprietary rights in any asset or property owned by or in possession of the Company;
- Lease or hire goods or property to the Company;
- Are claiming a lien over property of the Company, and/or
- Have commenced legal proceedings against the Company.

Parties with PMSI, Retention of Title and Consignment Claims Over Property

Parties with these claims are requested as soon as possible to give us details of the items supplied to the Company (including any features by which that property is able to be identified, for example - serial number/s) and which remain unpaid for and provide details of your registration on the PPSR with all relevant supporting documents.

General Statement

The Liquidators will consider the information and details provided to them in support of any claims. Where a claim is valid and not disputed, the Liquidators will comply with their obligations at law. This should not be interpreted as, in any way, limiting or restricting the rights of the Liquidators or the Company, whose rights are expressly reserved.

FTI Consulting (Australia) Pty Limited

ABN 49 160 397 811 | ACN 160 397 811 | AFSL Authorised Representative # 001269325

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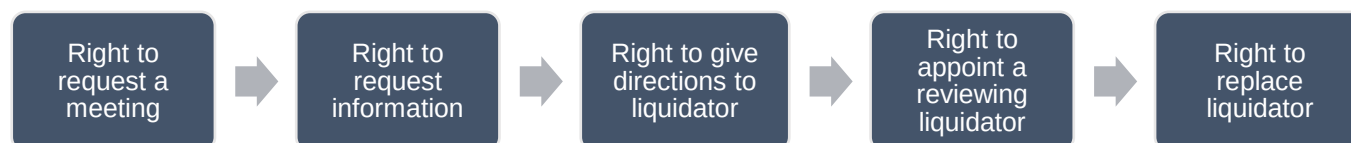
Please note the Liquidators may require payment of their reasonable expenses and remuneration incurred in the identification, preservation and distribution of property to secured parties, purchasers and/or other persons that the property belongs to. This also includes circumstances where property (such as inventory, for example) is made available for collection.

Affected parties should seek their own advice as applicable and as they deem appropriate.

Appendix E

Creditor Rights in Liquidations

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



Right to request a meeting

In liquidations, no meetings of creditors are held automatically. However, creditors with claims of a certain value can request in writing that the liquidator hold a meeting of creditors.

A meeting may be requested in the first 20 business days in a creditors' voluntary liquidation by $\geq 5\%$ of the value of the debts held by known creditors who are not a related entity of the company.

Otherwise, meetings can be requested at any other time or in a court liquidation by:

- $> 10\%$ but $< 25\%$ of the known value of creditors on the condition that those creditors provide security for the cost of holding the meeting
- $\geq 25\%$ of the known value of creditors
- creditors by resolution, or
- a Committee of Inspection (this is a smaller group of creditors elected by, and to represent, all the creditors).

If a request complies with these requirements and is 'reasonable', the liquidator must hold a meeting of creditors as soon as reasonably practicable.

Right to request information

Liquidators will communicate important information with creditors as required in a liquidation. In addition to the initial notice, you should receive, at a minimum, a report within the first three months on the likelihood of a dividend being paid.

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

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

Requests must be reasonable.

They are not reasonable if:

Both meetings and information:

- (a) complying with the request would prejudice the interests of one or more creditors or a third party
- (b) there is not sufficient available property to comply with the request
- (c) the request is vexatious

Meeting requests only:

- (d) a meeting of creditors dealing with the same matters has been held, or will be held within 15 business days

Information requests only:

- (e) the information requested would be privileged from production in legal proceedings
- (f) disclosure would found an action for breach of confidence
- (g) the information has already been provided
- (h) the information is required to be provided under law within 20 business days of the request

If a request is not reasonable due to (b), (d), (g) or (h) above, the liquidator must comply with the request if the creditor meets the cost of complying with the request.

Otherwise, a liquidator must inform a creditor if their meeting or information request is not reasonable and the reason why.

Right to give directions to liquidator

Creditors, by resolution, may give a liquidator directions in relation to a liquidation. A liquidator must have regard to these directions, but is not required to comply with the directions.

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

An individual creditor cannot provide a direction to a liquidator.

Right to appoint a reviewing liquidator

Creditors, by resolution, may appoint a reviewing liquidator to review a liquidator's remuneration or a cost or expense incurred in a liquidation. 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.

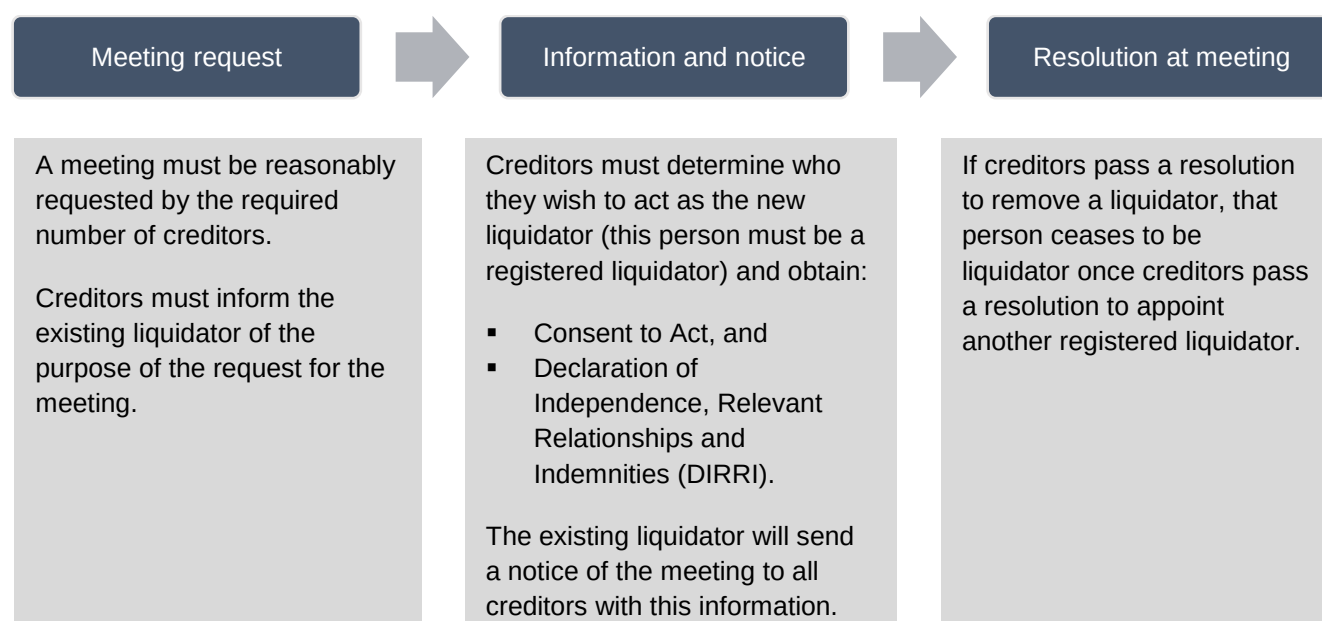
The cost of the reviewing liquidator is paid from the assets of the liquidation, in priority to creditor claims.

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

Right to replace liquidator

Creditors, by resolution, have the right to remove a liquidator and appoint another registered liquidator.

For this to happen, there are certain requirements that must be complied with:



For more information, go to www.arita.com.au/creditors

Appendix F



ASIC
Australian Securities &
Investments Commission

Form 507 Corporations Act 2001
s421A(1) & (2)
s429(2)(b) & (c)
s475(1) & (7)
s497(4) & (6)
s438B(2A)

REPORT ON Company Activities and Property **Part A (Form 507)**

Before you start, download INSTRUCTIONS Part A (Form 507) and Part B

www.asic.gov.au/forms/507

The information you provide to ASIC in this Report may include personal information.

Please see our privacy policy (www.asic.gov.au/privacy) for information on how we handle your personal information, your rights to seek access to and correct personal information, and how to complain about breaches of your privacy.

External Administrator use only

External Administrator (lodging party)

Organisation

FTI Consulting

ASIC Registered Liquidator number (if applicable)

Name of External Administrator

Nathan Stubing

Contact person

Lo Tadlerera

Phone number during business hours

(08) 9321 8533

Address

Central Park, Level 47

Street number and name

152-158 St Georges Tce

Suburb/City

Perth

State/Territory

WA

Postcode

6000

Please tick appropriate box.

☐

Receiver and Manager

507G

Appointment date

☐

Managing Controller of property

507H

Date person took control

☐

Controller

507F

Date received Report

☐

Liquidator/Provisional Liquidator appointed by the court

507C

Date received Report

☒

Liquidator - creditors' voluntary winding up

507D

Date received Report

24 / 06 / 20

☐

Voluntary Administrator

507K

Date received Report

Make up the Report as at the following dates

MANAGING CONTROLLER - S421A(1)

Your Report must include the business activities the Company had undertaken up to 30 days before you write your Report.

For example, if you write your Report on 31 August, it must include the Company's activities up to at least 31 July of that year, not earlier.

CONTROLLER - S429(2)

The control day.

LIQUIDATOR OR PROVISIONAL LIQUIDATOR - S475(1)

The date of the winding-up order or an earlier date, if specified by you.

ADMINISTRATOR - S438B(2)

The date you become the Administrator, or an alternative date specified by you.

Date the Director must send you the Report. This applies to Directors, Secretary or other relevant person completing the report.

Put the date for return of the Report to you at the head of the next page, at **A1**.

Lodge Part A

Using Form 911, you must verify a copy of Part A of the Report and lodge it with ASIC by the date specified below, or a late fee may be applied.

SECTION	LODGE MENT PERIOD
s421A(2)	2 months after control day
s429(2)(c)	1 month after receipt of Report
s438B(2A)	5 business days after receipt of Report
s475(7)	5 business days after receipt of Report
s497(6)	10 business days after receipt of Report

Continued on next page

Regulation 5.2.02 requires a copy of Part A of this Report that is lodged with ASIC to be certified in writing as a true copy of the original Report (Part A).

a) for a copy lodged for the purposes of s429(2)(c) - by the controller of property of the corporation; or

b) for a copy lodged for the purposes of s475(7) - by the liquidator/provisional liquidator of the company.

Form 911 is prescribed for this purpose.

For controllers (s429), under s429(2)(c)(i), a notice setting out any comments relating to Part A of this Report, or a statement that no comment is made, should accompany Part A of the Report. Form 911 Verification of a document should also be lodged.

END OF EXTERNAL ADMINISTRATOR SECTION

Director to complete for Director(s), Secretary, Managing Controller or other relevant person

A1 Return this Report to the External Administrator by the date the Administrator has shown below.
(Not applicable to managing controllers)

10 / 06 / 2020

A2 Do you have the INSTRUCTIONS for completing this form?

☐ No You must download a copy from www.asic.gov.au/forms/507

☒ Yes The INSTRUCTIONS explain:
• why you received this Report
• your role in completing it
• how to complete it.

A3 Name of the Company under external administration
ARATANA PTY LTD

READ INSTRUCTION A3. It explains the information you should provide and how to attach it to this Report.

ACN/ABN

630538519

Street number and name

67B KITCHENER RD

Suburb/City State/Territory Postcode

MELVILLE WA 6156

Registered office

Street number and name

96 STIRLING HWY

Suburb/City State/Territory Postcode

NEOLANDS WA 6156

Principal place of business

Street number and name

AS ABOVE

Suburb/City State/Territory Postcode

Does the Company have other places of business?

☒ No Go to Question A4

☐ Yes Give details below

Street number and name

Suburb/City State/Territory Postcode

What the Company owes and owns

A4 Does the Company owe money to its employees?

- ☐ No Go to Question A5
- ☒ Yes READ INSTRUCTION A4. It explains the information you should provide and how to attach it to this Report.

A5 Does the Company owe money, goods or services to others (other than to employees)?

- ☐ No Go to Question A6
- ☒ Yes READ INSTRUCTION A5. It explains the information you should provide and how to attach it to this Report.

A6 Is the Company owed money?

- ☒ No Go to Question A7
- ☐ Yes READ INSTRUCTION A6. It explains the information you should provide and how to attach it to this Report.

A7 Does the Company own any assets as listed below?

Tick boxes below as appropriate and provide information as an attachment.

READ INSTRUCTION A7. It explains the information you should provide and how to attach it to this Report.

Bank accounts

- ☐ No
- ☒ Yes

Motor vehicles

- ☒ No
- ☐ Yes

Plant and equipment

- ☒ No
- ☐ Yes

Inventory

- ☒ No
- ☐ Yes

Real property

- ☒ No
- ☐ Yes

Other assets

- ☒ No
- ☐ Yes

Does the Company hold property on trust?

- ☒ No
- ☐ Yes

Is the Company a trustee of a superannuation fund?

- ☒ No
- ☐ Yes

If you ticked NO to all the items, explain why the Company has no assets.

SOLD PRIOR TO APPOINTMENT

A8 Have you provided the full details asked for in Questions A4, A5, A6, and A7, including all attachments?

- ☐ No PLEASE BE AWARE:
You must provide information in this Report to the best of your ability. You can be penalised for giving false information.

READ INSTRUCTION A8. It explains what can happen if you give false information.

- ☒ Yes Go to Question A9

A9 Declaration by Director, Secretary, Managing Controller, or person nominated by the External Administrator

Part A (Form 507) of this Report is a legal document.

READ INSTRUCTION **A9**. It describes the Report's legal status.

It also explains the information you should provide and how to attach it to this Report.

Part A (Form 507) and, where relevant, Part B of this Report should be completed and delivered to the External Administrator by the date at **A1** page 3.

The External Administrator will then lodge Part A with ASIC.

Part B does not form part of ASIC Form 507 and is not lodged with ASIC. But section 530A of the *Corporations Act 2001* requires Company Directors to help liquidators and provisional liquidators where they reasonably require. Failure to comply with such a request is a strict liability offence. Part B is not applicable for managing controllers.

❖ I declare that the answers to the questions contained in Part A of the Report and the contents of all attachments to Part A of the Report are true, correct and complete to the best of my knowledge and belief at the date of this declaration.

Name

KYLIE GILLIS

Position

DIRECTOR

Signature

Kylie Gillis

Date

A10 Declaration by Managing Controller

❖ In my capacity as the Managing Controller, I declare that where I have omitted information, I have done so in accordance with Section 421A(4) of the *Corporations Act 2001* and have included the notice required by s421A(5) with this Report.

Name

Signature

Date

Appendix G

Creditor Listing by Claim Type: 475710.0001 Aratana Pty Ltd - 475710.0001 Aratana Pty Ltd (In Liquidation)

All Creditor Claim Types as at 3/07/2020 (Filter: All)

PRIORITY CREDITORS	ROCAP	Advised	Claimed	Admitted	Rejected	Under Consid.	Distributed	Remaining	Control Value
PRIORITY CLAIMS									
ATO	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00
Total Priority Claims:	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00
TOTAL PRIORITY CREDITORS:	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00
UNSECURED CREDITORS									
UNSECURED									
ADT Security	44.50	44.50	0.00	0.00	0.00	0.00	0.00	0.00	44.50
Alinta Sales Pty Ltd	3,555.85	3,555.85	0.00	0.00	0.00	0.00	0.00	0.00	3,555.85
Cleanaway Waste Management Limited	498.38	498.38	0.00	0.00	0.00	0.00	0.00	0.00	498.38
West Sunrise Painting Pty Ltd	8,310.50	8,310.50	0.00	0.00	0.00	0.00	0.00	0.00	8,310.50
Total Unsecured:	12,409.23	12,409.23	0.00	0.00	0.00	0.00	0.00	0.00	12,409.23
TOTAL UNSECURED CREDITORS:	12,409.23	12,409.23	0.00	0.00	0.00	0.00	0.00	0.00	12,409.23
Grand Total:	12,410.23	12,410.23	0.00	0.00	0.00	0.00	0.00	0.00	12,410.23

Appendix H

Australian Securities &
Investments Commission

Presentation of
summary of affairs of a company

Form 509

Corporations Act 2001

497(1)(a)(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

Related forms:

5604 Information about the company's affairs sent to creditors

Company details

Company name

Aratana Pty Ltd

ACN / ABN

630 538 519

Lodgement details

An image of this form will be available as
part of the public register

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

ASIC registered agent number (if applicable)

Firm/Organisation

FTI Consulting (Australia) Pty Ltd

Contact name/position description

Loice Taderera - Associate

Telephone Number

(08) 9321 8533

Email address (optional)

lo.taderera@fticonsulting.com

Postal Address or DX Address

PO Box Z5486, St Georges Terrace

Suburb/City

PERTH

State / Territory

WA

Post Code

6831

Summary of assets and liabilities

Date to which summary is made up

Date

24/06/2020

Continued ... Summary of assets and liabilities

	Valuation (for each entry show whether cost or net book amount) \$	Estimated Realisable Values \$
1 Assets not specifically subject to security interest		
(a) interest in land	0	0
(b) sundry debtors	0	0
(c) cash on hand	0	0
(d) cash at bank	0	0
(e) stock	0	0
(f) work in progress	0	0
(g) plant and equipment	0	0
(h) other assets	0	0
Sub total		
2. Assets subject to specific security interests		
Less amounts owing		
Total assets	(\$ 0)	
Total Estimated Realisable Values		(\$ 0)
3. Less payable in advance of secured creditor(s) including employee entitlements		0
4. Less amounts owing and secured by debenture or circular security interest over assets		0
5. Less preferential claims ranking behind secured creditors		0
6. Less balances owing to partly secured creditors		
Total Claims (\$ 0)		
Security Held (\$ 0)		
7. Less creditors (unsecured) Amount claimed		est. \$3200 + ATO unknown
8. Add contingent assets Estimated to produce		0
9. Less Contingent liabilities Estimated to rank		0
Estimated Surplus (Deficiency)		\$ unknown
Subject to costs of the Creditor's Voluntary Administration		
Share capital \$ 10		
Issued \$ 10		
Paid Up \$ 10		

Signature

This form must be signed by a director, secretary or liquidator.

Name of person signing

Nathan Stubing

Capacity

Liquidator

Signature



Date

24/06/20

Lodgement

If lodging with ASIC, send completed and signed forms to:
Australian Securities and Investments Commission
PO Box 4000, Gippsland Mail Centre VIC 3841.

For help or more information

Web www.asic.gov.au
Need help? www.asic.gov.au/question
Telephone 1300 300 630

Appendix I

INITIAL ADVICE TO CREDITORS – BASIS OF APPOINTEES' REMUNERATION

REMUNERATION METHODS

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

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.

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.

Percentage

The total fee charged is based on a percentage of a particular variable, such as the gross proceeds of assets realisations.

Contingency

The practitioner's fee is structured to be contingent on a particular outcome being achieved.

METHOD PROPOSED

We propose that our remuneration is calculated on a time basis. We believe this method is appropriate as it ensures that only the actual work performed is charged for. There are also various tasks required to be completed which do not involve the realisation of assets, such as reporting to ASIC, undertaking investigations, corresponding with creditors and answering their queries, and completing other statutory tasks required by law.

ESTIMATE OF REMUNERATION FOR THE ADMINISTRATION

We estimate our remuneration for undertaking the administration will be approximately \$10,000 (exclusive of GST), subject to the following variables which may have a significant effect on this estimate and that we are unable to determine until the administration has commenced:

- The full scope and extent of necessary work (from experience, unforeseen matters typically arise and may require us to perform additional work beyond that currently anticipated).

Prior to our appointment, we provided an estimate of the cost of the administration to the

directors.

We received an indemnity to contribute to the estimated costs. The director, Ms Kylie Gillis, has provided an indemnity of \$10,000. This has been disclosed in our declaration of relevant relationships and indemnities.

Approved remuneration may exceed the amount of this indemnity and can be paid from the assets of the administration after approval by creditors or the Court.

EXPLANATION OF HOURLY RATES

The rates for our remuneration calculation are attached together with a general guide showing the qualifications and experience of staff that will be 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.

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.

We are not required to seek creditor approval for disbursements paid to third parties but must account to creditors. However, I must be satisfied that these disbursements are appropriate, justified and reasonable.

We are required to obtain creditors' approval for the payment of internal disbursements which were not charged at cost (and which may therefore have a profit or advantage attached to them), prior to these disbursements being paid from the administration. These disbursements typically would include internal photocopying, printing and facsimile costs. However, as we do not charge our external administrations for internally generated FTI disbursements where they have not been charged at cost (such as photocopying and printing charges for the use of internal photocopiers, printers etc), creditor approval is not required.

Details of the basis of recovering internal and external disbursements in this administration are provided in the table below. Full details of any actual costs incurred will be provided with future reporting.

FTI Disbursements Schedule

Disbursement type	Charge Type	Charge Rate (excl GST)
Advertising	External, non-professional	At cost
ASIC Industry Funding Model Levy – metric events	External, non-professional	At cost (at prescribed ASIC rates)
Couriers and deliveries	External, non-professional	At cost
Data Room Charges	External, professional	At cost
Facsimile	Internal (FTI)	Not charged
Legal Fees	External, professional	At cost
Postage	External, non-professional	At cost
Photocopying – internal	Internal (FTI)	Not charged
Photocopying – outsourced	External, non-professional	At cost
Printing – internal	Internal (FTI)	Not charged
Printing – outsourced	External, non-professional	At cost
Records costs – storage, destruction, boxes	External, non-professional	At cost
Search fees	External, non-professional	At cost
Staff motor vehicle use - mileage	Cents per km	At prescribed ATO rates
Staff travel - accommodation, meals etc	External, non-professional	At cost
Stationery and other incidental disbursements	External, non-professional	At cost
Telephone	Internal (FTI)	Not charged
Valuation Fees	External, professional	At cost
Other externally provided professional services		At Cost
Other externally provided non-professional services		At Cost

FTI Consulting CF&R Standard Rates effective 1 April 2020
(excluding GST)

Typical classification	Standard Rates \$/hour	General guide to classifications
Senior Managing Director	720	Registered Liquidator and/or Trustee, with specialist skills and extensive experience in all forms of insolvency administrations. Alternatively, has proven leadership experience in business or industry, bringing specialist expertise and knowledge to the administration.
Managing Director	660	Specialist skills brought to the administration. Extensive experience in managing large, complex engagements at a very senior level over many years. Can deputise for the appointee. May also be a Registered Liquidator and/or Trustee. Alternatively, has extensive leadership/senior management experience in business or industry.
Senior Director	580	Extensive experience in managing large, complex engagements at a very senior level over many years. Can deputise for the appointee, where required. May also be a Registered Liquidator and/or Trustee or have experience sufficient to support an application to become registered. Alternatively, has significant senior management experience in business or industry, with specialist skills and/or qualifications.
Director	520	Significant experience across all types of administrations. Strong technical and commercial skills. Has primary conduct of small to large administrations, controlling a team of professionals. Answerable to the appointee, but otherwise responsible for all aspects of the administration. Alternatively, has significant senior management experience in business or industry, with specialist skills and/or qualifications.
Senior Consultant 2	470	Typically an Australian Restructuring Insolvency & Turnaround Association professional member. Well developed technical and commercial skills. Has experience in complex matters and has conduct of small to medium administrations, supervising a small team of professionals. Assists planning and control of medium to larger administrations.
Senior Consultant 1	430	Assists with the planning and control of small to medium-sized administrations. May have the conduct of simpler administrations. Can supervise staff. Has experience performing more difficult tasks on larger administrations.
Consultant 2	390	Typically Institute of Chartered Accountants in Australia qualified chartered accountant (or similar). Required to control the tasks on small administrations and is responsible for assisting with tasks on medium to large-sized administrations.
Consultant 1	360	Qualified accountant with several years' experience. Required to assist with day-to-day tasks under the supervision of senior staff.
Associate 2	335	Typically a qualified accountant. Required to assist with day-to-day tasks under the supervision of senior staff.
Associate 1	300	Typically a university graduate. Required to assist with day-to-day tasks under the supervision of senior staff.
Junior Associate	220	Undergraduate in the latter stage of their university degree.
Administration 2	220	Well developed administrative skills with significant experience supporting professional staff, including superior knowledge of software packages, personal assistance work and/or office management. May also have appropriate bookkeeping, accounting support services or similar skills.
Junior Accountant	170	Undergraduate in the early stage of their university degree.
Administration 1	185	Has appropriate skills and experience to support professional staff in an administrative capacity. May also have appropriate bookkeeping, accounting support services or similar skills.

The FTI Consulting Standard Rates above apply to the Corporate Finance & Restructuring practice and are subject to periodical review.

Appendix J

8 July 2020

NOTICE OF PROPOSAL TO CREDITORS

ARATANA PTY LTD (IN LIQUIDATION) ACN 630 538 519 ("THE COMPANY")

Please complete this document and return with any supporting documents by no later than **4:00 PM WST on 24 July 2020** for your vote to be counted, by email to Olivia Cookson at olivia.cookson@fticonsulting.com. If you have any questions please call Olivia Cookson of this office on (08) 9321 8533.

Completed forms may also be sent by post attention to Olivia Cookson at FTI Consulting, PO Box Z5486, St Georges Terrace, PERTH WA 6831. You should ensure this is sent with sufficient time to arrive by the date the vote closes.

Proposal for creditor approval

"The future remuneration of the liquidators of Aratana Pty Ltd (In Liquidation) ACN 630 538 519 from 24 June 2020 to the finalisation of the liquidation (inclusive) is determined and approved for payment at a sum equal to the cost of time incurred by the liquidators and staff of FTI Consulting, calculated at the hourly rates set out in the schedule of FTI Consulting Standard Rates effective 1 April 2020, up to an initial capped amount of \$10,000 plus GST, and the liquidators can draw the remuneration as required."

Reasons for the proposal and the likely impact it will have on creditors if it is passed

The proposal is being put to creditors to approve remuneration as allowed under law.

The proposal if passed will minimise the cost of approving remuneration to the Liquidation which would otherwise require a meeting of creditors or court application to be approved – which can be costly.

Remuneration of the Liquidator is to be paid in priority to other claims under the Corporations Act. This ensures that when there are sufficient funds, the Liquidator receives payment for the work done to recover assets, investigate the company's affairs, report to creditors and ASIC and distribute any available funds. Even if creditors approve my remuneration, this does not guarantee that I will be paid, as I am only paid if sufficient assets are recovered.

If sufficient assets are recovered, there may be funds available to pay a dividend to creditors, however this is affected by many variables including the value of assets and complexity of realising those assets, the level of creditor enquiries, the priority of claims (including employee claims) and the total value of creditor claims to be admitted to participate in a dividend.

At this early stage in the Liquidation I am unable to provide a dividend estimate of any certainty. If I do declare a dividend, any creditor whose claim has not yet been admitted will be contacted and asked to submit a proof of debt.

My remuneration approval report, which has been provided with this notice provides more detailed information on the remuneration I am seeking to be approved.

Vote on proposal

Creditors have the option of approving, not approving or objecting to the proposal being resolved without a meeting of creditors. Please select the appropriate Yes, No or Object box referred to below:

- Yes ☐ I approve the proposal
- No ☐ I do not approve the proposal
- Object ☐ I object to the proposal being resolved without a meeting of creditors

Your claim against the Company must be admitted for the purposes of voting by the Liquidator for your vote to count. Please select the option that applies:

- ☐ I have previously submitted a proof of debt form and supporting documents
- ☐ I have enclosed a proof of debt form and supporting documents with this proposal form

Creditor details

Name of creditor: _____ ACN / ABN (if applicable): _____

- ☐ I am not a related creditor of the Company.
- ☐ I am a related creditor of the Company, relationship: _____

Address: _____

Name of creditor / authorised person: _____

Signature: _____ Date: _____

Information sheet: Proposals without meetings

You may be a creditor in a liquidation, voluntary administration or deed of company arrangement (collectively referred to as an external administration).

You have been asked by the liquidator, voluntary administrator or deed administrator (collectively referred to as an external administrator) to consider passing a proposal without a meeting.

This information sheet is to assist you with understanding what a proposal without a meeting is and what your rights as a creditor are.

What is a proposal without a meeting?

Meetings of creditors were previously the only way that external administrators could obtain the views of the body of creditors. However, meetings can be very expensive to hold.

A proposal without a meeting is a cost effective way for the external administrator to obtain the consent of creditors to a particular course of action.

What types of proposals can be put to creditors?

The external administrator is able to put a range of proposals to creditors by giving notice in writing to the creditors. There is a restriction under the law that each notice can only contain a single proposal. However, the external administrator can send more than one notice at any single time.

What information must the notice contain?

The notice must:

- include a statement of the reasons for the proposal and the likely impact it will have on creditors if it is passed
- invite the creditor to either:
 - vote yes or no to the proposal, or
 - object to the proposal being resolved without a meeting, and
- specify a period of at least 15 business days for replies to be received by the external administrator.

If you wish to vote or object, you will also need to lodge a Proof of Debt (POD) to substantiate your claim in the external administration. The external administrator will provide you with a POD to complete. You should ensure that you also provide documentation to support your claim.

If you have already lodged a POD in this external administration, you do not need to lodge another one.

The external administrator must also provide you with enough information for you to be able to make an informed decision on how to cast your vote on the proposal. With some types of proposals, the law or ARITA's Code of Professional Practice sets requirements for the information that you must be provided.

For example, if the external administrator is asking you to approve remuneration, you will be provided with a Remuneration Approval Report, which will provide you with detailed information about how the external administrator's remuneration for undertaking the external administration has been calculated.

What are your options if you are asked to vote on a proposal without a meeting?

You can choose to vote yes, no or object to the proposal being resolved without a meeting.

How is a resolution passed?

A resolution will be passed if more than 50% in number and 50% in value (of those creditors who did vote) voted in favour of the proposal, but only so long as not more than 25% in value objected to the proposal being resolved without a meeting.

What happens if the proposal doesn't pass?

If the proposal doesn't pass and an objection is not received, the external administrator can choose to amend the proposal and ask creditors to consider it again or the external administrator can choose to hold a meeting of creditors to consider the proposal.

The external administrator may also be able to go to Court to seek approval.

What happens if I object to the proposal being resolved without a meeting?

If more than 25% in value of creditors responding to the proposal object to the proposal being resolved without a meeting, the proposal will not pass even if the required majority vote yes. The external administrator will also be unable to put the proposal to creditors again without a meeting.

You should be aware that if you choose to object, there will be additional costs associated with convening a meeting of creditors or the external administrator seeking the approval of the Court. This cost will normally be paid from the available assets in the external administration.

This is an important power and you should ensure that it is used appropriately.

Where can I 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 artia.com.au/creditors.

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

Appendix K

8 JULY 2020

REMUNERATION APPROVAL REPORT

ARATANA PTY LTD
(IN LIQUIDATION)
ACN 630 538 519

Introduction

Information included in report

This remuneration approval report provides you with the information that the Corporations Act 2001 (“**Act**”) and the Code of Professional Practice published by the Australian Restructuring Insolvency and Turnaround Association (“**ARITA**”) requires creditors to receive to make an informed decision regarding the approval of our remuneration and the cost of our internal disbursements for undertaking the Creditors Voluntary Liquidation of Aratana Pty Ltd (In Liquidation) ACN 630 538 519.

This report has the following information included:

Introduction	1
Part 1: Declaration	1
Part 2: Executive Summary	1
Part 3: Remuneration	2
Part 4: Disbursements	3
Part 5: Summary of Receipts and Payments	5
Part 6: Queries	5
Schedule 1: Table of major tasks for resolution 1 remuneration approval	6
Schedule 2: FTI Consulting Schedule of Rates	9

Part 1: Declaration

I, Nathan Thomas Kirkham Stubing, of FTI Consulting, have undertaken a proper assessment of the claims for remuneration and payment of the Liquidator’s internal disbursements for the appointment as Liquidator of Aratana Pty Ltd (In Liquidation) ACN 630 538 519 in accordance with the law and applicable professional standards. I am satisfied that the remuneration claimed is in respect of necessary work, properly performed, or to be properly performed, in the conduct of this appointment.

Part 2: Executive Summary

I currently estimate the total remuneration for this appointment for the period to the finalisation of the winding up to be \$10,000.00 plus GST.

Remuneration claimed is summarised below in Table 1 below:

Table 1: Current Claim for Remuneration		
Period	Report Reference	Amount (excl GST) \$
Liquidation		
Resolution 1: From 24 June 2020 to the Conclusion of the Liquidation (inclusive)*	Schedule 1	10,000.00

- * Approval for the remuneration sought is based on an estimate of the work necessary to complete the administration. Should additional work beyond what is contemplated be necessary, further approval may be sought from creditors.

Please refer to report section references detailed in Table 1 for full details of the calculation and composition of the remuneration approval sought.

Part 3: Remuneration

Remuneration Claim Resolution

I will be seeking approval of the following resolution to approve our remuneration. Details to support these resolutions are shown immediately below the resolution and in the schedules to this report.

Resolution 1: Remuneration from 24 June 2020 to the Conclusion of the Liquidation (inclusive)

The remuneration of the Liquidator of Aratana Pty Ltd (In Liquidation) ACN 630 538 519 for the period from 24 June 2020 to the Conclusion of the Liquidation (inclusive) is determined and approved for payment at a sum equal to the cost of time incurred by the Liquidator and staff of FTI Consulting, calculated at the hourly rates set out in the schedule of FTI Consulting Standard Rates effective 1 April 2020, up to an initial capped amount of \$10,000.00 plus GST, and the Liquidator can draw the remuneration as required.

Remuneration is calculated in accordance with the hourly rates applicable to the grades or classifications set out in the FTI Consulting Schedule of Standard Rates which appear at Schedule 2 to this report.

At this stage, based on the information presently available, I consider that it will not be necessary to convene a meeting of creditors to seek further approval from creditors. However, the position may change depending on the progress of the external administration and the issues that may arise.

Details to Support Resolution

The basis of calculating the remuneration claims are summarised below and the details of the major tasks performed, and the costs associated with each of those major tasks are contained in Schedule 1.

Resolution 1: Remuneration from 24 June 2020 to the Conclusion of the Liquidation (inclusive)

The below table sets out the expected costs for the major tasks likely to be performed by the Liquidator and their staff for the period 24 June 2020 to the Conclusion of the Liquidation (inclusive), which is the basis of the Resolution 1 claim. More detailed descriptions of the tasks likely to be performed within each task area, matching the amounts below, are contained in Schedule 1.

Table 2: Expected Costs for the Major Tasks From 24 June 2020 to the Conclusion of the Liquidation Inclusive)

\$	Total	Task Area		
		Creditors	Investigation	Administration
Total (est)	10,000	2,000	4,500	3,500
GST	1,000	200	450	350
Total (incl GST)	11,000	2,200	4,950	3,850

Total Remuneration Reconciliation

At this point in time, I estimate that the total remuneration for this Liquidation will be \$10,000.00 plus GST which includes the current approval amount being sought.

In preparing this remuneration approval report, I have made my best estimate at what I believe the Liquidation will cost to complete and I do not anticipate that I will have to ask creditors to approve any further remuneration. However, should the Liquidation not proceed as expected, I will advise creditors and I may seek approval of further remuneration and provide details on why the remuneration has changed.

If I am required to seek any additional remuneration, I will provide details of why the increase has occurred, what additional work has been undertaken and why it was beneficial to the liquidation.

Likely Impact on Dividends

The Act sets the order for payment of claims against the company and it provides for remuneration of the Liquidator to be paid in priority to other claims. This ensures that when there are sufficient funds, the Liquidator receives payment for the work done to recover assets, investigate the company's affairs, report to creditors and ASIC and distribute any available funds. Even if creditors approve remuneration, this does not guarantee that I will be paid, as I am only paid if sufficient assets are recovered.

Any dividend to creditors will also be impacted by the amount of assets that I am able to recover, and the amount of creditor claims that are admitted to participate in any dividend, including any claims by priority creditors such as employees.

I am currently unaware of any realisable assets in the Company's liquidation and therefore, do not expect a dividend to be paid to any class of creditor.

Part 4: Disbursements

Explanatory Note on 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** - these are recovered at cost. Examples of externally provided non-professional costs are travel, accommodation and search fees.
- **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. Details of the basis of recovery of each of these costs is discussed below.

Internal disbursements not charged at cost must be approved by creditors before we can draw the cost of those disbursements from this external administration.

Creditor approval is not required in relation to externally provided professional and non-professional costs or disbursements charged at cost. Where payments to third parties have been made from the bank account of the external administration, those payments are disclosed in the summary of receipts and payments. Creditors have the right to question the incurring of the disbursements and can challenge disbursements in Court.

Future Basis of Internal Disbursements

Future internal disbursements will be charged to the administration on the basis of the Schedule of FTI Consulting Internal Disbursement Rates as shown in Table 3.

Table 3: Schedule of FTI Consulting Internal Disbursement Rates		
Disbursement	Note	Amount excl GST \$
Advertising and search fees		At cost
Courier		At cost
Postage		At cost
Printing and photocopying	Per page	Not charged
Facsimile	Per page	Not charged
Storage and storage recall		At cost
Staff travel – mileage	ATO rates	Cents per km method
Other staff travel/out of pockets		At cost

Part 5: Summary of Receipts and Payments

A summary of receipts and payments since the commencement of liquidation appears hereunder:

Table 4: Statement of Receipts and Payments for the period 24 June 2020 to 6 July 2020

	Amount (\$)
Receipts	
Indemnity funds received from Director	10,000
Total Receipts	10,000
Cash at bank held by Liquidator as at 6 July 2020	10,000

Part 6: Queries

If you have any queries or require any further information concerning my claim for remuneration, please contact Olivia Cookson on (08) 9321 8533 or via email on olivia.cookson@fticonsulting.com.

You can also access information which may assist you on the following websites:

- ARITA at www.arita.com.au/creditors; and
- ASIC at www.asic.gov.au (search for “insolvency information sheets”).



Nathan Stubing
Joint and Several Liquidator

Encs.



Olivia Cookson
(08) 9321 8533
olivia.cookson@fticonsulting.com

Liability limited by a scheme approved under Professional Standards Legislation

EXPERTS WITH IMPACT™

About FTI Consulting

FTI Consulting, Inc. is a global business advisory firm dedicated to helping organisations protect and enhance enterprise value in an increasingly complex legal, regulatory and economic environment. FTI Consulting professionals, who are located in all major business centers throughout the world, work closely with clients to anticipate, illuminate and overcome complex business challenges in areas such as investigations, litigation, mergers and acquisitions, regulatory issues, reputation management and restructuring. More information can be found at www.fticonsulting.com.

Schedule 1: Table of major tasks for resolution 1 remuneration approval

Table 5 provides a description of the work undertaken in each major task area for the period 24 June 2020 to the conclusion of the liquidation (inclusive).

Table 5: Work Undertaken for the Period 24 June 2020 to the Conclusion of the Liquidation (Inclusive)		
Task Area	General Description	Includes
Creditors \$2,000	Creditor enquiries	- Receiving creditor enquiries - Responding to creditor enquiries by telephone, email, facsimile and post
	Retention of title (ROT) claims	- Search on the PPSR register - Initial communications with creditors concerning ROT claims - Review, consideration and adjudication of ROT claims - Advising creditors of ROT claim adjudication - Payments to creditors with valid claims - Returning goods to creditors with valid claims
	Secured creditor reporting	- Notifying PPSR registered creditors of appointment - Responding to secured creditors' queries - Reviewing security agreements provided - Liaising with secured creditors regarding discharge of security interests where applicable
	Creditor reports & circulars	- Providing DIRRI and Initial Advice on Remuneration to creditors - Preparing Statutory Report to creditors - Ad hoc reports & circulars to creditors
	Processing proofs of debt (PODs) not relating to a dividend	- Issuing, receiving and filing PODs - Adjudication on PODs - Maintaining POD register
	Proposals to Creditors	- Preparing proposal notices and voting forms - Forward notice of proposal to all known creditors - Reviewing votes and determining outcome of proposal - Preparation and lodgement of proposal outcome with ASIC

Table 5: Work Undertaken for the Period 24 June 2020 to the Conclusion of the Liquidation (Inclusive)

Task Area	General Description	Includes
	Creditor Meetings (if required)	- Preparation of meeting notices, proxies and advertisements - Distribution of meeting notices & proxies - Preparation of agenda and other documents for meeting - Preparation & lodgement of meeting minutes with ASIC - Responding to queries arising from meeting
Investigation \$4,500	Conducting investigation into affairs of the Company	- Collection of company books and records - Liaising with bookkeeper regarding access to MYOB records - Liaising with external accountant regarding financial statements and books and records - Reviewing books and records - Reviewing and preparation of company nature and history - Conducting and summarising statutory searches - Preparation of comparative financial statements - Preparation of deficiency statement - Review of specific transactions and liaising with the Director regarding same - Preparation of investigation file - Identify potential voidable transaction/ insolvent trading claims and pursue recovery of same
	Reporting to ASIC	- Preparation of statutory investigation report - Preparation and lodgement of supplementary report (if required)
Administration \$3,500	Insurance	- Correspondence with insurer regarding initial insurance requirements - Identification of potential issues requiring attention - Reviewing insurance policies
	File review/ checklist/ document maintenance	- Administration review - Document filing and maintenance - File reviews - Updating checklist
	Bank accounts	- Preparing correspondence to open/close bank account - Bank account reconciliations - Requesting and reviewing bank statements

Table 5: Work Undertaken for the Period 24 June 2020 to the Conclusion of the Liquidation (Inclusive)

Task Area	General Description	Includes
		Correspondence with bank regarding specific transfers
	ASIC lodgements	- Preparation and lodging necessary forms with ASIC (505, 5601 5602 etc) - Correspondence with ASIC regarding statutory forms
	ATO lodgements	- Notification of appointment - Preparation and submission of BAS
	Planning / review	Discussions regarding status of liquidation
	Books and records / storage	- Dealing with records in storage - Sending job files to storage
	Remuneration / disbursements	- Reviewing remuneration and disbursements records - Processing payments of remuneration and disbursements
	Finalisation	- Notifying ATO of finalisation - Cancelling ABN/GST/PAYG registration - Finalising WIP - Completing checklists
	Appointment	- Receiving appointment documents - Communications with Company officer (including ROCAP packs) - Advising third parties of appointment including ATO, OSR and utilities

Schedule 2: FTI Consulting Schedule of Rates

FTI Consulting Standard Rates effective 1 April 2020 (excluding GST)		
Typical classification	All Offices \$/hour	General guide to classifications
Senior Managing Director	720	Registered Liquidator and/or Trustee, with specialist skills and extensive experience in all forms of insolvency administrations. Alternatively, has proven leadership experience in business or industry, bringing specialist expertise and knowledge to the administration.
Managing Director	660	Specialist skills brought to the administration. Extensive experience in managing large, complex engagements at a very senior level over many years. Can deputise for the appointee. May also be a Registered Liquidator and/or Trustee. Alternatively, has extensive leadership/senior management experience in business or industry.
Senior Director	580	Extensive experience in managing large, complex engagements at a very senior level over many years. Can deputise for the appointee, where required. May also be a Registered Liquidator and/or Trustee or have experience sufficient to support an application to become registered. Alternatively, has significant senior management experience in business or industry, with specialist skills and/or qualifications.
Director	520	Significant experience across all types of administrations. Strong technical and commercial skills. Has primary conduct of small to large administrations, controlling a team of professionals. Answerable to the appointee, but otherwise responsible for all aspects of the administration. Alternatively, has significant senior management experience in business or industry, with specialist skills and/or qualifications.
Senior Consultant 2	470	Typically an Australian Restructuring Insolvency & Turnaround Association professional member. Well developed technical and commercial skills. Has experience in complex matters and has conduct of small to medium administrations, supervising a small team of professionals. Assists planning and control of medium to larger administrations.
Senior Consultant 1	430	Assists with the planning and control of small to medium administrations. May have the conduct of simpler administrations. Can supervise staff. Has experience performing more difficult tasks on larger administrations.
Consultant 2	390	Typically Institute of Chartered Accountants in Australia qualified chartered accountant (or similar). Required to control the tasks on small administrations and is responsible for assisting with tasks on medium to large-sized administrations.
Consultant 1	360	Qualified accountant with several years' experience. Required to assist with day-to-day tasks under the supervision of senior staff.
Associate 2	335	Typically a qualified accountant. Required to assist with day-to-day tasks under the supervision of senior staff.
Associate 1	300	Typically a university undergraduate or graduate. Required to assist with day-to-day tasks under the supervision of senior staff.
Junior Associate	220	Undergraduate in the latter stage of their university degree.
Administration 2	220	Well-developed administrative skills with significant experience supporting professional staff, including superior knowledge of software packages, personal assistance work and/or office management. May also have appropriate bookkeeping or similar skills.
Junior Accountant	170	Undergraduate in the early stage of their university degree.
Administration 1	185	Has appropriate skills and experience to support professional staff in an administrative capacity. May also have appropriate bookkeeping, accounting support services or similar skills.

The FTI Consulting Standard Rates above apply to the Corporate Finance & Restructuring practice and are subject to review at 1 January each year.