

10 October 2011

**SAS GLOBAL BALDIVIS LTD (SGBL)  
CREDITORS' TRUST**

**CIRCULAR TO CREDITORS**

ADELAIDE  
BRISBANE  
MELBOURNE  
SYDNEY  
JAKARTA  
KUALA LUMPUR  
SINGAPORE  
TOKYO

We refer to our appointment as Joint and Several Administrators of SGBL on 6 November 2009 pursuant to section 436A of the Act, our subsequent appointment as Joint and Several Deed Administrators on 2 March 2010 and now as Trustees of the SGBL Creditors' Trust on 28 September 2011.

Affiliated through  
Zolfo Cooper  
United States  
United Kingdom  
Caribbean  
and  
KLC Kennic Lui & Co  
Hong Kong  
China

We now enclose a:

1. Brief report on the current position of the company;
2. Formal Proof of Debt form;
3. Notice inviting Formal Proof of Debt; and
4. Remuneration Report for the DOCA period 1 September 2010 to 30 September 2011.

Should you have any queries in relation to this matter, please do not hesitate to contact me, or in my absence, either Sandra Gauci or Alex Godfrey of this office.



**Martin Jones**  
Joint and Several Trustee of  
SAS Global Baldivis Limited Creditors' Trust

Encl.

**SAS GLOBAL BALDIVIS LTD (SGBL)  
CREDITORS' TRUST**

**TRUSTEES' NOTICE OF TERMINATION OF DOCA DEED**

**PURSUANT TO SECTION 445FA OF THE CORPORATIONS ACT 2001**

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**A. CURRENT POSITION**

This report should be read in conjunction with the Administrators' and Deed Administrators' reports to creditors dated 3 December 2009, 10 February 2010, 17 February 2010, 11 August 2010, 10 September 2010 and 23 March 2011, copies of which are available on the Ferrier Hodgson website at [www.ferrierhodgson.com](http://www.ferrierhodgson.com).

Andrew Saker, Darren Weaver and I were appointed as Joint and Several Administrators of SGBL on 6 November 2009, pursuant to section 436A of the Act and were subsequently appointed Joint and Several Deed Administrators on 2 March 2010. It was, in turn, replaced by DOCA variations submitted by Patersons Securities Limited (Patersons) that were approved at meetings of creditors held on 17 September 2010 and 23 March 2011.

We also note that Brian McMaster and Mark Mentha of KordaMentha were appointed Joint and Several (R&M) of SGBL on 9 November 2009 by the National Australia Bank Limited (NAB) pursuant to its registered fixed and floating charge. During the course of the administration, the R&M commenced a marketing program for the sale of the Baldivis property. On 23 March 2011, the R&M settled the sale of the property for \$15.9M to an undisclosed party. A shortfall of \$11.6M was recorded as the balance outstanding to the NAB, accordingly there were no surplus assets available to the company's stakeholders. On 12 May 2011, the R&M retired given the finalisation of all matters pertinent to the appointment.

In accordance with the DOCA terms, Patersons paid \$260,000 to the Deed Administrators on an irrevocable, non-refundable basis. Upon receipt of the funds, the Administrators forwarded \$30,000 as full and final satisfaction of the debt outstanding to the NAB in exchange for release of the fixed and floating charge over the property. Given the release of the charge and satisfaction or waiver of other Conditions Precedent, the Patersons DOCA effectuated on 28 September 2011 through the implementation of a Creditors' Trust to which Darren Weaver, Andrew Saker and I were appointed Joint and Several Trustees. The Creditors' Trust provides a structure whereby creditors' claims are released by the company and are dealt with by the Trustee in accordance with the Trust Deed instead.

The funds will be distributed in the manner and priority outlined in accordance with clause 9.5 of the Varied DOCA (the Deed), that being:

- Any liabilities properly incurred by the Administrators, Deed Administrators and Trustees;
- The Administrators, Deed Administrators and Trustees' remuneration and out of pocket expenses/disbursements;
- Payment of dividends to the ordinary beneficiaries (former Company Creditors).

For completeness we note that \$108,045.84 (GST excl.) has been applied in respect to professional fees and disbursements incurred during the Voluntary Administration and DOCA periods, with further accrued costs.

## B. DIVIDEND TO CREDITORS

The following table summarises the Trustees' updated estimated statement of position and return to creditors:

Statement of Position as at 29 September 2011	Trustees' ERV (\$)
<b>Floating Charge Assets</b>	
Cash at Bank	20,249
Proceeds from DOCA Proponent	260,000
<b>Total Assets Available</b>	<b>280,249</b>
<b>Less: Priority Creditors</b>	
Payment of Administrators'/ Deed Administrators' fees and disbursements	(118,850)
Payment to Secured Creditor - NAB	(30,000)
Further fees to paid in respect to Administration/ DOCA period	(45,738)
Provision for Trustees' Future Fees	(35,000)
Estimated future disbursements	(2,000)
Provision for Future Legal Fees	(20,000)
<b>Total Assets Available for Unsecured Creditors</b>	<b>28,661</b>
<b>Unsecured Creditors</b>	
Trade Creditors	(90,657)
<b>Estimated dividend to trade creditors (High scenario)</b>	<b>31.6 cents in \$</b>
Contingent Claims – (shareholders claims)	(1,485,000)
<b>Total Unsecured Creditor Claims</b>	<b>(1,575,657)</b>
<b>Estimated Return to Unsecured Creditors (Low scenario)</b>	<b>1.8 cents in \$</b>

We note estimated creditor claims in the above table (high and low scenarios) remain subject to the receipt and formal adjudication upon proofs of debt.

In view of the above, please find enclosed a notice of intention to declare a first and final dividend to creditors. In this regard, a dividend is to be declared on or before 23 November 2011. The following table summarises the dividend timeline:

Date	Action
Monday, 10 October 2011	Notice of Intention to Declare Dividend Sent to Creditors
Tuesday, 11 October 2011	Notice inviting Formal Proofs of Debt
Thursday, 10 November 2011	Final Day for Creditors to Submit Formal Proofs of Debt
Thursday, 24 November 2011	Dividend to be declared

With respect to the above, I note that pursuant to Regulation 5.6.65(2) of the Corporation Regulations 2001, creditors interested to participate in the dividend must submit a Formal Proof of Debt on or before **Wednesday, 10 November 2011**. In this regard, I enclose a Formal Proof of Debt for your completion.

For completeness we note that there is a risk of the process being delayed in the event that:

- Adjudication processes are protracting having regard to the possible complexity of certain claims; and/or
- Creditors appeal a decision (if applicable) to reject the part/whole of certain claims.

**C. DEED ADMINISTRATORS' REMUNERATION**

Enclosed is a copy of the Remuneration Report detailing the tasks undertaken during the DOCA period 1 September 2010 to 30 September 2011. Should you require any further detail in respect to the remuneration report, you are invited to request same from our office.

**D. THE FUTURE**

Given the successful completion of the Paterson's DOCA, control of the company's affairs has passed to the new Company board for the purpose of recapitalising the company. The new board will be in contact with shareholders regarding the future of the company before the end of the 2011 calendar year.

Should you require any further information concerning the contents of this report or the appointment in general, please contact either Alex Godfrey or Sandra Gauci of this office.

DATED this 10<sup>th</sup> day of October 2011.



**Martin Jones**

Joint and Several Trustee of  
SAS Global Baldivis Ltd Creditors' Trust

**FORM 535  
CORPORATIONS ACT 2001**

Subregulation 5.6.49(2)

**FORMAL PROOF OF DEBT OR CLAIM**

To the Trustee's of SAS Global Baldivis Creditors' Trust

1. This is to state that the company was, on 6 November 2009 (1) and still is, justly and truly indebted to .....(2) for ..... dollars and ..... cents

Particulars of the debt are:

Date	Consideration <sup>(3)</sup>	Sub Total \$	GST \$	Total Claim (incl GST) \$	Remarks <sup>(4)</sup>
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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 manner of satisfaction or security for the sum or any part of it except for the following:(5)
- 3.(6)\* 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, still remains unpaid and unsatisfied.
- 3.(6)\* I am the creditor's agent authorised in writing to make this statement in writing. I know that the debt was incurred and for the consideration stated and that the debt, to the best of my knowledge and belief, still remains unpaid and unsatisfied.

DATED this        day of                    2011

Signature of Signatory .....

NAME IN BLOCK LETTERS .....

Occupation .....

Address .....

Contact Phone Number .....

Email Address .....

**See Directions overleaf for the completion of this form**

**OFFICE USE ONLY**

Creditor Code/Proof No		ADMIT - Ordinary	\$
Date Received	/ /	ADMIT - Preferential	\$
Entered Sol 6		Reject	\$
AMT. Per RATA	\$	H/Over for Consideration	\$
PREP BY/AUTHORISED		<b>TOTAL PROOF</b>	\$
DATE AUTHORISED / /			

## DIRECTIONS

\* Strike out whichever is inapplicable.

(1) Insert date of Court Order in winding up by the Court, or date of resolution to wind up, if a voluntary winding up.

(2) Insert full name and address of the creditor and, if applicable, the creditor's partners. If prepared by an employee or agent of the creditor, also insert a description of the occupation of the creditor.

(3) Under "Consideration" state how the debt arose, for example "goods sold and delivered to the company between the dates of .....", "moneys advanced in respect of the Bill of Exchange".

(4) Under "Remarks" include details of vouchers substantiating payment.

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

Date	Drawer	Acceptor	Amount	Date Due
				\$

(6) If proof is made by the creditor personally, strike the two (2) paragraphs numbered 3.

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## ANNEXURES

A. If space provided for a particular purpose in a form is insufficient to contain all the required information in relation to a particular item, the information must be set out in an annexure.

B. An annexure to a form must:

- have an identifying mark;
- and be endorsed with the words:

*"This is the annexure of (insert number of pages) pages marked (insert an identifying mark) referred to in the (insert description of form) signed by me/us and dated (insert date of signing); and*

- be signed by each person signing the form to which the document is annexed.

C. The pages in an annexure must be numbered consecutively.

D. If a form has a document annexed the following particulars of the annexure must be written on the form:

- the identifying mark; and
- the number of pages.

E. A reference to an annexure includes a document that is with a form

**FORM 534  
CORPORATIONS ACT 2001**

Subregulation 5.6.48(3)  
Deed Clause 8.6

**NOTICE INVITING FORMAL PROOF OF DEBT OR CLAIM**

**SAS GLOBAL BALDIVIS LIMITED CREDITORS' TRUST**

Take notice that beneficiaries of the Trust (formerly creditors of the company), whose debts or claims have not already been admitted, are required on or before 10 November 2011 to prove their debts or claims and to establish any title they may have to priority by delivering or sending through the post to me at my address, a formal proof of debt or claim in accordance with Form 535 containing their respective debts or claims. If they do not they will be excluded from:

- The benefit of any distribution made before their debts or claims are proved or their priority is established; and
- Objecting to the distribution.

A formal proof of debt form is enclosed for convenience.

DATED this 10th day of October 2011



**Martin Jones**  
Joint and Several Trustee

Ferrier Hodgson  
Level 26, Bankwest Tower  
108 St Georges Terrace  
Perth WA 6000



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# **Annexure 1**

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## **Remuneration Report**



## **CORPORATIONS ACT 2001**

**Section 449E**

### **SAS Global Baldivis Limited Creditors' Trust**

#### **REMUNERATION REPORT**

The Trustee's Remuneration Report, prepared pursuant to Section 449E of the Corporations Act 2001, takes the following format:

##### **Part A**

- A1 Schedule of hourly rates and general guide to staff experience.
- A2 A schedule of the tasks undertaken by the Deed Administrator and the remuneration calculation for the period 1 September 2010 to 30 September 2011.
- A3 Remuneration approved and drawn to date.

##### **Part B**

- B1 Deed Administrators' disbursements.
- B2 Summary of Receipts and Payments.
- B3 Other creditor information on remuneration.
- B4 Initial advice to creditors.

The Remuneration Report must be read in conjunction with the report to creditors dated 6 October 2011.



## PART A

### A1 SCHEDULE OF HOURLY RATES & GENERAL GUIDE TO STAFF EXPERIENCE

Title	Rate (\$)	Experience
Partner/Principal/ Appointee	560	The Partner/Appointee is a registered liquidator and member of the ICAA and IPAA bringing specialist skills to the administration or insolvency task. For specific experience and other details of the appointee/s, please visit our website at <a href="http://www.ferrierhodgson.com">www.ferrierhodgson.com</a>
Director	475	Generally, minimum of 12 years experience at least 2 years of which is to be at Manager level. University degree; member of the ICAA and IPAA with deep knowledge and lengthy experience in relevant insolvency legislation and issues.
Senior Manager	430	Generally, more than 7 years experience with at least 2 years as a Manager. University degree; member of the ICAA and IPAA; very strong knowledge of relevant insolvency legislation and issues.
Manager	360	Generally, 5-7 years chartered accounting or insolvency management experience. University degree; member of the ICAA and IPAA; sound knowledge of relevant insolvency legislation and issues.
Supervisor	320	Generally, 4-6 years chartered accounting or insolvency management experience. University degree; member of the ICAA; completing IPAA Insolvency Education Program. Good knowledge of relevant insolvency legislation and issues.
Senior 1	275	Generally, 2-4 years chartered accounting or insolvency management experience. University degree; completing the ICAA's CA program. Good knowledge of basic insolvency legislation and issues.
Senior 2	245	Generally, 2-3 years chartered accounting or insolvency management experience. University degree, commenced ICAA's CA program.
Intermediate 1	195	0 to 2 years experience. Has completed or substantially completed a degree in finance/accounting. Under supervision, takes direction from senior staff in completing more complex administrative tasks.
Intermediate 2	170	0 to 1 year's experience. Undertaking a degree part-time in finance/accounting. Under supervision, takes direction from senior staff in completing more detailed administrative tasks.
Senior Secretary	160	Appropriate skills including machine usage.
Clerk	140	Generally non qualified administrative assistant. Classification depends on experience, salary and complexity of work to be completed.

#### Notes:

1. The hourly rates are exclusive of GST.
2. The guide to staff experience is intended only as a general guide to the qualifications and experience of our staff engaged in the administration. Staff may be engaged under a classification that we consider appropriate for their experience.
3. Time is recorded and charged in six-minute increments.
4. Rates are subject to change from time to time.



**A2 A schedule of the Deed Administrators tasks undertaken from 1 September 2010 to 30 September 2011.**

<b>Task Area</b>	<b>General Description</b>	<b>Includes</b>
<b>Assets</b> <b>6.40 hours</b> <b>\$2,723.50</b>	Other	<ul style="list-style-type: none"> <li>▪ Liaising with DOCA proponent in relation to preparation and proposal of DOCA.</li> </ul>
	Creditor Enquiries	<ul style="list-style-type: none"> <li>▪ Receive and follow up creditor enquiries via telephone and email</li> <li>▪ Review and prepare correspondence to creditors and their representatives via facsimile, email and post</li> </ul>
	Secured creditor	<ul style="list-style-type: none"> <li>▪ Discussions with secured creditor, Receivers and Managers and their legal representatives</li> </ul>
	Creditor reports/circulars	<ul style="list-style-type: none"> <li>▪ Preparation of circulars to creditors</li> <li>▪ Prepare report pursuant to section 445F of the Act</li> </ul>
	Dealing with proofs of debt	<ul style="list-style-type: none"> <li>▪ Receipting and filing POD's when not related to a dividend</li> </ul>
<b>Creditors</b> <b>127.00 hours</b> <b>\$33,854.50</b>	Meeting of Creditors	<ul style="list-style-type: none"> <li>▪ Preparation of meeting notices, proxies and advertisements</li> <li>▪ Forward notice of meeting to all known creditors</li> <li>▪ 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.</li> <li>▪ Preparation and lodgement minutes of meetings with ASIC</li> <li>▪ Respond to stakeholder queries and questions immediately following meeting</li> </ul>
	Shareholder enquiries	<ul style="list-style-type: none"> <li>▪ General liaison with shareholders</li> <li>▪ Receive and follow up shareholder enquiries via telephone and email</li> <li>▪ Maintaining shareholder enquiry register</li> <li>▪ Review and prepare correspondence to shareholders and their representatives via facsimile, email and post</li> </ul>
<b>Investigations</b> <b>1.10 hours</b> <b>\$210.00</b>	Conducting investigation	<ul style="list-style-type: none"> <li>▪ Reconstruction of financial statements</li> <li>▪ Reviewing company's books and records</li> <li>▪ Preparation of investigation file</li> </ul>
	ASIC reporting	<ul style="list-style-type: none"> <li>▪ Liaising with ASIC</li> </ul>
<b>Trade On</b> <b>3.1 hours</b> <b>\$609.00</b>	Processing receipts and payments	<ul style="list-style-type: none"> <li>▪ Entering receipt and payments into accounting system</li> </ul>
	Budgeting & financial reporting	<ul style="list-style-type: none"> <li>▪ Preparing/reviewing Statement of Position</li> </ul>
	Correspondence	<ul style="list-style-type: none"> <li>▪ General correspondence</li> </ul>
	Document maintenance/file review/checklist	<ul style="list-style-type: none"> <li>▪ Filing of documents</li> <li>▪ File reviews</li> <li>▪ Updating checklists</li> </ul>
<b>Administration</b> <b>72.40 hours</b> <b>\$17,424.50</b>	Bank account administration	<ul style="list-style-type: none"> <li>▪ Preparing correspondence opening and closing accounts</li> <li>▪ Requesting bank statements</li> <li>▪ Bank account reconciliations</li> <li>▪ Correspondence with bank regarding specific transfers</li> </ul>
	ASIC Form 524 and other forms	<ul style="list-style-type: none"> <li>▪ Preparing and lodging ASIC forms including 505, 524, 5011 etc</li> </ul>
	Planning / Review	<ul style="list-style-type: none"> <li>▪ Discussions regarding status/strategy of administration</li> </ul>



**A2 A schedule of the Deed Administrators tasks undertaken from 1 September 2010 to 30 September 2011.**

Employee	Position	Average Charge Rate \$	Total		Assets		Creditors		Investigations		Trade on		Administration	
			Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$
M Jones	Partner	549	3.00	1,648.00	-	-	1.20	648.00	-	-	-	-	1.80	1,000.00
A Saker	Partner	556	0.50	278.00	-	-	0.10	54.00	-	-	-	-	0.40	224.00
D Weaver	Partner	560	0.10	56.00	-	-	-	-	-	-	-	-	0.10	56.00
M Field	Senior Manager	411	19.70	8,102.00	6.30	2,697.00	7.00	2,818.00	0.10	40.00	-	-	6.30	2,547.00
S Powell	Senior Manager	400	0.10	40.00	-	-	-	-	-	-	-	-	0.10	40.00
B Bickford	Supervisor	320	0.30	96.00	-	-	-	-	-	-	-	-	0.30	96.00
K Chu	Supervisor	295	33.10	9,764.50	-	-	27.60	8,142.00	-	-	-	-	5.50	1,622.50
S Gauci	Senior 1	267	94.40	25,249.00	0.10	26.50	71.30	19,024.50	-	-	0.30	79.50	22.70	6,118.50
L McCann	Senior 1	235	1.50	352.50	-	-	-	-	-	-	-	-	1.50	352.50
A Godfrey	Intermediate 1	191	6.10	1,165.00	-	-	0.50	80.00	-	-	2.30	448.50	3.30	636.50
C Linfoot	Intermediate 2	162	39.70	6,436.00	-	-	19.30	3,088.00	1.00	170.00	0.50	81.00	18.90	3,097.00
N De Souza	Intermediate 2	170	0.40	68.00	-	-	-	-	-	-	-	-	0.40	68.00
J Westwood	Secretary	155	2.50	387.50	-	-	-	-	-	-	-	-	2.50	387.50
J McDermott	Secretary	160	0.10	16.00	-	-	-	-	-	-	-	-	0.10	16.00
G Caldera	Secretary	160	0.20	32.00	-	-	-	-	-	-	-	-	0.20	32.00
B Tolotti	Clerk	137	4.10	562.50	-	-	-	-	-	-	-	-	4.10	562.50
K Martin	Clerk	137	0.90	123.00	-	-	-	-	-	-	-	-	0.90	123.00
E Gray	Clerk	135	1.10	148.50	-	-	-	-	-	-	-	-	1.10	148.50
D Radisich	Clerk	135	1.50	202.50	-	-	-	-	-	-	-	-	1.50	202.50
C Clayton	Clerk	135	0.70	94.50	-	-	-	-	-	-	-	-	0.70	94.50
<b>Total</b>			<b>210.00</b>	<b>54,821.50</b>	<b>6.40</b>	<b>2,723.50</b>	<b>127.00</b>	<b>33,854.50</b>	<b>1.10</b>	<b>210.00</b>	<b>3.10</b>	<b>609.00</b>	<b>72.40</b>	<b>17,424.50</b>

### A3 Remuneration approved and drawn to date

The Administrator's remuneration for the period 6 November 2009 to 2 March 2010 totalled \$111,662 (excl GST) as summarised below. These costs were summarised in the reports to creditors dated 3 December 2009 and 10 February 2010 and were previously approved by creditors.

Voluntary Administration Period	Amount Approved (excl GST) (\$)	Amount Drawn (excl GST) (\$)
6 November 2009 to 30 November 2009	61,781.00	60,000.00
1 December 2009 to 31 January 2010	29,881.00	Nil
1 February 2010 to 1 March 2010	20,000.00	Nil
<b>Total</b>	<b>\$111,662.00</b>	<b>\$60,000.00</b>

At the meetings of creditors held on 18 February 2010 and 17 September 2010, creditors approved the Deed Administrators' remuneration totalling \$50,000 (excl GST) and the Trustees' remuneration totalling \$35,000 (excl GST) respectively, which is summarised below.

DOCA/Creditors Trust Periods	Amount Approved (excl GST) (\$)	Amount incurred to 30 September 2011 (excl GST) (\$)	Amount Drawn (excl GST) (\$)
2 March 2010 to end of DOCA	50,000.00	80,671.50	50,000.00
Creditors Trust Period	35,000.00	1,606.00	Nil
<b>Total</b>	<b>\$85,000.00</b>	<b>\$82,277.50</b>	<b>\$50,000.00</b>

For completeness, we note that \$10,000 (excl GST) has been applied in respect to professional fees incurred in the voluntary administration period.

Further, we note that \$100,000 (excl GST) has been applied to professional fees incurred in the voluntary administration and DOCA periods in accordance with clause 9.5 of the DOCA Deed.

## PART B

### **B1 Deed Administrators' Disbursements**

Disbursements are divided into three types **D1**, **D2** and **D3**.

- D1** Disbursements are all externally provided professional services and are recovered at cost. An example of a D1 disbursement is legal fees.
- D2** Disbursements are externally provided non professional costs such as travel, accommodation and search fees. D2 disbursements are recovered at cost.
- D3** Disbursements are internally provided non professional costs such as photocopying and document storage. D3 disbursements are charged at cost except for photocopying, printing and telephone calls which are charged at a rate which is intended to recoup both variable and fixed costs. The relevant rates are set out below.

Disbursements	Charges (Excluding GST)
Postage	At cost
Telephone	At cost
Photocopying	35 cents per copy
Facsimile	\$1.00 per page
File Set Up	At cost
Advertising	At cost
Storage – Per Box	At cost
Storage – Per File	At cost
Couriers	At cost

Please find below a schedule of Disbursements as at 30 September 2011 incurred and drawn to date:

Disbursements	Amounts (\$) (Excluding GST)
Legal Costs	2,674.00
Facsimile	70.88
Meals	44.20
Advertising	1,088.00
Courier	75.82
Storage	241.53
Taxi and Parking	403.23
Telephone	84.59
Document Production	3,767.55
Searches	903.64
Travelling	65.78
Postage	255.61
<b>Total Outstanding</b>	<b>\$9,674.83</b>



We note that creditor approval for the payment of disbursements is not required. However, the Administrators must account to creditors. Creditors have the right to question the incurring of disbursements and can challenge disbursements in Court.

## **B2 Summary of Receipts and Payments for the period 1 September 2010 to 6 October 2011**

<b>Receipts and Payments</b>	<b>Amount (\$)</b>
<b>Receipts</b>	
DOCA Contribution	260,000
Paterson's Funding	22,000
Cash at bank as at 1 Sep 2010	8,016
Bank Interest	8
<b>Total Receipts</b>	<b>290,024</b>
<b>Payments</b>	
Bank Charges	(262)
GST Control	(1,048)
Legal Fees	(8,484)
Appointee Fees	(110,000)
Appointee Disbursements	(8,850)
Payment to Secured Creditor	(30,000)
<b>Total Payments</b>	<b>(158,644)</b>
<b>Cash at bank as at 6 Oct 2011</b>	<b>\$131,380</b>

## **B3 Other creditor information on remuneration**

The partners of Ferrier Hodgson Western Australia are members of the Insolvency Practitioners Association of Australia and follow the IPA Code of Professional Practice. A copy of the Code of Professional Practice may be found on the IPA website at [www.ipaa.com.au](http://www.ipaa.com.au)

An information sheet concerning approval of remuneration in external administrations can also be obtained from the IPA website.

## **B4 Initial Advice to 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 the time based / hourly rates method.

This method was selected as it is the most practical method, and provides the most transparency to creditors given the nature of this administration.

#### **Remuneration Declaration**

In accordance with chapter 23 of the IPA Code of Professional Practice, it is a requirement for all remuneration reports to include a declaration by the Practitioner stating he/she has reviewed the remuneration claim and it is necessary and proper for the conduct of the Administration.

We, Martin Jones, Darren Weaver and Andrew Saker of Ferrier Hodgson have undertaken a proper assessment of this remuneration claim for our appointment as Deed Administrators of SAS Global Baldivis 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 in the conduct of the Administration.

Queries regarding remuneration should be directed to Alex Godfrey of this office.

Dated this 10th day of October 2011.

A handwritten signature in black ink, appearing to read 'Martin Jones', with a large, stylized flourish underneath.

**Martin Jones**  
Joint and Several Trustee of  
SAS Global Baldivis Limited Creditors' Trust