

Tuesday, 13 June 2023

INITIAL INFORMATION FOR CREDITORS

OF

**Pacom Security Pty Ltd
(Administrators Appointed)
A.C.N. 096 595 005**

**Hills Group Operations Pty Ltd
(Administrators Appointed)
A.C.N. 600 152 261**

(Collectively the "Companies")

Please be advised that Sule Arnautovic and John Vouris of Hall Chadwick Chartered Accountants were appointed as Joint and Several Administrators of the Companies on Friday, 9 June 2023 pursuant to a resolution of the sole Director in accordance with Section 436A of the *Corporations Act 2001* ("the Act").

We were also appointed as Administrators of the following related entities on 2 June 2023:

- Hills Limited
- Hills Health Solutions Pty Ltd
- Hills Finance Pty Ltd
- Hills Integrated Solutions Pty Ltd
- Lan 1 Pty Ltd
- T.V Rentals Pty Ltd
- New-Tone (Aust.) Pty Ltd
- Audio Products Group Pty Limited
- Hospital Telecommunications Pty Ltd
- ACN 614 478 090 Pty Limited

("the Group")

The Administrators are undertaking a preliminary review and assessment of the Companies' operations with a view to determining the extent to which the Group can be restructured/recapitalised by way of a Deed of Company Arrangement ("DOCA"), Creditors' Trust and/or implementing a Going Concern Sale of Business of the Group.

Independence

In accordance with Section 436DA of the Act, a copy of the Administrators' Declaration of Independence, Relevant Relationships and Indemnities ("DIRRI") with respect to their appointment over the Companies have been attached to this report as **Annexure "C"** for creditors' review. We note that the DIRRI has also been lodged with the Australian Securities and Investments Commission ("ASIC") as required by the Act.

Based on the details set out in the DIRRI, there are no conflicts of interest or relationships that affect the independence of the Administrators. A copy of the DIRRI will be tabled at the forthcoming meeting of creditors.

Voluntary Administration

The purpose of an administrator's appointment is to allow for an independent insolvency practitioner to take control of and investigate the financial affairs of an insolvent company or a company that is likely to become insolvent.

ADELAIDE

Ph: (618) 8545 8422
Fx: (618) 8545 8423

BRISBANE

Ph: (617) 3211 1250
Fx: (617) 3211 1249

DARWIN

Ph: (618) 8943 0645
Fx: (618) 8943 0654

MELBOURNE

Ph: (613) 9820 6400
Fx: (613) 9820 6499

PERTH

Ph: (618) 6557 6200
Fx: (618) 9218 8950

SYDNEY

Ph: (612) 9263 2600
Fx: (612) 9263 2800

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The effect of the Administrators' appointment over the Companies is that the liabilities and obligations to creditors in general as at Friday, 9 June 2023 are now frozen. We have convened a first meeting of creditors to be held virtually on **Wednesday, 21 June 2023 at 10:00 am (AEST)** as discussed further below.

During the period of the administration, we will prepare a report to creditors detailing our investigations into the Companies' business, property, affairs and financial circumstances as well as provide our opinion on the future of the Companies with respect to the best interests of creditors.

Creditors will receive this report prior to a second meeting of creditors that will be held in approximately four (4) to six (6) weeks from the date of our appointment. At this second meeting of creditors, creditors will have an opportunity to vote on the future of the Companies, that is, by resolving that:

- The Companies execute a Deed of Company Arrangement (being a binding arrangement that usually provides for a better return to unsecured creditors than a liquidation); or
- The Administration should end; or
- The Companies be wound up (or liquidated).

We understand that the Companies are not trading and are not employing.

The only entities within the Group that trade are Hills Limited and Hills Health Solutions Pty Ltd.

Your rights as a Creditor

Attached as **Annexure "D"** is an information sheet prepared by the Australian Restructuring Insolvency & Turnaround Association ("ARITA") setting out your rights as a creditor of the Companies.

Should you require any specific information or a report from the Administrators, please submit these requests via written correspondence or via email to Cindy Chen of our Sydney office at cchen@hallchadwick.com.au.

First Meeting of Creditors

In accordance with Section 436E of the Act, the Administrators must convene a first meeting of the Companies' creditors to be held within eight (8) business days after the Administration begins. At this meeting, we will provide creditors with an update on the progress of the administration of the Companies.

The details of the first meeting of creditors are as follows:

First Meeting	Details
Date	Wednesday, 21 June 2023
Meeting Time	10:00 am (AEST)
Meeting Location	Via Virtual Meeting Facility Only

If you intend to attend the forthcoming meeting, please contact our office to obtain the virtual meeting facility details.

Creditors who wish to attend must complete and submit to our office the Appointment of Proxy and Formal Proof of Debt (Form 535) forms attached as **Annexure "A"** and **Annexure "B"** to this report for the Compan(ies) to which they are owed monies at least twenty-four (24) hours before the appointed time for the meeting.

Creditors may wish to appoint a Committee of Inspection to advise and assist the Administrators. Although the Administrators welcome and will consider any directions from the Committee of Inspection, we note that the Administrators are not required to comply with such directions. Attached as **Annexure "E"** for creditors' information is a copy of ARITA's Committees of Inspection information sheet.

Administrators' Remuneration

Attached as **Annexure "F"** to this report is our Initial Remuneration Notice prepared in accordance with the Act and the guidelines recommended by the ARITA Code of Professional Practice.

This initial advice provides creditors with further information on the:

- Basis for the calculation of the Administrators' remuneration;
- Summary of the rates of the Administrators' disbursements;
- Hourly charge rates for the Partners and staff of Hall Chadwick; and
- Estimate of the cost of this administration.

Attachments

Enclosed are the following:

1. **Annexure "A"** - Notice of Meeting, Proxy Form and Proof of Debt Form of Pacom Security Pty Ltd (Administrators Appointed);
2. **Annexure "B"** - Notice of Meeting, Proxy Form and Proof of Debt Form of Hills Group Operations Pty Ltd (Administrators Appointed);
3. **Annexure "C"** - DIRRI;
4. **Annexure "D"** - ARITA Information Sheet: Creditor Rights in Voluntary Administrations;
5. **Annexure "E"** - ARITA Information Sheet: Committees of Inspection;
6. **Annexure "F"** - Initial Remuneration Notice.

In addition to the attachments to this report, further information is available from ARITA to assist creditors with understanding voluntary administrations and insolvency. This information is available from ARITA's website at www.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 www.asic.gov.au (search "insolvency information sheets").

If you have any queries or require further information, please contact Cindy Chen of this office via email on cchen@hallchadwick.com.au.

Yours faithfully,


SULE ARNAUTOVIC
ADMINISTRATOR

ANNEXURE A

**PACOM SECURITY PTY LTD
(ADMINISTRATORS APPOINTED)
A.C.N. 096 595 005
(THE "COMPANY")**

**NOTICE OF FIRST MEETING OF CREDITORS
OF COMPANY UNDER ADMINISTRATION**

1. On Friday, 9 June 2023, the Director of the Company appointed we, John Vouris and Sule Arnautovic, of Hall Chadwick Chartered Accountants as Administrators in accordance with Section 436A of the Corporations Act 2001 ("the Act").
2. Notice is now given that a first meeting of the creditors of the Company will be held **via virtual meeting facilities only** on **Wednesday, 21 June 2023 at 10:00 am (AEST)**.
3. The purpose of the meeting is to determine whether to:
 - (a) Hold the meeting of creditors of the Company concurrently with the meeting of creditors of Hills Group Operations Pty Ltd (Administrators Appointed);
 - (b) appoint a Committee of Inspection and if so, who are to be the committee members and that a member of the Committee of Inspection may directly or indirectly derive a profit or advantage from the external administration of the Company; and
 - (c) remove the Administrator(s) from office and appoint someone else as Administrator(s) of the Company.

Dated this 13th day of June 2023.



**SULE ARNAUTOVIC
ADMINISTRATOR**

Creditors wishing to attend the meeting must complete the attached proxy form and return it to our office before the meeting. To assist with the smooth running of the meeting we request that all proxies be received by our office twenty-four (24) hours before the appointed time for the meeting.

Virtual Meeting Facilities

Creditors must return to the external administrator not later than the second-last business day before the day of the meeting, a written statement setting out:

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

Creditors are advised that they can use the following virtual meeting facility:

Telephone Number:	Please contact Cindy Chen to obtain details
Password:	Please contact Cindy Chen to obtain details

Creditors Please Note

The effect of IPR Section 75-85 (entitlement to vote as creditor at meetings of creditors) is:

- (1) A person other than a creditor (or the creditor's proxy or attorney) is not entitled to vote at a meeting of creditors.
- (2) Subject to subsections (3), (4) and (5), each creditor is entitled to vote and has one vote.
- (3) A person is not entitled to vote as a creditor at a meeting of creditors unless:
 - (a) his or her debt or claim has been admitted wholly or in part by the external administrator; or
 - (b) he or she has lodged, with the person presiding at the meeting, or with the person named in the notice convening the meeting as the person who may receive particulars of the debt or claim:
 - (i) those particulars; or
 - (ii) if required - a formal proof of the debt or claim.
- (4) A creditor must not vote in respect of:
 - (a) an unliquidated debt; or
 - (b) a contingent debt; or
 - (c) an unliquidated or a contingent claim; or
 - (d) a debt the value of which is not established;unless a just estimate of its value has been made.
- (5) A creditor must not vote in respect of a debt or a claim on or secured by a bill of exchange, a promissory note or any other negotiable instrument or security held by the creditor unless he or she is willing to do the following:
 - (a) treat the liability to him or her on the instrument or security of a person covered by subsection (6) as a security in his or her hands;
 - (b) estimate its value;
 - (c) for the purposes of voting (but not for the purposes of dividend), to deduct it from his or her debt or claim.
- (6) A person is covered by this subsection if:
 - (a) the person's liability is a debt or a claim on, or secured by, a bill of exchange, a promissory note or any other negotiable instrument or security held by the creditor; and
 - (b) the person is either liable to the company directly, or may be liable to the company on the default of another person with respect to the liability; and
 - (c) the person is not an insolvent under administration or a person against whom a winding up order is in force.

In addition, pursuant to IPR Section 75-25, if a creditor wishes to be represented at the meeting by an attorney, the creditor must arrange for the power of attorney to be produced to the external administrator at or before the meeting.

Corporations Act 2001

Insolvency Practice Rules 75-25

Pacom Security Pty Ltd
(Administrators Appointed)
A.C.N. 096 595 005
(the "Company")

APPOINTMENT OF PROXY

*I/*We.....(if a firm, strike out "I" and set out the full name of the firm) of.....(address), a
*creditor/*contributory/*debenture holder/*member of Pacom Security Pty Ltd (Administrators Appointed),
appoint.....(name, address and description of the person appointed) or in his or her absence.....as*my/*our *general/*
special proxy to vote at the meeting of creditors to be held **via virtual meeting facilities only** on **Wednesday, 21 June 2023 at 10:00 am (AEST)**, or at any adjournment of that meeting.

If a creditor is appointing a special proxy, please indicate whether your vote is in favour/against or abstaining of the resolution. It is expected the following resolutions may be voted upon:

Resolutions**	To Vote For	To Vote Against	Abstain
To hold the meeting of creditors of the Company concurrently with Hills Group Operations Pty Ltd (Administrators Appointed).			
To remove the Administrator(s) from office and appoint as Administrator(s) of the Company.			
To appoint a Committee of Inspection and if so, appoint as a committee member and that a member of the Committee of Inspection may directly or indirectly derive a profit or advantage from the external administration of the Company.			

* Delete if not applicable.

** Only if appointing a special proxy should you tick the relevant box indicating which way you wish to vote on each resolution.

Dated:

Signature

Signing capacity

FORM 535
FORMAL PROOF OF DEBT OR CLAIM (GENERAL FORM)
Pacom Security Pty Ltd
(Administrators Appointed)
A.C.N. 096 595 005
(the "Company")

To the Administrators of the Company,

1. This is to state that the Company was on Friday, 9 June 2023, and still is, justly and truly indebted to

(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)
 for \$ _____

Date	Consideration (state how the debt arose)	Amount \$ c	Remarks (include details of voucher substantiating payment)

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:

Date	Drawer	Acceptor	Amount \$c	Due Date

3.

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

<input type="checkbox"/>	I nominate to receive electronic notifications of documents in accordance with Section 600G of the Corporations Act 2001 at the following email address: Email: _____
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Dated this _____ day of _____ 20____

Signature: _____

Occupation: _____

Address: _____

Return Email: _____

(Attach documentation such as copies of invoices in support of your claims)

ANNEXURE B

**HILLS GROUP OPERATIONS PTY LTD
(ADMINISTRATORS APPOINTED)
A.C.N. 600 152 261
(THE "COMPANY")**

**NOTICE OF FIRST MEETING OF CREDITORS
OF COMPANY UNDER ADMINISTRATION**

1. On Friday, 9 June 2023, the Director of the Company appointed we, John Vouris and Sule Arnautovic, of Hall Chadwick Chartered Accountants as Administrators in accordance with Section 436A of the Corporations Act 2001 ("the Act").
2. Notice is now given that a first meeting of the creditors of the Company will be held **via virtual meeting facilities only** on **Wednesday, 21 June 2023 at 10:00 am (AEST)**.
3. The purpose of the meeting is to determine whether to:
 - (a) Hold the meeting of creditors of the Company concurrently with the meeting of creditors of Pacom Security Pty Ltd (Administrators Appointed);
 - (b) appoint a Committee of Inspection and if so, who are to be the committee members and that a member of the Committee of Inspection may directly or indirectly derive a profit or advantage from the external administration of the Company; and
 - (c) remove the Administrator(s) from office and appoint someone else as Administrator(s) of the Company.

Dated this 13th day of June 2023.



**SULE ARNAUTOVIC
ADMINISTRATOR**

Creditors wishing to attend the meeting must complete the attached proxy form and return it to our office before the meeting. To assist with the smooth running of the meeting we request that all proxies be received by our office twenty-four (24) hours before the appointed time for the meeting.

Virtual Meeting Facilities

Creditors must return to the external administrator not later than the second-last business day before the day of the meeting, a written statement setting out:

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

Creditors are advised that they can use the following virtual meeting facility:

Telephone Number:	Please contact Cindy Chen to obtain details
Password:	Please contact Cindy Chen to obtain details

Creditors Please Note

The effect of IPR Section 75-85 (entitlement to vote as creditor at meetings of creditors) is:

- (1) A person other than a creditor (or the creditor's proxy or attorney) is not entitled to vote at a meeting of creditors.
- (2) Subject to subsections (3), (4) and (5), each creditor is entitled to vote and has one vote.
- (3) A person is not entitled to vote as a creditor at a meeting of creditors unless:
 - (a) his or her debt or claim has been admitted wholly or in part by the external administrator; or
 - (b) he or she has lodged, with the person presiding at the meeting, or with the person named in the notice convening the meeting as the person who may receive particulars of the debt or claim:
 - (i) those particulars; or
 - (ii) if required - a formal proof of the debt or claim.
- (4) A creditor must not vote in respect of:
 - (a) an unliquidated debt; or
 - (b) a contingent debt; or
 - (c) an unliquidated or a contingent claim; or
 - (d) a debt the value of which is not established;unless a just estimate of its value has been made.
- (5) A creditor must not vote in respect of a debt or a claim on or secured by a bill of exchange, a promissory note or any other negotiable instrument or security held by the creditor unless he or she is willing to do the following:
 - (a) treat the liability to him or her on the instrument or security of a person covered by subsection (6) as a security in his or her hands;
 - (b) estimate its value;
 - (c) for the purposes of voting (but not for the purposes of dividend), to deduct it from his or her debt or claim.
- (6) A person is covered by this subsection if:
 - (a) the person's liability is a debt or a claim on, or secured by, a bill of exchange, a promissory note or any other negotiable instrument or security held by the creditor; and
 - (b) the person is either liable to the company directly, or may be liable to the company on the default of another person with respect to the liability; and
 - (c) the person is not an insolvent under administration or a person against whom a winding up order is in force.

In addition, pursuant to IPR Section 75-25, if a creditor wishes to be represented at the meeting by an attorney, the creditor must arrange for the power of attorney to be produced to the external administrator at or before the meeting.

Corporations Act 2001

Insolvency Practice Rules 75-25

**Hills Group Operations Pty Ltd
(Administrators Appointed)
A.C.N. 600 152 261
(the "Company")**

APPOINTMENT OF PROXY

*I/*We.....(if a firm, strike out "I" and set out the full name of the firm) of.....(address), a *creditor/*contributory/*debenture holder/*member of Hills Group Operations Pty Ltd (Administrators Appointed), appoint.....(name, address and description of the person appointed) or in his or her absence.....as*my/*our *general/* special proxy to vote at the meeting of creditors to be held **via virtual meeting facilities only** on **Wednesday, 21 June 2023 at 10:00 am (AEST)**, or at any adjournment of that meeting.

If a creditor is appointing a special proxy, please indicate whether your vote is in favour/against or abstaining of the resolution. It is expected the following resolutions may be voted upon:

Resolutions**	To Vote For	To Vote Against	Abstain
To hold the meeting of creditors of the Company concurrently with Pacom Security Pty Ltd (Administrators Appointed).			
To remove the Administrator(s) from office and appoint as Administrator(s) of the Company.			
To appoint a Committee of Inspection and if so, appoint as a committee member and that a member of the Committee of Inspection may directly or indirectly derive a profit or advantage from the external administration of the Company.			

* Delete if not applicable.

** Only if appointing a special proxy should you tick the relevant box indicating which way you wish to vote on each resolution.

Dated:

Signature

Signing capacity

FORM 535
FORMAL PROOF OF DEBT OR CLAIM (GENERAL FORM)
Hills Group Operations Pty Ltd
(Administrators Appointed)
A.C.N. 600 152 261
(the "Company")

To the Administrators of the Company,

1. This is to state that the Company was on Friday, 9 June 2023, and still is, justly and truly indebted to

(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)
 for \$ _____

Date	Consideration (state how the debt arose)	Amount \$ c	Remarks (include details of voucher substantiating payment)

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:

Date	Drawer	Acceptor	Amount \$c	Due Date

3.

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

<input type="checkbox"/>	I nominate to receive electronic notifications of documents in accordance with Section 600G of the Corporations Act 2001 at the following email address: Email: _____
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Dated this _____ day of _____ 20____

Signature: _____

Occupation: _____

Address: _____

Return Email: _____

(Attach documentation such as copies of invoices in support of your claims)

ANNEXURE C

Declaration of Independence, Relevant Relationships and Indemnities

**Pacom Security Pty Ltd
(Administrators Appointed)
A.C.N. 096 595 005**

**Hills Group Operations Pty Ltd
(Administrators Appointed)
A.C.N. 600 152 261**

(Collectively the "Companies")

The purpose of this document ("DIRRI") is to assist creditors with understanding any relevant relationships that the Administrators have and any indemnities or upfront payments that have been provided to the Administrators. None of the relationships disclosed in this DIRRI are such that the independence of the Administrators 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.

This declaration is made in respect of ourselves, our partners, Hall Chadwick NSW, Hall Chadwick Melbourne, Hall Chadwick (Philippines) Inc. and the independent firms of Hall Chadwick Qld and Hall Chadwick WA (Collectively "Hall Chadwick").

A. Independence

We, SULE ARNAUTOVIC & JOHN VOURIS, of Hall Chadwick have undertaken a proper assessment of the risks to our independence prior to accepting our appointment as Administrators of the Companies in accordance with the law and applicable professional standards. This assessment identified no real or potential risks to our independence. We are not aware of any reasons that would prevent us from accepting our appointment to the Companies.

Prior to our appointment as Administrators of the Companies, neither we nor Hall Chadwick have ever formally acted in any professional capacity for the Companies.

B. Declaration of Relationships

B1. Circumstances of the Appointment

The Companies were referred to Hall Chadwick by AMAL Security Services Pty Ltd as Trustee for Causeway Wholesale Private Debt Master Fund ("Causeway Financial" or "Referrer").

On 2 June 2023, we were appointed as Voluntary Administrators over ten (10) related entities. Please find attached at **Annexure "A"** a copy of the Administrators' lodged DIRRI with respect to the details of our dealings with relevant parties of the ten (10) related entities.

In addition to what is disclosed at **Annexure "A"**, during the period from 2 June 2023 to 9 June 2023, there have been various emails, correspondence, and phone calls exchanged between Hall Chadwick, the Referrer, JHK Legal (the Referrer's Lawyers), Mills Oakley Lawyers (our Lawyers), the Director of the Companies as well as Ms Natalie Scott (former director of the Companies).

Sule Arnautovic attended an in-person meeting with the Director of the Companies on 9 June 2023 to specifically discuss the Companies' affairs. The Director appointed us as Voluntary Administrators of the Companies on 9 June 2023.

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

- There is no expectation, agreement or understanding between us and the Referrer regarding our conduct or approach towards this, past and any future likely referrals and we are free to act independently and in accordance with the laws and relevant professional standards;
- There is no understanding that any matters in respect to this appointment will be referred to the Referrer;
- We have provided no other information or advice to the Companies, the Companies' director or the Referrer prior to our appointment beyond that outlined in this DIRRI; and
- Save for the contents of **Annexure "A"**, our previous business dealings and referral relationships with the Referrer have not been in relation to formally acting for the Companies or the Companies' director.

The above pre-appointment conversations, correspondence, calls and in-person meetings were for the purposes of discussing and understanding the following:

- Background, nature and business of the Companies;
- Considering the viability of a potential administration and deed of company arrangement;
- Potential impact of an administration on the Companies' business operations;
- Effectuating our appointment as the Administrators of the Companies; and
- The cross-guarantee between the Companies and the other ten (10) companies we were appointed to on 2 June 2023.

We (including Hall Chadwick) have received no remuneration for any advice or options provided to the Companies during any pre-appointment period. In our opinion, the above pre-appointment conversations, correspondence, calls and in-person meetings do not affect our independence for the following reasons:

- Neither we, nor Hall Chadwick, have had a prior professional or other relationship with the Companies or their associates that would preclude us from acting as Administrators of the Companies;
- The Courts and the ARITA Code of Professional Practice specifically recognise the need for practitioners to provide advice on the insolvency process and the options available and do not consider that such advice results in a conflict or is an impediment to accepting the appointments;
- The pre-appointment advice will not influence our ability to be able to fully comply with the statutory and fiduciary obligations associated with the Administration of the Companies in an objective and impartial manner; and
- The nature of advice provided to the Companies is such that it would not be subject to review and challenge during the course of the appointment.

We have provided no other information or advice to the Companies or the Director of the Companies about the Company's affairs prior to our appointment beyond that outlined in this DIRRI.

B2. Prior Professional Services to the Companies - within 24 months

Neither we, nor Hall Chadwick, have provided any professional services to the Companies in the previous twenty four (24) months.

B3. Relevant Relationships (excluding Professional Services to the Companies) - within 24 months

Apart from what is stated above, neither we, nor Hall Chadwick, have, or have had within the preceding 24 months, any prohibitive relationships with the Companies, an associate of the Companies, a former insolvency practitioner appointed to the Companies or any other person or entity that is entitled to enforce a security interest on the whole or substantially the whole of the Companies' property.

B4. Other Relevant Relationships to Disclose

As noted above, we were appointed Administrators of ten (10) related entities of the Companies on 2 June 2023. Please refer to Annexure "A" for further information.

There are no other known relevant relationships, including personal, business and professional relationships that should be disclosed.

C. Indemnities and Upfront Payments

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

Dated: 13th June 2023

.....
SULE ARNAUTOVIC
ADMINISTRATOR

.....
JOHN VOURIS
ADMINISTRATOR

Note:

The assessment of independence has been made based on the evaluation of the significance of any threats to independence and in accordance with the requirements of the relevant legislation and professional standards.

If circumstances change, or new information is identified, we are required under the Corporations Act 2001, APES 330 Insolvency Services and if relevant, ARITA's Code of Professional Practice, to update the DIRRI and provide a copy to creditors with our next communication. The DIRRI and any updated versions are required to be lodged with ASIC where applicable.

ANNEXURE A

Declaration of Independence, Relevant Relationships and Indemnities

Hills Limited
(Administrators Appointed)
A.C.N. 007 573 417

Hills Finance Pty Ltd
(Administrators Appointed)
A.C.N. 007 527 040

Hills Integrated Solutions Pty Ltd
(Administrators Appointed)
A.C.N. 000 376 394

Lan 1 Pty Ltd
(Administrators Appointed)
A.C.N. 159 863 779

T.V Rentals Pty Ltd
(Administrators Appointed)
A.C.N. 009 701 213

New-Tone (Aust.) Pty Ltd
(Administrators Appointed)
A.C.N. 009 753 637

Audio Products Group Pty Limited
(Administrators Appointed)
A.C.N. 054 550 499

Hospital Telecommunications Pty Ltd
(Administrators Appointed)
A.C.N. 061 558 245

ACN 614 478 090 Pty Limited
(Administrators Appointed)
A.C.N. 614 478 090

Hills Health Solutions Pty Ltd
(Administrators Appointed)
A.C.N. 100 173 715

(Collectively the "Companies")

The purpose of this document ("DIRRI") is to assist creditors with understanding any relevant relationships that the Administrators have with the Companies and any indemnities or upfront payments that have been provided to the Administrators in respect of the Companies. None of the relationships disclosed in this DIRRI are such that the independence of the Administrators is affected.

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

This declaration is made in respect of ourselves, our partners, Hall Chadwick NSW, Hall Chadwick Melbourne, Hall Chadwick (Philippines) Inc. and the independent firms of Hall Chadwick Qld and Hall Chadwick WA (Collectively "Hall Chadwick").

A. Independence

We, SULE ARNAUTOVIC & JOHN VOURIS, of Hall Chadwick have undertaken a proper assessment of the risks to our independence prior to accepting our appointment as Administrators of the Companies in accordance with the law and applicable professional standards. This assessment identified no real or potential risks to our independence. We are not aware of any reasons that would prevent us from accepting this appointment.

Prior to our appointment as Administrators of the Companies, neither we nor Hall Chadwick have to the best of our knowledge ever formally acted in any professional capacity for the Companies.

B. Declaration of Relationships

B1. Circumstances of the Appointment

The Companies were initially referred to Hall Chadwick by AMAL Security Services Pty Ltd as Trustee for Causeway Wholesale Private Debt Master Fund ("Causeway Financial") ("Referrer") on 13 February 2023. Causeway Financial is a creditor entitled to enforce a security interest over the whole, or substantially whole of the Companies' property, save for Hills Health Solutions Pty Ltd.

Neither we nor Hall Chadwick are reliant on the Referrer for work in terms of number and/or value of assignments.

No prior business or referral dealings with the Referrer have been in relation to the Companies or their directors.

Sule Arnautovic had a conference/virtual call with the Referrer and JHK Legal (lawyers for the Referrer) on 13 February 2023.

Sule Arnautovic had a conference/virtual call with the Referrer and JHK Legal on 17 March 2023.

Sule Arnautovic attended an in-person meeting with the Referrer on 4 May 2023.

Sule Arnautovic had a conference/virtual call with the Referrer and JHK Legal on 26 May 2023.

On 29 May 2023, Sule Arnautovic had a conference/virtual call with the Referrer, the Board of Directors of Hills Ltd and Ms Natalie Scott (a director of the Companies save for Hills Limited, who resigned on 30 May 2023).

The Administrators of the Companies were appointed to the Companies (save for Hills Health Solutions Pty Ltd) by Causeway Financial on 2 June 2023.

The Director of Hills Health Solutions Pty Ltd, Mr David Clarke, appointed the Administrators to this company on 2 June 2023.

During the period from 13 February 2023 to 2 June 2023, there have been various emails, correspondence, and phone calls exchanged between Hall Chadwick, the Referrer, JHK Legal, the Board of Directors of the Companies and Ms Scott.

We believe that the above pre-appointment dealings do not result in a conflict of interest or duty because:

- There is no expectation, agreement or understanding between us and the Referrer regarding our conduct or approach towards this, past and any future likely referrals and we are free to act independently and in accordance with the laws and relevant professional standards;
- There is no understanding that any matters in respect to this appointment will be referred to the Referrer;
- We have provided no other information or advice to the Companies, the Companies' directors or the Referrer prior to our appointment beyond that outlined in this DIRRI; and

- Our previous business dealings and referral relationships with the Referrer have not been in relation to formally acting for the Companies or the Companies' directors.

The above pre-appointment conversations, correspondence, conference/virtual calls and in-person meetings were for the purposes of discussing and understanding the following:

- Background, nature and business of the Companies;
- Financial and trading position of the Companies;
- The benefits of a voluntary administration versus a receivership of the Companies;
- Considering the viability of a potential administration and deed of company arrangement/Creditors' Trust arrangement or other recapitalisation arrangement;
- Potential impact of an administration on the Companies' business operations; and
- Effectuating our appointment as the Administrators of the Companies.

We (including Hall Chadwick) have received no remuneration for any advice or options provided to the Companies or the Referrer during any pre-appointment period. In our opinion, the above pre-appointment conversations, correspondence, conference/virtual calls and in-person meetings do not affect our independence for the following reasons:

- Neither we, nor Hall Chadwick, have had a prior professional or other relationship with the Companies or their associates that would preclude us from acting as Administrators of the Companies;
- The Courts and the ARITA Code of Professional Practice specifically recognise the need for practitioners to provide advice on the insolvency process and the options available and do not consider that such advice results in a conflict or is an impediment to accepting the appointments;
- The pre-appointment advice will not influence our ability to be able to fully comply with the statutory and fiduciary obligations associated with the Administration of the Companies in an objective and impartial manner; and
- The nature of advice provided to the Companies and Referrer is such that it would not be subject to review and challenge during the course of the appointment.

We have provided no other information or advice to the Companies; the Companies' directors or the Referrer about the Companies' affairs prior to our appointment beyond that outlined in this DIRRI.

B2. Prior Professional Services to the Companies - within 24 months

Neither we, nor Hall Chadwick, have to the best of our knowledge provided any professional services to the Companies in the previous twenty-four (24) months.

B3. Relevant Relationships (excluding Professional Services to the Companies) - within 24 months

Apart from what is stated above, neither we, nor Hall Chadwick, have, or have had within the preceding 24 months, any prohibitive relationships with the Companies, an associate of the Companies, a former insolvency practitioner appointed to the Companies or any other person or entity that is entitled to enforce a security interest over the whole or substantially the whole of the Companies' property.

B4. Other Relevant Relationships to Disclose

There are no other known relevant relationships, including personal, business and professional relationships that should be disclosed.

C. Indemnities and Upfront Payments

We have not received any up-front payments in respect of our remuneration, costs or disbursements for the Companies.

Causeway Financial has provided us with an indemnity up to a maximum of \$400,000 for our remuneration, costs and disbursements for the Companies (save for Hills Health Solutions Pty Ltd), this in addition to any indemnities that we may be entitled to under statute.

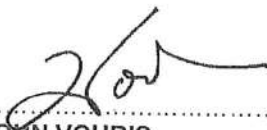
Causeway Financial has provided us with an indemnity for our costs/loss in respect of Companies (save for Hills Health Solutions Pty Ltd) that arise from any invalidation of our appointment or flaw in the enforceability of Causeway Financials' security/facility/loan documentation.

We have no indemnity for Hills Health Solutions Pty Ltd, other than any indemnities that we may be entitled to under statute.

Dated this 6th day of June 2023



.....
SULE ARNAUTOVIC
ADMINISTRATOR



.....
JOHN VOURIS
ADMINISTRATOR

Note:

The assessment of independence has been made based on the evaluation of the significance of any threats to independence and in accordance with the requirements of the relevant legislation and professional standards.

If circumstances change, or new information is identified, we are required under the Corporations Act 2001, APES 330 Insolvency Services and if relevant, ARITA's Code of Professional Practice, to update the DIRRI and provide a copy to creditors with our next communication. The DIRRI and any updated versions are required to be lodged with ASIC where applicable.

ANNEXURE D

Creditor Rights in Voluntary Administrations

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



Right to request information

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

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

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

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

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

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

Requests must be reasonable.

They are not reasonable if:

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

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

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

Right to give directions to voluntary administrator

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

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

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

Right to appoint a reviewing liquidator

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

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

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

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

Right to replace voluntary administrator

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

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

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

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

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

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

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

ANNEXURE E

Information Sheet: Committees of Inspection

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

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

What is a COI?

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

Membership of the COI is a voluntary, unpaid position.

Who can be elected to a COI?

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

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

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

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

A member of a COI can be appointed by:

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

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

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

What are the roles and powers of a COI?

A COI has the following roles:

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

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

A COI also has the power to:

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

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

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

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

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

A request for information is unreasonable if:

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

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

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

How does the COI exercise its powers?

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

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

ASIC is entitled to attend any meeting of a COI.

What restrictions are there on COI members?

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

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

Where can you get more information?

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

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

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

ANNEXURE F

**Pacom Security Pty Ltd
(Administrators Appointed)
A.C.N. 096 595 005**

**Hills Group Operations Pty Ltd
(Administrators Appointed)
A.C.N. 600 152 261**

(Collectively the "Companies")

Initial Remuneration Notice

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

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 asset realisations.

4. Contingency

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

Method Chosen

Having regard to the nature of work involved for this administration, we propose that our remuneration be calculated on a time based hourly rates method for the following reasons:

- We will only be paid for work done, subject to sufficient realisations of the Companies' assets;
- It ensures creditors are only charged for work that is performed. Time is recorded and charged in six minute increments and staff are allocated to duties according to their relevant experience and qualifications;
- We are required to perform a number of tasks which do not relate to the realisation of assets, for example responding to creditor enquiries, reporting to the Australian Securities and Investments Commission ("ASIC"), distributing funds in accordance with the provisions of the Corporations Act 2001; and
- We are unable to estimate with certainty the total amount of time necessary to complete all tasks required in this administration.

Hourly Rates

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

Hall Chadwick Hourly Rates (effective from 1 July 2020)

POSITION	DESCRIPTION	RATES \$ PER HOUR (Ex GST)
Partner	Registered liquidator/trustee or appointee's partner bringing a high level of insolvency knowledge and skill, with more than 10 years experience and an appreciation of risk control and personal commitment.	740
Director	Qualified accountant bringing a high level of insolvency knowledge and skill, with more than 10 years experience and an appreciation of risk control.	710
Senior Associate	Qualified accountant with more than 10 years insolvency experience and able to control all aspects of an appointment, who brings a high level of insolvency knowledge and skill and has an appreciation of risk control.	680
Associate	Qualified accountant with more than 10 years insolvency experience and able to control all aspects of an appointment.	640
Senior Manager	Qualified accountant with more than 7 years insolvency experience able to control all aspects of an appointment and manage a team of staff.	600
Manager	Qualified accountant with more than 6 years insolvency experience able to control all aspect of an appointment and project manage a team on a large appointment.	575
Supervisor	Graduate completing post graduate studies with up to 5 years insolvency experience and responsibility to supervise a small team of staff.	500
Senior 1	Graduate completing post graduate studies with 2 to 4 years insolvency experience. Assists planning and control of small to medium sized jobs as well as performing some of the more difficult work on larger jobs.	450
Senior 2	Graduate completing post graduate studies with 1 to 2 years experience. Required to control the fieldwork on small jobs and is responsible for assisting complete fieldwork on medium to large jobs.	390

Intermediate 1	Graduate or Undergraduate with 1 to 2 years insolvency experience. Required to assist in day to day fieldwork under supervision of more senior staff.	350
Intermediate 2	Undergraduate with up to 1 year insolvency experience. Required to assist in day to day fieldwork under supervision of more senior staff.	320
Intermediate 3	Appropriate skills with 1 to 2 years insolvency experience and geographically located outside of Australia.	270
Junior 1	Undergraduate completing their university degree.	220
Support Staff		
IT Manager	Appropriate Skills	280
Banking Administrator	Appropriate Skills	280
PA/Secretary	Appropriate Skills	150
Computer Operations	Appropriate Skills	150
Administration Assistant	Appropriate Skills	150
Filing Assistant	Appropriate Skills	55

Note: The classifications above do not cover professional staff that are unqualified and not studying to become qualified as accountants. We recognise that in this latter category there are some people who are highly skilled. It is our view that it is not possible to give a description which will adequately cover all situations.

Estimated Cost of Administration

Assuming that the voluntary administration period does not last any longer than say six (6) weeks, we estimate that our remuneration for the voluntary administration period of the Companies (only) will be approximately \$30,000 exclusive of GST and out of pocket expenses/disbursements. Please note that we make this remuneration estimate in circumstances where the full scope of the voluntary administration is not fully known at this point in time.

This estimate may change as a result of further information coming to our attention of which we are currently unaware. Should additional work be necessary beyond what is contemplated, we will provide a breakdown of the work carried out and further approval shall be sought from creditors.

Please refer to our attached Declaration of Independence, Relevant Relationships and Indemnities for details of any upfront payments and/or indemnities that we may have received. Creditors should note that approved remuneration may exceed the amount of any upfront payment and/or indemnity and can be paid from the assets of the administration after appropriate approval.

Disbursements

Disbursements are divided into three (3) types:

- All externally provided professional services. These are recovered at cost. An example is legal fees. It does not include insolvency services as insolvency services are claimed as remuneration.
- All externally provided non-professional costs such as travel, accommodation and search fees. These disbursements are recovered at cost.

External disbursements include but are not limited to external meeting room hire, legal fees, insurance, valuation fees, search fees, travel, postage, parking and accommodation. All externally provided professional and non-professional services are recovered at cost.

- Internally (firm) provided non-professional costs such as photocopying, printing and postage. 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 on a reasonable commercial basis.

The rates for internal (firm) disbursements are set out as follows:

Disbursements Effective 1 March 2015	Rate \$ (incl. GST)
Photocopy – per page*	0.99
Facsimile – per page*	
Local Facsimile	1.10
International Facsimile	3.30

** Internally (firm) provided services are charged at the rates advised in the above table.*

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

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

Information Sheet

Creditors who require further information regarding the approval of remuneration in external administrations are advised that ASIC has produced a document entitled: "Approving Fees: a guide for creditors" (Information Sheet 85) and this document can be downloaded from www.asic.gov.au or can be obtained from this office.