

**R T WALLACE PTY LTD (“THE COMPANY”)  
ACN 623 169 728 (IN LIQUIDATION)**

**Initial Information for Creditors**

**13 March 2023**

We understand you may be a creditor of the Company.

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**

We, Andrew McCabe and Joseph Hayes were appointed Joint and Several Liquidators of the Company on 13 February 2023 pursuant to an Order of the Supreme Court of New South Wales.

We act for all creditors. We are responsible for locating the Company’s assets, investigating the Company’s affairs, reporting to ASIC and, if funds become available, paying money owed to creditors.

Our independent status and who appointed us is outlined in our Declaration of Independence, Relevant Relationships and Indemnities (**DIRRI**) and is attached at **Appendix A**.

**What do you need to know?**

Question	Answer
<b>What is a Court Liquidation</b>	A Court Liquidation occurs when the Court makes an order to place a company into liquidation. This is generally on application of a creditor who the company has not paid an outstanding debt. This means that the Company is insolvent.
<b>What are your rights as a creditor?</b>	Information regarding your rights as a creditor is provided in the information sheet included at <b>Appendix B</b> . This includes your right to: <ul style="list-style-type: none"> <li>• Make reasonable requests for a meeting;</li> <li>• Make reasonable requests for information;</li> <li>• Give directions to us;</li> <li>• Appoint a reviewing Liquidator; and</li> <li>• To replace us as Liquidators.</li> </ul>
<b>What happens to your debt?</b>	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.



	<p>The amount of money you receive depends on the amount we recover, including from finding and selling the Company's assets. After paying our fees, creditors share the remaining money. This amount is called a dividend.</p> <p>A dividend can vary between creditors because the law entitles different types of creditors to be paid before other types of creditors.</p> <p>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 our staff as soon as possible.</p>
<b>What is the trading status of the Company?</b>	<p>We are not aware that the Company is trading.</p> <p>We advise that we have not adopted any contracts or liabilities of the Company at the date of appointment unless we have notified you in writing. Payment for use of any goods or services is not an adoption of a contract or liability.</p>
<b>Do you have to do anything?</b>	<p>You should read this information. You can choose to participate in the liquidation process, but you do not have to.</p> <p>If we need you to take action, we will write and ask you. For example, we may ask you to provide proof of your debt before we can pay you a dividend.</p> <p>If you do not think you are a creditor, please let us know.</p>
<b>What has happened in the liquidation so far?</b>	<p>To date we have completed the following tasks in the Liquidation:</p> <ul style="list-style-type: none"><li>• Notified the Australian Taxation Office, ASIC and other statutory bodies of our appointment;</li><li>• Notified banks, utilities and other parties of our appointment;</li><li>• Established a Liquidation bank account for the Company;</li><li>• Liaised with the Company Director and accountant regarding the affairs of the Company;</li><li>• Undertaken investigations into the assets and potential claims of the Company; and</li><li>• Issued this Initial Circular to Creditors.</li></ul>
<b>What is the cost of the liquidation?</b>	<p>We get paid out of the Company's money, including realisations from assets or from money paid to us by others. If there is not enough money in the liquidation, we may not get paid in full.</p> <p>We may write and ask that you approve our remuneration for the work that we do in completing the liquidation. If we do,</p>



	<p>we will provide you with detailed information so that you can understand what tasks we have undertaken and the costs of those tasks.</p> <p>Included at <b>Appendix C</b> is our Initial Remuneration Notice. This document provides you with information about how we propose to be paid for undertaking the liquidation.</p> <p>To lodge your claim in the liquidation, please submit a “proof of debt” form included at <b>Appendix D</b> which provides information about what the company owes you, along with supporting documents for your claim (if not returned previously).</p>
<b>What further communication will you receive?</b>	<p>We 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.</p> <p>We may also send you updates on the progress of the liquidation or proposals to approve certain matters in the liquidation at any time.</p> <p>It is unlikely that we will hold a meeting to communicate with creditors unless we believe it is in the interests of creditors. However, if we receive a request for a meeting that complies with the guidelines set out in the creditor rights information sheet, we will hold a meeting of creditors.</p>
<b>What happens next?</b>	<p>We will proceed with the liquidation, including:</p> <ul style="list-style-type: none"><li>• Recovering and selling any available property;</li><li>• Investigating the Company’s affairs;</li><li>• Reporting to the corporate regulator, the Australian Securities and Investments Commission (<b>ASIC</b>);</li><li>• Reporting to creditors; and</li><li>• Distributing any available funds to creditors in accordance with their priority.</li></ul>
<b>Where can you get more information?</b>	<p>The Australian Restructuring Insolvency and Turnaround Association (<b>ARITA</b>) provides information to assist creditors with understanding liquidations and insolvency. This information is available from ARITA’s website at <a href="http://arita.com.au/creditors">arita.com.au/creditors</a>.</p> <p>ASIC also provides information sheets on a range of insolvency topics. These information sheets can be accessed on ASIC’s website at <a href="http://asic.gov.au">asic.gov.au</a> (search for “insolvency information sheets”).</p>



### **Further Information and Contact Details**

Should creditors have any further information that may assist in our investigations or require further information in regard to this matter, please contact Angus Malouf on (02) 9210 1708 or at [amalouf@wexted.com](mailto:amalouf@wexted.com).

Yours faithfully

Andrew McCabe  
**Joint and Several Liquidator**

### **Attachments**

- Appendix A - Declaration of Independence, Relevant Relationships and Indemnities
- Appendix B - Information Sheet - Creditor Rights in Liquidation
- Appendix C - Initial remuneration notice
- Appendix D - Proof of debt form



**Declaration of Independence, Relevant Relationships and Indemnities****R T Wallace Pty Ltd ACN 623 169 728 (In Liquidation)  
("the Company")**

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 proposed 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.

This declaration is made in respect of ourselves and staff at Wexted Advisors. We are members of Australian Restructuring Insolvency and Turnaround Association. We acknowledge that we are bound by the ARITA Code of Professional Practice.

**A. Independence**

We, Andrew McCabe and Joseph Hayes of Wexted Advisors, Level 17, 68 Pitt Street, Sydney NSW 2000 have undertaken a proper assessment of the risks to our independence prior to accepting the appointment as 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****B1. Circumstances of appointment**

We were appointed Liquidators of the Company by Orders of the Supreme Court of New South Wales on application of Maxiparts Operations Pty Ltd. We consented to act as liquidators on the request of their legal representative, Daniel Turk of Turks Legal. This consent does not affect our independence for the reason that the giving of a consent does not result in any duty owed to that creditor that would conflict our interests or duties under the *Corporations Act 2001* ('the Act').

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

- There is no expectation, agreement or undertaking between us and Mr Turk about the conduct of this matter and we are free to act independently and in accordance with the laws and the requirements of the Australian Restructuring Insolvency and Turnaround Association's (**ARITA**) Code of Professional Practice (**COPP**); and
- Referrals from secured creditor, solicitors, business advisors and accountants are commonplace and do not impact on our independence in carrying our duties as Liquidators.

We have not had any communications or meetings with the Company or Directors in the lead up to this appointment.

**B2. Prior Professional services to the Insolvent**

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

**B3. Relevant Relationships (excluding Professional Services to the Insolvent)**

We, or a member of our firm, have not had within the preceding 24 months, any relationship with the Company.

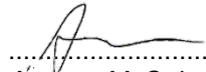
**B4. No other relevant relationships to disclose**

There are no other known relevant relationships, including personal, business and professional relationships, from the previous 24 months with any person or entity associated with the Company.

**C. Indemnities and up-front payments**

We have not received any up-front payment or indemnity in order to meet our remuneration for the conduct of the liquidation, other than any indemnities that we may be entitled to under statute.

Dated: 13 March 2023

  
.....  
*Andrew McCabe*

Note: 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 insolvent'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.

# 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.

Specific queries about the liquidation should be directed to the liquidator's office.

## 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.

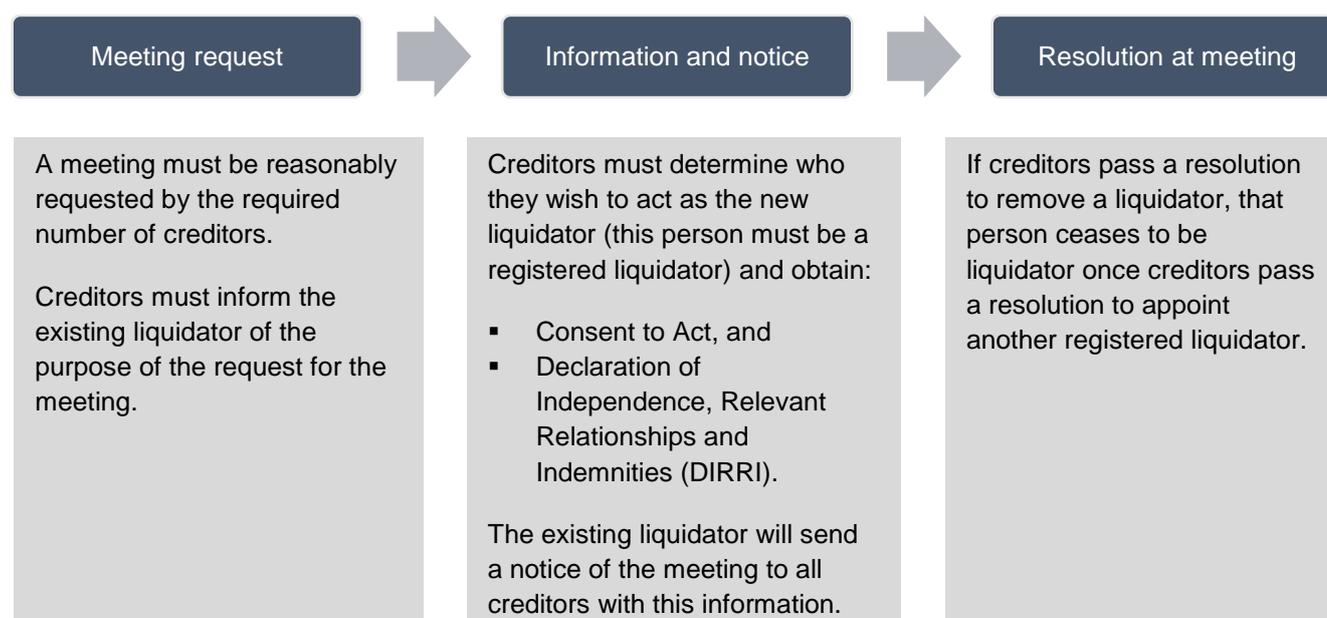
The cost of the reviewing liquidator is paid from the assets of the liquidation, in priority to creditor claims.

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](http://www.arita.com.au/creditors).  
Specific queries about the liquidation should be directed to the liquidator's office.**

**R T Wallace Pty Ltd (In Liquidation) (“the Company”)  
ACN 623 169 728**

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

## **1 Remuneration Methods**

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

- A. *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.
- B. *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 Liquidator will finalise a liquidation for a fixed fee.
- C. *Percentage:*** The total fee charged is based on a percentage of a particular variable, such as the gross proceeds of assets realisations.
- D. *Contingency:*** The fee is structured to be contingent on a particular outcome being achieved.

## **2 Method chosen**

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

- It ensures that creditors are only charged for work that is performed.
- We are required to perform a number of tasks which do not relate to the realisation of assets, for example responding to creditor enquiries, reporting to ASIC, distributing funds in accordance with the provisions of the Corporations Act.
- We are unable to estimate with certainty the total amount of fees necessary to complete all tasks required in the Administration.
- We have a time recording system that can produce a detailed analysis of time spent on each type of task by each individual staff member utilised in the liquidation;
- Time based remuneration calculates fees upon a basis of time spent at the level appropriate to the work performed; and
- The method provides full accountability in the method of calculation.

## **3 Explanation of Hourly Rates**

The rates for our remuneration together with a general guide showing the qualifications and experience of staff engaged in the administration are attached.

The hourly rates charged encompass the total cost of providing professional services and should not be compared to an hourly wage.

#### 4 Estimated remuneration

We estimate that this liquidation will cost approximately \$20,000 to complete, subject to the following variables which may have a significant effect on this estimate and that we are unable to determine at this early stage:

- Complexities in realising any assets of the Company; and
- Conducting investigations into the affairs of the Company and pursuing any voidable transactions.

We have not received any up-front payment or indemnity to contribute to the estimated costs of the liquidation.

#### 5 Disbursements

Disbursements are divided into three types:

- **External professional services** - these are recovered at cost. An example of an externally provided professional service is legal fees. It does not include insolvency services, as insolvency services are claimed as remuneration.
- **External non-professional costs** – these are recovered at cost. Examples of external non-professional expenses include travel, accommodation and search fees.
- **Firm non-professional costs** – such as photocopying, printing and postage. These costs, if charged to the Administration, would generally be charged at cost; though some expenses such as telephone calls, photocopying and printing may be charged at a rate which recoups both variable and fixed costs. The recovery of these costs must be on a reasonable commercial basis.

We are not required to seek creditor approval for expenses paid to third parties or for disbursements where we are recovering a cost incurred on behalf of the liquidation, 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, 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 liquidation.

Yours faithfully



Andrew McCabe

**Joint and Several Liquidator**

**Schedule of rates as at January 2023**

<b>Classification</b>	<b>Rate</b>	<b>Guide to Staff Experience</b>
Partner	\$700	Registered liquidator, Chartered Accountant, degree qualified with more than fifteen years of extensive experience in insolvency, restructuring and business advisory matters. Leads engagements with full accountability for strategy and execution.
Director	\$600	Generally Chartered Accountant and degree qualified with more than ten years of experience. Extensive experience in managing large, complex engagements at a senior level. Autonomously leads complex insolvency appointments reporting to Partner
Senior Manager	\$545	Generally Chartered Accountant and degree qualified with more than seven years of experience. Significant experience across all types of engagements. Self-sufficiently conducts small to medium insolvency appointments.
Manager	\$500	Generally Chartered Accountant and degree qualified with more than five years of experience. Experience in complex matters, day to day conduct of small to medium engagements. Assists senior staff on complex matters.
Assistant Manager	\$450	Generally Chartered Accountant and degree qualified with more than three years of experience. Assists senior staff in planning and conduct of small to large engagements. Supervise a small team and control small engagements
Senior Accountant	\$375	Experienced graduate controlling certain tasks on small engagements. Assists senior staff in completing tasks on small to large engagements.
Accountant	\$250	Generally, degree qualified and undertaking or about to undertake Chartered Accountant's qualification with less than one year of experience. Assists with day to day tasks under the supervision of senior staff.
Undergraduate	\$180	Generally undertaking relevant degree. Required to assist in day to day fieldwork and basic tasks under the supervision of senior staff
Support	\$175	Appropriate skills and experience to support professional staff in an administrative capacity.

**Notes:**

1. the above figures are exclusive of GST;
2. the Guide to Staff Experience is only intended to be a guide as to the qualifications and experience of our staff members. Staff may be engaged under a classification that we consider appropriate for their experience;
3. time is recorded and charged in six-minute intervals;
4. rates are subject to increase from time to time;
5. work carried out by staff will be charged at their applicable rates irrespective of where the administration is geographically based;
6. the above rates are those chargeable by Wexted Advisors in respect of our employees and contractors. If it becomes necessary to engage the services of an interstate or overseas based insolvency firm to carry out work on our behalf, we reserve the right to recover the rates charged by that practice, which may vary from the rates set out above.

The rates set out above are Wexted Advisors ordinary hourly charge out rates and assume that there is a real prospect of the time costs incurred (at those rates) being paid and within a reasonable time span (within 2 to 3 months). Where that assumption does not hold true, that is, there is either:

- a risk to the collectability of the time costs being incurred; and/or
- there is an expectation that the time costs will need to be carried for a period in excess of a reasonable time span (greater than 3 months);

then, subject to the approval, Wexted Advisors reserve the right to seek recovery of their time at a rate in excess of the ordinary hourly charge out rates (set out above) to reflect that additional risk, and or time delay, in recovery.

<b>Classification</b>	<b>Disbursements</b>	<b>Charges</b>
Internal	Photocopying	\$0.20 per copy
	Printing	\$0.28 per copy
	Postage	At Cost
	Storage	\$40 per box
	Searches, Couriers and Advertising	At Cost
	ASIC Service Levy	Estimated at \$80 per Company in external administration and per notifiable event
External	Professional services (non-insolvency) for specific tasks that are properly incurred by independent consultants	At cost
	Non-professional services incurred with a third party in relation to work required	At cost

FORMAL PROOF OF DEBT OR CLAIM (GENERAL FORM)

To the Liquidators of R T Wallace Pty Ltd (In Liquidation)

1. This is to state that the company was, on 13 February 2023<sup>(1)</sup> and still is, justly and truly indebted to<sup>(2)</sup> (full name):

.....  
(‘Creditor’)

.....  
of (full address)

for \$ ..... dollars and ..... cents.

Particulars of the debt are:

Date	Consideration <sup>(3)</sup> state how the debt arose	Amount \$	GST included \$	Remarks <sup>(4)</sup> 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 manner of satisfaction or security for the sum or any part of it except for the following: .....

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 \$ c	Due Date

I am **not** a related creditor of the Company <sup>(5)</sup>

I am a related creditor of the Company <sup>(5)</sup>  
relationship: \_\_\_\_\_

**If the form is being used for the purpose of voting at a meeting:**

Is the debt you are claiming assigned to you?

No  Yes

**If yes**, attach written evidence of the debt, the assignment and consideration given.

Attached

**If yes**, what value of consideration did you give for the assignment (eg, what amount did you pay \$ for the debt?) \_\_\_\_\_

3A.<sup>(6)\*</sup> 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.

3B.<sup>(6)\*</sup> I am the creditor's agent authorised 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                      2023

Signature of Signatory.....

NAME IN BLOCK LETTERS .....

Occupation .....

Address .....

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

**OFFICE USE ONLY**

POD No:		ADMIT (Voting / Dividend) - Ordinary	\$
Date Received:	/ /	ADMIT (Voting / Dividend) – Preferential	\$
Entered into CORE IPS:		Reject (Voting / Dividend)	\$
Amount per ROCAP	\$	Object or H/Over for Consideration	\$
<b>Reason for Admitting / Rejection</b>			
PREP BY/AUTHORISED		<b>TOTAL PROOF</b>	\$
DATE AUTHORISED	/ /		

### Proof of Debt Form 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 (including ABN) 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) Related Party / Entity: Director, relative of Director, related company, beneficiary of a related trust.
- (6) If the Creditor is a natural person and this proof is made by the Creditor personally. In other cases, if, for example, you are the director of a corporate Creditor or the solicitor or accountant of the Creditor, you sign this form as the Creditor's authorised agent (delete item 3A). If you are an authorised employee of the Creditor (credit manager etc), delete item 3B.

### 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:
  - (a) have an identifying mark;
  - (b) and be endorsed with the words:
    - i) "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
  - (c) 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:
  - (a) the identifying mark; and
  - (b) the number of pages.
- E. A reference to an annexure includes a document that is with a form.