

28 May 2013

Report to the Investors

of

**Equititrust Limited
(Receiver Appointed)
(In Liquidation)
(Receivers and Managers Appointed)
A.C.N. 061 383 944
("the Company")**

I refer to my previous reports and provide an update on the Liquidation of the Company.

Investigations and Litigation

- Public Examinations are scheduled to be conducted on a number of individuals from 23-26 July 2013, comprising primarily of current/past directors of the Company, its associated entities and its auditor. Further Public Examinations are to be conducted but have been adjourned to a later date;
- Thomsons Lawyers ("Thomsons") have continued to liaise with the Australian Securities and Investments Commission ("ASIC") in relation to obtaining records held on their files which may assist with my public examinations and adopting an appropriate line of questioning for the examinees. I am currently liaising with ASIC in order to facilitate the collection of records for review;
- The Company's former auditor has made an application to set aside the examination summons which will be heard on Wednesday, 29 May 2013;
- It is anticipated that the Public Examinations will assist in formulating and/or developing any potential claims.

Litigation Funding Deed

- Further to the comments in my report dated 25 March 2013, I have progressed my negotiations with the litigation funder and Piper Alderman in an effort to facilitate a combined and cooperative approach towards any actions on behalf of the Company and the Unit Holders;
- I have also had discussions with alternative funders to ascertain an understanding on whether there are other options available with respect to litigation funding;
- Once a Deed is in an acceptable form, it will be put to the Creditors or the Committee of Inspection or the Court for approval.

Asset Realisations

- Investigations into the historical tax position of the Company indicated that the Company may be entitled to a refund for overpaid income tax instalments for the 2010 financial year;
- I note that this refund is in relation to the Company's tax return and does not concern any of the funds for which the Company is the Responsible Entity;
- As such, with the assistance of the Hall Chadwick Business Services team, the income tax return was lodged in December 2012;
- Following various discussions between my office, Thomsons and the Australian Taxation Office, the refund was received on 14 March 2013 in the amount of \$2,240,337;
- Further details with respect to the Income Tax Refund will be provided in a comprehensive update to all creditors in due course.

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Liquidators Remuneration

- A meeting of the Committee of Inspection ("COI") was held on 21 December 2012 to consider the Liquidators remuneration from the date of the appointment to 30 November 2012;
- Following the unsuccessful resolution, an application was made on 2 May 2013 to the Supreme Court of New South Wales for the approval of the Liquidators remuneration for this period;
- As at the date of this report I am awaiting the outcome of this application;
- A meeting of the COI was held on 18 April 2013 to consider the Liquidators remuneration for the period 1 December 2012 until 31 March 2013;
- At the meeting, the remuneration of the Liquidators for the period 1 December 2012 to 31 January 2013 was approved and a process agreed upon by the Liquidators and the COI in order to consider the approval of the Liquidators remuneration going forward.

Please find enclosed as Annexure A, remuneration incurred for the month of April 2013 in the amount of \$69,419.50 plus GST.

Should you have any queries regarding the winding up of the Company please do not hesitate to contact either myself or Rory Gillespie of this office.

Yours faithfully,



BLAIR PLEASH
LIQUIDATOR

ANNEXURE A

Equititrust Limited (Receiver Appointed) (in Liquidation) (Receivers and Managers Appointed)
Remuneration Report: Calculation of Remuneration
For the Period 1 April 2013 to 30 April 2013

Employee	Position	\$/hour	Total hours	Total \$	Assets Hours	Assets (\$)	Creditor Hours	Creditors (\$)	Investigation Hours	Investigation (\$)	Administration Hours	Administration (\$)	Litigation Hours	Litigation (\$)	Audit Advice Hours	Audit Advice (\$)
Richard Albaran	Appointee/Partner	590.00	13.80	8,142.00	0.80	472.00	4.50	2,655.00	-	-	-	-	8.50	5,015.00	-	-
Blair Pleash	Appointee/Partner	590.00	17.10	10,089.00	-	-	7.20	4,248.00	-	-	4.70	2,773.00	5.20	3,088.00	-	-
Timothy Cook	Senior Associate	575.00	11.50	6,612.50	-	-	5.60	3,220.00	4.10	2,357.50	0.30	172.50	1.50	862.50	-	-
Robin Barnett	Senior Manager	515.00	0.60	309.00	-	-	-	-	-	-	0.60	309.00	-	-	-	-
Jovan Singh	Senior Manager	515.00	19.40	9,991.00	2.10	1,081.50	7.50	3,862.50	3.70	1,905.50	-	-	6.10	3,141.50	-	-
Sandeep Kumar	Audit Associate	390.00	18.20	7,098.00	-	-	-	-	-	-	-	-	-	-	18.20	7,098.00
Roxy Gillespie	Senior 1	345.00	24.40	8,418.00	0.60	207.00	8.20	2,829.00	3.50	1,207.50	2.70	931.50	9.40	3,243.00	-	-
Evelyn Sanchez	Senior 2	305.00	28.90	8,814.50	1.80	549.00	20.20	6,161.00	4.90	1,494.50	1.00	305.00	1.00	305.00	-	-
Raymond Jiang	Intermediate 1	275.00	0.80	220.00	-	-	0.60	165.00	-	-	0.20	55.00	-	-	-	-
Sheena Chand	Intermediate 1	275.00	0.10	27.50	-	-	0.10	27.50	-	-	-	-	-	-	-	-
Charaine Doyle	Intermediate 2	250.00	14.60	3,650.00	-	-	12.20	3,050.00	0.30	75.00	1.40	350.00	0.70	175.00	-	-
Adam Simpson	Intermediate 2	250.00	21.50	5,375.00	2.20	550.00	12.60	3,150.00	1.10	275.00	2.10	525.00	3.50	875.00	-	-
Cynthia Cheung	Junior	150.00	1.30	195.00	-	-	-	-	0.70	105.00	0.30	45.00	0.30	45.00	-	-
Lisa Anpin	Administration Assistant	135.00	0.80	108.00	-	-	-	-	-	-	0.80	108.00	-	-	-	-
Sarah Coterill	Administration Assistant	135.00	1.10	148.50	-	-	-	-	-	-	1.10	148.50	-	-	-	-
Shane Phelan	Accounting Junior	95.00	1.00	95.00	-	-	-	-	-	-	-	-	-	-	-	95.00
Michelle Evers	Administration Assistant	55.00	2.30	126.50	-	-	-	-	-	-	2.30	126.50	-	-	-	-
TOTAL			177.40	69,419.50	7.50	2,859.50	78.70	29,366.00	18.30	7,420.00	17.50	5,849.00	36.20	16,730.00	19.20	7,193.00
GST (10%)				6,941.95												
TOTAL (INCL GST)				76,361.45												
Average \$/hour				430.45		381.27		373.16		405.46		334.23		462.15		374.64