17 April 2014

## 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.

## Claim against Equititrust Income Fund ("EIF")

At present, there are a number of ongoing issues between the Company and the Receiver of the EIF, an update in relation to these matters can be summarised as follows:

## Indemnity Claim

- The matter was heard on Wednesday, 18 December 2013 at which time the matter was listed for directions on 4 March 2014 and hearing on 24 March 2014;
- However, our solicitors recommended that the matter proceed by way of negotiation between the relevant parties;
- Negotiations are continuing in this regard.

## Proof of Debt issue

- By way of background, I advise that the Court Appointed Receiver lodged a Proof of Debt in the Administration in the amount of \$537,656.67;
- The Liquidator rejected the Proof of Debt submitted by the Court Appointed Receiver, following which the Court Appointed Receiver appealed the rejection:
- Prior to the POD appeal hearing, the Court Appointed Receiver confirmed he was withdrawing the Proof of Debt;
- The Liquidators were of the view that they were required to consent to the Proof of Debt being withdrawn.
- As such, the Liquidators sought Directions from the Court;
- On 17 December 2013, the Court ordered that the Proof of Debt submitted in the Administration was not a Formal Proof of Debt and therefore the Court Appointed Receiver was entitled to withdraw it without the consent of the Liquidator;
- Negotiations in regards to the respective claims are continuing in this regard.

## **KPMG Application to set aside Summonses**

- KPMG's application to set aside the examination summonses was heard on 24 March 2014 before Foster J in the Federal Court in Sydney;
- KPMG's argument can be summarised as follows:
  - The examinations are being conducted for an improper purpose because the Liquidators already know everything they legitimately need to know in regards to the claim;

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- Even if there is no improper purpose, the huge disadvantage the auditors will face if they are examined means that directions should be made now as to what topics they can be examined about.
- The Liquidators response can be summarised as follows:
  - There is nowhere near enough evidence to allow the Court to draw an inference of improper purpose;
  - The examination process is a statutory regime which allows broad latitude to Liquidators with respect to the actual conduct of the examination process.
- The Judge reserved his decision.

## **Public Examinations**

• It is now likely that the Public Examinations of various parties will be postponed until at least 2 June 2014.

## Claim by the Liquidators

- Unit holders would be aware that the claim was filed on 27 September 2013;
- Unit holders are advised that this claim is in substitution of the claim previously contemplated by Piper Alderman on behalf of the unit holders of the Equititrust Income Fund Class Action.
- Unit Holders are advised that Piper Alderman issued an update on their website. Please visit the following link for further information:

http://www.piperalderman.com.au/class-actions/equititrust-limited

## Committee of Inspection ("COI")

- Following Amanda Banton's resignation from the COI, Piper Alderman endeavoured to identify a replacement to fill her position;
- I am advised that Piper Alderman were not able to identify a suitable replacement;
- As such, the COI is defunct and the Liquidators are currently considering the necessity and estimated expense to appoint a replacement COI.

## **Liquidators Remuneration**

Please find enclosed monthly schedules for the remuneration incurred from 1 December 2013 – 31 March 2014, summary as follows (noting that the figures below are exclusive of GST):

Month	Amount (\$)
December 2013	14,143.00
January 2014	4,883.50
February 2014	7,740.00
March 2014	10,129.50

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

Yours faithfully,

BLAIR PLEASH LIQUIDATOR

## Equititrust Limited (Receiver Appointed) (In Liquidation) (Recievers and Managers Appointed) Remuneration Report: Calculation of Remuneration For the Period 1 December 2013 to 31 December 2013

Employee	Position	\$/hour	Total	Total \$	Administration Hours	Administration (\$) Creditor Hours	Creditor Hours	Creditors (\$)	Investigatio n Hours	Investigation (S)	Litigation Hours	Litigation (\$)
Blair Dloach	Appointee/Partner	640 00	2 20	1 408 00		•	-			-	2.20	1,408.0
imothy Cook	Senior Associate	590.00	4.50	2.655.00	0.10	59.00	0.20	118.00	3.70	2,183.00	0.50	295.00
lovan Singh	Senior Manager	525.00	10.60	5.565.00	0.20	105.00	0.20	105.00	0.40	210.00	9.80	5,145.0
Rory Gillespie	Senior 1	375.00	7.30	2,737.50	0.10	37.50	3.20	1,200.00	0.80	300.00	3.20	1,200.0
Evelyn Sanchez	Senior 1	375.00	1.00	375.00	0.60	225.00			0.40	150.00	1	
Adam Simpson	Intermediate 1	300.00	1.70	510.00	0.20	60.00	1.40	420.00	-	-	0.10	30.00
Jeremy Song	Administration Assistant	140.00	0.20	28.00	0.20	28.00	1	1		1		1
Contance Zhu	Administration Assistant	140.00	0.20	28.00	0.20	28.00		,	,	1	,	1
ysa Aripin	Administration Assistant	135.00	0.20	27.00	0.20	27.00		,	1			
lichelle Evers	Filing Assistant	55.00	0.40	22.00	0.40	22.00	-			-		
Subtotal			28.30	13,355.50	2.20	591.50	5.00	1,843.00	5.30	2,843.00	15.80	8,078.0
Average SIHour				474 93		268.86		368.60		536.42		511.

Employee	Position	\$/hour	Total hours	Total \$ II	Litigation- Indemnity Hours	Litigation- Indemnity (\$)	Examinations Hours	Examinations (\$)	Directors Hours	Litigation- Directors (\$)	Litigation- Auditor Hours	Litigation- Auditor (\$)	Reports Hours Reports (\$)
Rory Gillesnie	Senior 1	375.00	2.10	787.50	0.40	150.00	0.40	150.00	0.80	300.00	0.40	150.00	0.10
			2.10	787.50	0.40	150.00	0.40	150.00	0.80	300.00	0.40	150.00	0.10 37.50
Total			2,255	14.143.00									
GST (10%)				1.414.30									
Total (incl GST)				15.557.30									
Average S/Hour				465.23		375.00		375.00		375.00		375.00	

Total \$ Indemnity Ho	ours Indemnity (\$)	Examinations			Directors (\$)	Auditor Hours	Litigation- Auditor (*)	Reports Hours R	Keports (\$)
7.50		0.40	_	0.80	300.00	0.40	150.00	0.10	37.50
			450 00	0.80	300 00	0.40	150.00	0.10	37,50
	# 3000000000000000000000000000000000000	100000000000000000000000000000000000000		2000	CONCESSION OF THE PROPERTY OF	Martin State of State	The state of the s	SERVICE PRODUCES AND CONTRACTOR OF CONTRACTOR	
3.00									
4.30									
7.30									
5 2 3	375.00		375.00		375.00		375.00		375.00
00 1011	Indemnity F 50 50 50 50 50 50 50 50 50 50 50 50 50	Indemnity Hours Indemni 0.40 0.40	Indemnity Hours Indemnity (\$)   Examinations   150.00   150.00   0.40	Indemnity Hours Indemnity (\$) Examinations (\$)  0.40 150.00 0.40 150.00  0.40 150.00 0.40 150.00  0.40 375.00 375.00	Indemnity Hours Indemnity (\$) Examinatoris Examinatoris (III)  0.40 150.00 0.40 150.00 0.80  0.40 150.00 0.40 150.00 0.80  0.50 0.50 0.50 0.50 0.50 0.80  375.00 375.00 375.00	Indemnity Hours Indemnity (\$) Examinatoris Examinatoris (III)  0.40 150.00 0.40 150.00 0.80  0.40 150.00 0.40 150.00 0.80  0.50 0.50 0.50 0.50 0.50 0.80  375.00 375.00 375.00	Indemnity Hours Indemnity (\$)   Examinatoris (\$)	Indemnity Hours         Indemnity (\$)         Examinatoris (\$)         Examinatoris (\$)         Directors (\$)         Auditor Hours         To compare the comparent of	Indemnity Hours         Indemnity (\$)         Examinatoris (\$)         Livercurs (\$)         Auditor Hours         Terminatoris (\$)         Auditor Hours         Terminatoris (\$)         Auditor Hours         Terminatoris (\$)         Auditor Hours         Terminatoris (\$)         Output (\$)

Courier
Postage & Handling
Search Fees
Total

Description

internal Disbursements

Amount (\$)

## Equititrust Limited (Receiver Appointed) (In Liquidation) (Recievers and Managers Appointed) Remuneration Report: Calculation of Remuneration For the Period 1 January 2014 to 31 January 2014

Schedule 1							Notice of Commercial Section	PS#95000000000000000000000000000000000000	(1000) 1 (1000) 1 (1000)	PER STATE OF THE S	00000000000000000000000000000000000000	Control of the Contro
Employee	Position	\$/hour	hours —	Total \$	Administration Hours	Administration (\$)	Creditor Hours	Creditors (\$)	Investigation Hours	Investigation (\$)	Litigation	Litigation (\$
Blair Pleash	Appointee/Partner	640.00	1.80	1,152.00	-		-	-	-		1.80	1,152.00
Timothy Cook	Senior Associate	590.00	0.10	59.00		3		1	-	-	0.10	
Jovan Singh	Senior Manager	525.00	3.10	1,627.50		1	0.20	105.00	*		2.90	1,522.50
Rory Gillespie	Senior 1	375.00	4.20	1,575.00	0.70	262.50	3.00	1,125.00	0.10	37.50	0.40	
Adam Simpson	Intermediate 1	300.00	1.10	330.00	0.40	120.00	0.70	210.00	-	ı	1	
Charmaine Doyle	Intermediate 2	275.00	0.30	82.50		•	0.30	82.50	1	1		
Cynthia Cheung	Junior	165.00	0.10	16.50	0.10	16.50	,	3	1			
Emma Shi	Administration Assistant	140.00	0.10	14.00	0.10	14.00		1		-	1	
Jennifer Hyunh	Administration Assistant	135.00	0.20	27.00	0.20	27.00		1	-		-	
Subtotal			11.00	4,883.50	1.50	440.00	4.20	1,522.50	0.10	37.50	5.20	2,883.50
GST (10%)				488.35								
Total (incl. GST)				5,371.85								
Average \$/Hour				488.35		293.33		362.50		375.00		554.52

## Schedule 2

Total	Storage	Description Au	Internal Disbursements
237.68	237.68	Amount (\$)	nents

Equititrust Limited (Receiver Appointed) (In Liquidation) (Recievers and Managers Appointed)
Remuneration Report: Calculation of Remuneration
For the Period 1 February 2014 to 28 February 2014

Assets Hours	1   1   1   1   1   1   1   1   1   1	485.7		<b>A30 00</b>		525.00		2885		28 280		105 DO				Control of the Contro
Position   Shour   Total   Total   Administration   Administration   Shours   Administration   Administration   Shours   Administration   Administration   Shours   Administration   Administration   Administration   Shours   Administration   Administration   Administration   Shours   Administration   Administration   Shours   Shours   Administration   Administration   Shours   Shour	1   1   1   1   1   1   1   1   1   1	•										8,514.00				Total (Incl. GST)
Position   Shour   Total   Total   Total   Administration   Administration   Shours   Administration   Shours   Administration   Shours   Administration   Shours							and the second s		2000 SECTION OF THE PROPERTY.							
Position   Shour   Total   Total   Administration   Administration   Shours   S	1   1   1   1   1   1   1   1   1   1											774.00				GST (10%)
Position   Shour   Total   Total   Administration   Administration   Administration   Senior   Senio	1 11 Position   Sihour   Total hours   Total sale   Administration   Administration   Sinour   Sinour	5,670.0	11.60	688.00	1.60	52.50	0.10		2.10	514.50	1,80	7,740.00	17.20			Subtotal
yee         Position         \$/hour         Total hours         Total Total Total station         Total Hours         Administration (\$)         Creditor Hours         Creditors (\$)         Assets Hours         Assets (\$)         Investigation Hours         Investigation Hours         Litigation Hours	yee         Position         \$/hours         Total hours         Total Total Folial Hours         Administration (5)         Creditor Hours         Creditors (5)         Assets (5)         Investigation Hours         Investigation Hours         Investigation Hours         Litigation		1	-	-	•	-	-	1	28.00	0.20	28.00	0.20	140.00	Administration Assistant	Emmi Shi
yee         Position         \$Ihour         Total hours         Total 5         Administration (\$)         Creditor Hours         Creditors (\$)         Assets Hours         Assets (\$)         Investigation Hours         Investigation Hours         Litigation Hours         Litigation Hours           Appointee/Partner         640.00         0.50         320.00         —         —         —         —         —         —         —         —         0.50         —         —         0.50         —         —         —         —         —         —         —         —         —         —         0.50         — </td <td>yae         Position         \$thour         Total hours         Total Total Total S         Administration Administration (5)         Creditor Hours         Creditors (5)         Assets Hours         Assets (5)         Investigation Hours         Investigation Hours         Litigation Hours         Litigation Hours           Appointee/Partner         640.00         0.50         320.00         —         —         —         —         —         —         Hours         —         —         6.40         —         —         6.40         —         —         —         6.40         —         —         6.40         —         —         6.40         —         —         6.40         —         —         6.40         —         —         6.40         —</td> <td>55.</td> <td>0.20</td> <td>1</td> <td></td> <td></td> <td>-</td> <td>82.50</td> <td>0.30</td> <td>357.50</td> <td>1.30</td> <td>495.00</td> <td>1.80</td> <td>275.00</td> <td>Intermediate 2</td> <td>Cynthia Cheung</td>	yae         Position         \$thour         Total hours         Total Total Total S         Administration Administration (5)         Creditor Hours         Creditors (5)         Assets Hours         Assets (5)         Investigation Hours         Investigation Hours         Litigation Hours         Litigation Hours           Appointee/Partner         640.00         0.50         320.00         —         —         —         —         —         —         Hours         —         —         6.40         —         —         6.40         —         —         —         6.40         —         —         6.40         —         —         6.40         —         —         6.40         —         —         6.40         —         —         6.40         —	55.	0.20	1			-	82.50	0.30	357.50	1.30	495.00	1.80	275.00	Intermediate 2	Cynthia Cheung
yee         Position         \$/hour         Total hours         Total Total Total S         Administration Administration (\$)         Creditor Hours         Creditor (\$)         Assets Hours         Assets (\$)         Investigation Hours         Investigation Hours         Litigation Hours           Appointee/Partner         640.00         0.50         320.00         -	yee         Position         \$/hour         Total hours         Total hours         Administration Administration (5)         Creditors (5)         Assets Hours         Assets Hours         Assets Hours         Assets Hours         Assets Hours         Assets Hours         Hours         (5)         Litigation Hours         Litigation Hours         Litigation Hours         Litigation Hours         Litigation Hours         Assets H					1		231.00	0.70		1	231.00	0.70	330.00	Senior 2	Adam Simpson
yee         Position         \$/hour         Total hours         Total Total 5         Administration (5)         Greditor Hours         Creditors (5)         Assets Hours         Assets (5)         Investigation Hours         Investigation Hours         Litigation Hours           Appointee/Partner         640.00         0.50         320.00         -<	yee         Position         \$/hour         Total hours         Total Folial Total Hours         Administration (5) Hours         Creditors (5) Hours         Assets Hours (5) Hours         Assets Hours (5) Hours         Assets (5) Hours         Investigation Hours         Litigation Hours         Litigation Hours           Appointee/Partner         640.00         0.50         320.00         -         -         -         -         -         -         -         -         -         -         -         6.40         3.570.00         -         6.40         3.570.00         -         0.30         157.50         0.10         52.50         -         -         6.40         3	1,935.	4.50	688.00	1.60	-	-	344.00	0.80	129.00	0.30	3,096.00	7.20	430.00	Supervisor	Rory Gillespie
yae Position \$ihour hours Total Total\$ Total\$ Administration Administration (5) Creditor Creditors (5) Assets Hours Assets (5) Investigation Investigation Litigation Litigation Litigation Litigation Litigation 50 Hours (5) Hours (6) Hours (7) Hou	yee Position \$Inour   Total   Total   Administration   Administration   Administration   Formula year   Creditors (\$)   Assets Hours   Assets (\$)   Investigation   Investigation   Investigation   Litigation   Litigation   Litigation   Appointee/Partner   640.00   0.50   320.00   -	3,360.	6.40			52.50	0.10	157.50	0.30	-		3,570.00	6.80	525.00	Senior Manger	Jovan Singh
oyee Position S/hour hours Total Administration Administration (5) Creditor Creditors (5) Assets Hours Assets (5) Investigation Investigation Litigation Hours (5) Hours	oyee Position S/nour nours Total Total Hours Administration (5) Administration (5) Creditors (5) Assets Hours Assets (5) Investigation Investigation Litigation Hours	320.00	0.50	1	ı	-			-		8	320.00	0.50	640.00	Appointee/Partner	Blair Pleash
	For the Fellow I I containly Avit to Avi containly avit	Litigation (\$)	Hours	Investigation (\$)	Hours	Assets (\$)	iniconnect	Creditors (\$)	Creditor Hours	Administration (\$)	Administration Hours	Total \$	Total hours	\$/hour	Position	Employee
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# Equititrust Limited (Receiver Appointed) (In Liquidation) (Recievers and Managers Appointed) Remuneration Report: Calculation of Remuneration For the Period 1 March 2014 to 31 March 2014

## Schedule 1

525.00		481.02		397,57		260.25		493.03				Average \$/Hour
								11,142.45				Total (incl. GST)
								1,012.95				GST (10%)
105.00	0.20	8,033.00	16.70	1,471.00	3.70	520.50	2.00	10,129.50	22.60			Subtotal
1			-	1		40.50	0.30	40.50	0.30	135.00	Administration Assistant	Marie Outeirinho
•	-	ı	-		1	67.50	0.50	67.50	0.50	135.00	Administration Assistant	Sarah Cotterill
1	•	1	1	ı	,	13.50	0.10	13.50	0.10	135.00	Administration Assistant	Ellie Barrett
	•		-	•		42.00	0.30	42.00	0.30	140.00	Administration Assistant	Emma Shi
ı	-	1				42.00	0.30	42.00	0.30	140.00	Administration Assistant	Allen Han
	1	687.50	2.50	330.00	1.20	1	ı	1,017.50	3.70	275.00	Intermediate 2	Charmaine Doyle
•		ı	1	33.00	0.10	-		33.00	0.10	330.00	Senior 2	Adam Simpson
		1,849.00	4.30	688.00	1.60			2,537.00	5.90	430.00	Supervisor	Rory Gillespie
105.00	0.20	3,832.50	7.30	420.00	0.80	1		4,357.50	8.30	525.00	Senior Manager	Jovan Singh
1	-	-		1		59.00	0.10	59.00	0.10	590.00	Senior Associate	Timothy Cook
•		1,600.00	2.50	-		256.00	0.40	1,856.00	2.90	640.00	Appointee/Partner	Blair Pleash
1		64.00	0.10	3		8	1	64.00	0.10	640.00	Appointee/Partner	Richard Albarran
Litigation - Auditor (\$)	Litigation - Auditor Hours	Litigation (\$)	Litigation Hours	Creditors (\$)	Creditor Hours	Administration (\$)	Administration Hours	Total \$	Total hours	\$/hour	Position	Employee

Internal L	nternal Disbursements
Description	Amount (\$)
Photocopying	19.80
Postage & Handling	2.00
Storage	151.48
Travel & Parking	10,685.56
Total	10.858.84