

SUPREME COURT OF QUEENSLAND

REGISTRY: BRISBANE
NUMBER: BS 10478 OF 2011

IN THE MATTER OF EQUITITRUST LIMITED ACN 061 383 944

Applicant: **EQUITITRUST LIMITED ACN 061 383 944**

AND

Respondents: **THE MEMBERS OF THE EQUITITRUST INCOME FUND ARSN 089 079 854 AND THE MEMBERS OF THE EQUITIRUST PRIORITY CLASS INCOME FUND ARSN 089 079 729**

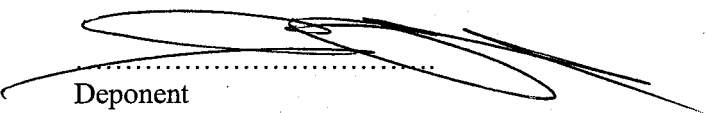
CERTIFICATE OF EXHIBIT

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VOLUME 3 OF 3

Exhibits "**DW-8**" to **DW-21**" to the affidavit of **DAVID WHYTE** sworn at Brisbane on this 19th day of September 2012.

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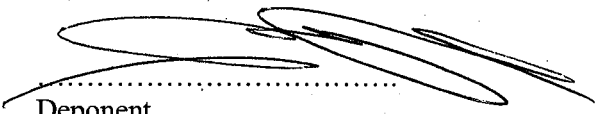

Deponent


Solicitor


Certificate of Exhibit
Filed on behalf of the Court Appointed Receiver
Form 47 R.435

GADENS LAWYERS
Level 11, 111 Eagle Street
BRISBANE QLD 4000
Tel No.: 07 3231 1666
Fax No: 07 3229 5850
SZC:JSK:201204781

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DW-19	Company search of WC and WRCC each dated 19 September 2012	514 – 525
DW-20	Company search of Landsolve dated 19 September 2012	526 – 530
DW-21	Copy of receipts and payments schedule for the period from 22 November 2011 to 31 August 2012	531 - 532



Deponent



Solicitor

"DW-8"

ASIC & Business Names

ORGANISATIONAL SEARCH ON ECG ADMINISTRATION PTY LTD

Historical Extract

This information was extracted from ASIC database on 19 September 2012 at 10:20AM

This extract contains information derived from the Australian Securities and Investment Commission's (ASIC) database under section 1274A of the Corporations Act 2001. Please advise ASIC of any error or omission which you may identify.

144 977 275	ECG ADMINISTRATION PTY LTD	DOCUMENT NO.
ABN	144 977 275 89 144 977 275	
Registered in	VIC	
Date Registered	01-Jul-2010	
Review Date	01-Jul-2013	

Current Organisation Details

Name	ECG ADMINISTRATION PTY LTD	7E4279105
Name Start	01-Jul-2010	
Status	EXTERNALLY ADMINISTERED	
	For information about this status refer to the documents listed under the heading "External Administration and/or Appointment of Controller", below.	
Type	AUSTRALIAN PROPRIETARY COMPANY	
Class	LIMITED BY SHARES	
Subclass	PROPRIETARY COMPANY	
Disclosing Entity	NO	

Ceased/Former Organisation Details

Details Start	01-Jul-2010	1E6638762
Details End	14-Feb-2012	
Name	ECG ADMINISTRATION PTY LTD	
Name Start	01-Jul-2010	
Status	REGISTERED	
Type	AUSTRALIAN PROPRIETARY COMPANY	
Class	LIMITED BY SHARES	
Subclass	PROPRIETARY COMPANY	
Disclosing Entity	NO	

Current Registered Office

Address	LEVEL 1, 67 THOMAS DRIVE, CHEVRON ISLAND, QLD, 4217	1E6638762
Start Date	01-Jul-2010	

Current Principal Place of Business

Address LEVEL 1, 67 THOMAS DRIVE, CHEVRON ISLAND, QLD, 4217 1E6638762
Start Date 01-Jul-2010

Current Director

Officer Name MARK MCIVOR 7E3949183
ABN Not available
Birth Details 27-Mar-1956 DALBY QLD
Address 1 SOUTHERN CROSS DRIVE, CHEVRON ISLAND, QLD, 4217
Appointment Date 13-Sep-2011

Ceased/Former Director

Officer Name DAVID JOHN KENNEDY 1E6638762
ABN Not available
Birth Details 24-Dec-1968 BRISBANE QLD
Address 55 CHAROLAIS CRESCENT, BENOWA, QLD, 4217
Appointment Date 01-Jul-2010
Cease Date 13-Sep-2011

Officer Name MARK MCIVOR 1E6638762
ABN Not available
Birth Details 27-Mar-1956 DALBY QLD
Address 1 SOUTHERN CROSS DRIVE, SURFERS PARADISE, QLD, 4217
Appointment Date 01-Jul-2010
Cease Date 30-Jun-2011

Current Secretary

Officer Name MARK MCIVOR 7E3949183
ABN Not available
Birth Details 27-Mar-1956 DALBY QLD
Address 1 SOUTHERN CROSS DRIVE, CHEVRON ISLAND, QLD, 4217
Appointment Date 13-Sep-2011

Ceased/Former Secretary

Officer Name DAVID JOHN KENNEDY 7E3841905
ABN Not available
Birth Details 24-Dec-1968 BRISBANE QLD
Address 55 CHAROLAIS CRESCENT, BENOWA, QLD, 4217
Appointment Date 30-Jun-2011
Cease Date 13-Sep-2011

Officer Name SIDNEY SUPER 1E6638762
ABN Not available

Birth Details 29-Jan-1956 DURBAN SOUTH AFRICA
Address 'DEVILLE APARTMENTS' UNIT 48, 3645 MAIN BEACH PARADE,
MAIN BEACH, QLD, 4217
Appointment Date 01-Jul-2010
Cease Date 30-Jun-2011

Current Ultimate Holding Company

Officer Name EQUITITRUST LIMITED 1E6638762
ACN 061 383 944
ABN Not available

Current Appointed Liquidator (Creditors Voluntary Winding Up)

Officer Name RICHARD ALBARRAN 7E4349571
ABN Not available
Address HALL CHADWICK, 'ST MARTINS TOWER' LEVEL 29, 31
MARKET STREET, SYDNEY, NSW, 2000
Appointment Date 21-Mar-2012

Officer Name BLAIR ALEXANDER PLEASH 7E4349571
ABN Not available
Address HALL CHADWICK, 'ST MARTINS TOWER' LEVEL 29, 31
MARKET STREET, SYDNEY, NSW, 2000
Appointment Date 21-Mar-2012

Officer Name GLEN PETER OLDHAM 7E4349571
ABN Not available
Address LEVEL 19, 144 EDWARD STREET, BRISBANE, QLD, 4000
Appointment Date 21-Mar-2012

Ceased/Former Administrator of a Company Under Administration

Officer Name RICHARD ALBARRAN 7E4279105
ABN Not available
Address HALL CHADWICK, 'ST MARTINS TOWER' LEVEL 29, 31
MARKET STREET, SYDNEY, NSW, 2000
Appointment Date 15-Feb-2012
Cease Date 21-Mar-2012

Officer Name BLAIR ALEXANDER PLEASH 7E4279105
ABN Not available
Address HALL CHADWICK, 'ST MARTINS TOWER' LEVEL 29, 31
MARKET STREET, SYDNEY, NSW, 2000
Appointment Date 15-Feb-2012
Cease Date 21-Mar-2012

Officer Name GLEN PETER OLDHAM 7E4279105
ABN Not available
Address LEVEL 19, 144 EDWARD STREET, BRISBANE, QLD, 4000
Appointment Date 15-Feb-2012
Cease Date 21-Mar-2012

Current Issued Capital

Type	Current	1E6638762
Class	ORD	
	ORDINARY SHARES	
Number of Shares/Interests issued	2	
Total amount paid/taken to be paid	\$2.00	
Total amount due and payable	\$0.00	

Note: For each class of shares issued by a proprietary company, ASIC records the details of the twenty members of the class (based on shareholdings). The details of any other members holding the same number of shares as the twentieth ranked member will also be recorded by ASIC on the database. Where available, historical records show that a member has ceased to be ranked amongst the twenty members. This may, but does not necessarily mean, that they have ceased to be a member of the company.

Current Members

Class	ORD	7E3958842
No. Held	2	
Beneficially Owned	YES	Fully paid YES
Name	EQUITITRUST LIMITED	
ACN	061 383 944	
ABN	74 061 383 944	
Address	67 THOMAS DRIVE, CHEVRON ISLAND, QLD, 4217	
Joint Holding	NO	

Ceased/Former Members

Class	ORD	1E6638762
No. Held	2	
Beneficially Owned	YES	Fully paid YES
Name	EQUITILOAN SECURITIES NO. 2 PTY LTD	
ACN	084 939 846	
ABN	32 084 939 846	
Address	EQUITITRUST LTD, 67 THOMAS DRIVE, CHEVRON ISLAND, QLD, 4217	
Joint Holding	NO	

Documents Relating to External Administration and/or Appointment

This extract may not list all documents relating to this status. State and territory records should be searched.

Received	Form Type	Processed	No. Pages	Effective	
20-Apr-2012	524	20-Apr-2012	11	21-Mar-2012	7E4407637
524Z	PRESENTATION OF ACCOUNTS & STATEMENT PRESENTATION OF FINAL ACCOUNTS OF ADMINISTRATOR				
02-Apr-2012	5011	02-Apr-2012	7	21-Mar-2012	7E4371266
5011B	COPY OF MINUTES OF MEETING OF MEMBERS, CREDITORS,				

CONTRIBUTORIES OR COMMITTEE OF INSPECTION UNDER S.436E OR
S.439A

21-Mar-2012	509D	21-Mar-2012	2	21-Mar-2012	7E4349571
509DA	NOTICE UNDER S.446A OF SPECIAL RESOLUTION TO WIND UP COMPANY RESOLVED THAT COMPANY BE WOUND UP UNDER 439C(C)				
12-Mar-2012	5011	12-Mar-2012	6	27-Feb-2012	7E4330287
5011B	COPY OF MINUTES OF MEETING OF MEMBERS, CREDITORS, CONTRIBUTORIES OR COMMITTEE OF INSPECTION UNDER S.436E OR S.439A				
16-Feb-2012	505	16-Feb-2012	2	15-Feb-2012	7E4279105
505U	NOTIFICATION OF APPT OF ADMINISTRATOR UNDER S.436A, 436B, 436C, 436E(4), 449B, 449C(1), 449C(4) OR 449(6)				

Document Details

Received	Form Type	Processed	No. Pages	Effective	
01-Nov-2011	484	01-Nov-2011	2	01-Nov-2011	7E4057834
484E	Change to Company Details Appointment or Cessation of A Company Officeholder				
19-Sep-2011	484	19-Sep-2011	2	19-Sep-2011	7E3958842
484N	Change to Company Details Changes to (Members) Share Holdings				
14-Sep-2011	484	14-Sep-2011	2	14-Sep-2011	7E3949234
484E	Change to Company Details Appointment or Cessation of A Company Officeholder				
14-Sep-2011	484	14-Sep-2011	2	14-Sep-2011	7E3949183
484E	Change to Company Details Appointment or Cessation of A Company Officeholder				
27-Jul-2011	484	27-Jul-2011	2	27-Jul-2011	7E3841984
484E	Change to Company Details Appointment or Cessation of A Company Officeholder				
27-Jul-2011	484	27-Jul-2011	2	27-Jul-2011	7E3841905
484E	Change to Company Details Appointment or Cessation of A Company Officeholder				
21-Oct-2010	428	24-Nov-2010	0	21-Oct-2010	026485258
428B	Application For Ministerial Consent to a New Name For A Company				
29-Jul-2010	902	18-Aug-2010	2	01-Jul-2010	026631793
902	Supplementary Document Alters 1E6 638 762				
01-Jul-2010	201	01-Jul-2010	3	01-Jul-2010	1E6638762
201C	Application For Registration as a Proprietary Company Altered by 026 631 793				

*** End of Extract ***

"DW-9"

From: Clare.McComb@nab.com.au [mailto:Clare.McComb@nab.com.au]
Sent: Monday, 28 November 2011 10:53 AM
To: David Whyte; ATiplady@nystlawyers.com.au
Cc: Geoff.J.Green@nab.com.au; emma.costello@mallesons.com
Subject: Equititrust - freezing of accounts

David, Ashley

Please see below a copy of a letter sent to Equititrust this morning for your records.

Kind regards

Clare McComb | Associate Director | Strategic Business Services | National Australia Bank Ltd
Address 34/500 Bourke St, Melbourne VIC 3000 | **Phone** +613 8641 4598 | **Mobile** +61 (0) 402 274 008 | **Fax** +613 8641 4914 | **Email**
clare.mccomb@nab.com.au

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15/02/2012

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BDO Business Recovery & Insolvency (QLD) Pty Ltd, ABN 90 134 036 507 is a member of a national association of separate entities which are all members of BDO (Australia) Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Business Recovery & Insolvency (QLD) Pty Ltd and BDO (Australia) Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation (other than for the acts or omissions of financial services licensees) in each State or Territory other than Tasmania.

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The Proper Officer
Equititrust Limited
65-67 Thomas Drive
Surfers Paradise Qld 4217
By post

25 November 2011

Copy to Ashley Tiplady
atiplady@nystlawyers.com.au

Copy to David Whyte
david.whyte@bdo.com.au

Dear Sirs

National Australia Bank Limited ("NAB") accounts numbered 59-575-6711; 47-757-1070; 62-748-3720 and 18-718-2229; 18-718-5286 in the names of Equititrust Limited ("Equititrust") as responsible entity for the Equititrust Income Fund and Equititrust Priority Income Fund, respectively

We refer to the orders of the Supreme Court of Queensland of 21 and 23 November 2011 (together known as the "Orders") and confirm that:

- (a) Mr David Whyte has been appointed:
 - (i) to take responsibility that the Equititrust Income Fund ("Fund") and Equititrust Priority Income Fund ("Income Fund") be wound up in accordance with their constitutions; and
 - (ii) as court appointed receiver to the property of the Fund and Income Fund;
- (b) all the then directors of Equititrust resigned on 21 November 2011; and
- (c) Mr McIvor, Mrs McIvor and Ross Honeymoon were appointed as directors of Equititrust.

The Orders were made without prejudice to NAB's rights and NAB continues to reserve its rights under the securities it holds.

1 Fund

- 1.1 As stated in the NAB's demands of 26 October 2011, the securities which the Fund granted in the NAB's favour have crystallised and operate as fixed charges over the Fund's

property, including the accounts it holds with NAB. Further, the Orders are further events of default under the securities held by NAB.

- 1.2 As the Bank's securities have crystallised and are fixed over all the assets of the Fund NAB puts you on notice that no person is authorised to dispose of, part with or otherwise deal with the Fund's accounts without the consent of the Bank.
- 1.3 NAB reserves all of its rights pursuant to its securities including the right to take enforcement action at any stage and exercise its right of set off in relation to the Fund's accounts. Finally, any previous arrangements that may have been in place between NAB and Equititrust in its own capacity and as trustee of the Fund are at an end.

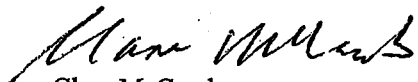
2 Income Fund

- 2.1 As a result of the appointment of Mr Whyte as court appointed receiver to the property of the Income Fund, which includes any account held by the Income Fund with NAB, and the resignation of the directors of Equititrust on 21 November 2011, some of whom were signatories to the Income Fund's accounts, it is unclear to NAB whether there continue to be proper signatories in existence to deal with the Income Fund account. Until this uncertainty is cleared up NAB has placed a hold on the Income Fund's accounts.
- 2.2 To remove the hold NAB will require clear and unequivocal instructions and authorities, in a form and substance satisfactory to NAB in its absolute discretion, as to whom is authorised to deal with the account. Please provide those instructions as a matter of urgency.

3 Fees

- 3.1 As NAB holds fixed securities over the Fund, NAB does not agree to any fees or expenses incurred by any party being paid in priority to NAB. If any fees are incurred in the winding down of the Fund or in any way in connection with this process, those fees will not have priority to the repayment of NAB's debt unless NAB agrees in writing to the payment of those fees and expenses.

Yours faithfully



Clare McComb
Senior Associate Director
Group Strategic Business Services
National Australia Bank Limited

"DW-10"

Service Agreement



Equititrust Limited ACN 061 383 944

GCP (HQ) Pty Ltd ACN 154 769 178

ECG Administration Pty Ltd ACN 144 977 275

and

**David Whyte as receiver of the property of the Equititrust
Income Fund (Receiver Appointed) and the Equititrust Priority
Class Income Fund (Receiver Appointed)**

GADENS LAWYERS
240 Queen Street
BRISBANE QLD 4000

Telephone 3231 1666
Facsimile 3229 5850
Reference SZC:201110996

sydney

melbourne

brisbane

perth

adelaide

port moresby

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ASIC means the Australian Securities Investment Commission;

Bank means the National Australia Bank Limited.

Business means the business and activities of the responsible entity for the Funds and, since 23 November 2011, the winding down of the Funds in accordance with their constitutions under the direction of the Receiver pursuant to the Orders;

Business Premises means:

- (a) part of the first floor of the building erected on Lot 487 on RP844789, County of Ward, Parish of Nerang, Title Reference 18418187 and shown as Lease B on the plan attached to the Lease; or
- (b) such other offices or premises of the Service Provider as are agreed between the parties from time to time.

Commencement Date means the date of execution of the agreement or such other date agreed between the parties;

Confidential Information means all the information, forms, specifications, processes, statements, formulae, trade secrets, drawings and data (and copies and extracts made of or from that information and data) concerning:

- (a) the operations and dealings of the Business, the Funds and a party; and
- (b) the organisation, finance, customers, markets, suppliers, intellectual property and know-how of a party and of a Related Body Corporate of a party,

which is not in the public domain, except by the failure of a party to perform and observe its covenants and obligations under this Agreement, and which has been obtained through a member, officer or employee of a party;

Controller means an administrator, receiver, receiver and manager, trustee, provisional liquidator, liquidator, or any other person (however described) holding or appointed to an analogous office or acting or purporting to act in an analogous capacity whether pursuant to any statute, the order or authority of any court or other Government Agency, a Security Interest or otherwise;

ECGA means ECG Administration Pty Ltd ACN 144 977 275;

Equipment means the equipment and plant required to provide the Services and operate the Business, including but not limited to the equipment and plant set out in Schedule 3 (as varied in accordance with this Agreement);

Equititrust Income Fund or **EIF** means the Equititrust Income Fund ARSN 089 079 854 established by Deed Poll dated 9 August 1999 as amended by the Consolidated Constitution dated 3 June 2011 and otherwise as amended from time to time;

Equititrust Premium Fund means the unregulated managed investment scheme known as the Equititrust Premium Fund, for which the Responsible Entity acts as the responsible entity;

Equititrust Priority Class Income Fund or EPCIF means the Equititrust Priority Class Income Fund ARSN 089 079 729 established by Deed Poll dated 9 August 1999 as amended by the Replacement Constitution dated 30 November 2010 and otherwise as amended from time to time;

Funds means, collectively, the EIF and the EPCIF (but not the Equititrust Premium Fund);

Government Agency means a government or government department, a governmental, semi-governmental or judicial person or a person (whether autonomous or not) charged with the administration of any applicable law;

GST Act means the *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

Insolvency Event means the happening of any of the following events:

- (a) the Responsible Entity is unable to pay its debts as they fall due, or is unable to certify that it is able to pay its debts as they fall due;
- (b) an application is made to a court for an order or an order is made appointing a liquidator, or provisional liquidator in respect of the Responsible Entity (or proceedings are commenced or a resolution passed or proposed in a notice of meeting for any of those things);
- (c) proceedings are initiated with a view to obtaining an order for the winding up or similar process of the Responsible Entity, or an order is made or any effective resolution is passed for the winding up of the Responsible Entity;
- (d) the Responsible Entity enters into, or resolves to enter into, a scheme of arrangement, deed of company arrangement or composition with, or assignment for the benefit of, all or any class of its creditors, or it proposes a reorganisation, moratorium or other administration involving any class of its creditors;
- (e) a Controller is appointed to or over or takes possession of all or a substantial part of the assets or undertaking of the Responsible Entity (excluding the assets of the Funds in relation to which the Receiver has been appointed);
- (f) the Responsible Entity is or is deemed or presumed by law or a court to be insolvent;
- (g) the Responsible Entity takes any step to obtain protection or is granted protection from its creditors, under any applicable legislation or an administrator is appointed to the Responsible Entity; and
- (h) anything analogous or having a substantially similar effect to any of the events specified above happens in respect of the Responsible Entity under the law of any applicable jurisdiction;

Law means the *Corporations Act 2001* (Cth);

Lease means the unregistered lease dated 7 September 2011 between MM Holdings Pty Ltd ACN 010 602 507 as trustee under instrument number 704841375 as lessor and ECGA as lessee;

Licence means the non-exclusive licence granted by the Service Provider to the Responsible Entity in relation to the Business Premises;

Licence Area has the meaning set out in clause 5.1;

Licence Fee means the fee payable for the Licence pursuant to clause 7.3;

person and persons include individuals, firms, partnerships, bodies corporate, associations and governments and governmental, semi-governmental and local authorities and agencies;

Related Body Corporate has the meaning contained in section 50 of the Law;

Security Interest includes:

- (a) any mortgage, pledge, lien or charge or any security or preferential interest or arrangement of any kind or any other right of, or arrangement with, any creditor to have its claims satisfied in priority to other creditors with, or from the proceeds of, any asset; and
- (b) any retention of title other than in the ordinary course of day-to-day trading and a deposit of money by way of security but it excludes a charge or lien arising in favour of a Government Agency by operation of statute unless there is default in payment of moneys secured by that charge or lien;

Service Fee means the fee payable for the Services pursuant to clause 7.1;

Services means the services described in Schedule 1, as varied in accordance with the terms of this Agreement;

SPL means the non-exclusive licence granted by ECGA to the Service Provider in relation to the Business Premises;

Staff and Consultants means the persons listed in Schedule 2, as varied in accordance with the terms of this Agreement; and

writing includes typewriting, printing, lithography, photography and any other mode of representing or reproducing words in a permanent and visible form.

2. Services

2.1 Services

The Service Provider agrees to provide the Services to the Responsible Entity from the Commencement Date in accordance with the reasonable directions of the Receiver from time to time in accordance with this Agreement and the Orders.

2.2 Assistance to Receiver

As part of the provision of the Services, the Service Provider will also provide such assistance or information in relation to the Business and the Funds, as is reasonably requested by the Receiver

from time to time within one (1) business day of receipt of a notice in writing, or such longer period as is reasonably required depending on the nature of the assistance or information required but having regard to the urgency of the need for the assistance or information being provided to the Receiver.

2.3 Changes to Services

The Receiver may reduce, vary or add to any of the Services that the Service Provider is to provide to the Responsible Entity by fourteen (14) days notice in writing to the Service Provider at his absolute discretion from time to time.

2.4 Service levels

The determination of the term, nature, extent, adequacy and performance levels of the Services provided by the Service Provider under this Agreement will be determined and communicated solely at the discretion of the Receiver in accordance with the terms of this Agreement.

3. Staff and Consultants

3.1 Provision of Services

The Services will be provided by the Staff and Consultants and the Receiver may, at his absolute discretion, direct by notice in writing that the Staff and Consultants engaged to provide the Services (or particular Services), or the hours they are required to provide the Services, are varied from time to time, however any variation must be by thirty (30) days notice in writing (or such shorter period if the terms of the agreement with the relevant Staff member or Consultant who provides the relevant Service allows for a shorter period of time to terminate their agreement). For the avoidance of doubt, all Staff and Consultants will be required to provide the Services during any such notice period, unless otherwise agreed with the Receiver.

3.2 Warranties

The Service Provider warrants that:-

- (a) the terms of the agreements with the Staff and the Consultants do not require more than 30 days notice to terminate their respective agreements;
- (b) those people listed in Schedule 2 as "Staff" are employees of the Service Provider or ECGA;
- (c) those people listed in Schedule 2 as "Consultants" are contractors engaged by ECGA or the Service Provider, and are not employed as employees;
- (d) no further amounts or entitlements are payable to any of those people listed in Schedule 2 as "Consultants" other than the amounts set out next to their name.

3.3 Staff and Consultants to be of good character

The Service Provider must as far as reasonably possible ensure the Staff and Consultants employed are of good character, competent and honest.

3.4 Support Services

The Service Provider will provide the Receiver and the Responsible Entity with all support services reasonably required by the Receiver to effectively utilise the Staff and Consultants available for the purposes of this Agreement.

3.5 Costs

Unless otherwise agreed between the parties, the Service Provider is responsible for maintaining, paying and discharging all liabilities to be met by it as employer of the Staff and Consultants, including but not limited to:

- (a) wages and salaries including payment of annual leave, long service leave and sick leave;
- (b) any superannuation payments required by legislation or agreed upon between the Service Provider and the relevant Staff and Consultants;
- (c) workers' compensation insurance;
- (d) pay-roll tax;
- (e) group income tax (Commonwealth);
- (f) travelling expenses including fees as agreed;
- (g) out of pocket expenses;
- (h) any other amount payable by an employer under the Australian tax law in respect of those of its employees involved in the Business including fringe benefits tax; and
- (i) all other costs in relation to their employment by the Service Provider for the purposes of providing the Services under this Agreement, including any costs incurred in the termination or redundancy of any of the Staff or Consultants.

3.6 Supervision of Staff and Consultants

The Service Provider must adequately supervise and control the Staff and Consultants in the provision of the Services and must ensure that the Staff and Consultants are instructed in the proper use of the Equipment and use it properly and competently (and as reasonably directed by the Receiver from time to time).

3.7 Performance

The Service Provider acknowledges that the Receiver will assess the Service Provider's performance on a regular basis and if any aspects of the performance of the Staff and Consultants are found not to be of an acceptable standard to the Receiver acting reasonably, then the Receiver may:

- (a) direct that the Service Provider take appropriate action to address the manner in which the Services are provided; or

- (b) terminate this Agreement.

3.8 Compliance

The Staff and Consultants and any other employees, agents or consultants of the Service Provider have the right to report directly to the Receiver or any of the Receiver's staff should they become aware of any breach of compliance with the Law, this Agreement or ASIC policy or suspect that a breach has occurred.

3.9 Duties

- (a) The Service Provider and the Staff and Consultants must not:
- (i) make use of information acquired through being an employee of the Service Provider or for the purposes of this agreement in order to:
 - (A) gain an improper advantage for the Staff and Consultants or Service Provider; or
 - (B) cause detriment to the Responsible Entity or the Receiver or any members of any of the Funds;
 - (ii) make improper use of the position of the Service Provider or the Staff and Consultants to gain directly or indirectly an advantage for themselves or for any other person or to cause detriment to the members of the Funds of which the Responsible Entity is responsible entity.
- (b) A duty of the Staff and Consultants under clause 3.9 (a) overrides any conflicting duty the employee has under the duties under Part 2D.1 of the Law.
- (c) The Service Provider will develop and maintain up to date policies and procedures that are compliant with legislation relevant to the provision of the Services. The Service Provider will ensure that Staff and Consultants act in accordance with its policies and procedures when providing the Services and as otherwise reasonably directed by the Receiver from time to time.

4. Equipment

4.1 Provision of Equipment

The Service Provider will make the Equipment available to the Responsible Entity and the Receiver as reasonably required by the Responsible Entity and the Receiver from time to time and grants to the Responsible Entity and the Receiver the non-exclusive right to use that Equipment.

4.2 Receivers directions

The Receiver may, acting reasonably, direct by one (1) business days (or such longer period as may be reasonable if additional equipment is required) notice in writing to the Service Provider that the Equipment to be provided under this Agreement is to be varied from time to time.

4.3 No unauthorised dealings

The Receiver and the Responsible Entity must not, during the term of this Agreement:

- (a) sell or offer for sale, assign, lend or otherwise deal with the Equipment or with any interest in it in any way that is inconsistent with the Service Provider's rights, title or interest in the Equipment;
- (b) remove the Equipment from the Business Premises without the written consent of the Service Provider;
- (c) allow any item to be affixed to the Business Premises so that it becomes a fixture (unless this is reasonably required to effectively operate the Equipment in accordance with its manufacturer's specifications); nor
- (d) create or allow to be created any lien over the Equipment.

4.4 Maintenance of Equipment

The Service Provider must maintain the Equipment in good and substantial repair and in good working order and condition.

4.5 Access to Equipment

The Receiver and the Responsible Entity will provide the Service Provider and its employees or agents with reasonable access during normal business hours to the Business Premises to repair, maintain, add to or replace the Equipment.

4.6 Motor vehicles

In relation to any motor vehicles supplied by the Service Provider to the Responsible Entity for its use (if any):

- (a) the Service Provider will comprehensively insure and register the motor vehicles;
- (b) the Service Provider will arrange for the motor vehicles to be regularly maintained and serviced and will pay all costs for labour, parts and services reasonably and properly supplied;
- (c) the Service Provider will pay all petrol, oil, tyres and other consumables reasonably required for the efficient use of the motor vehicles in the ordinary course of the Business to the extent that the motor vehicles are used solely for those Business purposes; and
- (d) if reasonably required, the Service Provider may arrange for the motor vehicles to be replaced, either temporarily or otherwise, with suitable vehicles for use in the ordinary course of the Business.

4.7 Delivery up of Equipment on termination

Subject to what is necessary to be retained by the Responsible Entity and Receiver to continue to wind up the Fund, if this Agreement is terminated, then the Receiver and the Responsible Entity

will deliver up any Equipment in their possession or control to the Service Provider including all keys, registration and insurance papers and records relating to the Equipment.

5. Business Premises

5.1 Grant of Licence

During the term of this Agreement, the Service Provider grants:

- (a) subject to clause 5.3, to the Responsible Entity a non-exclusive licence to use the Business Premises (**Licence Area**); and
- (b) to the Receiver unfettered access to the Licence Area, and the Responsible Entity consents to, and agrees to, allow the Receiver unfettered access to the Licence Area;

for the purpose of carrying on the Business in accordance with the Orders as required by the Receiver in accordance with this Agreement. Such access may be required on any day or time of day.

5.2 Consent

The Service Provider must procure the written consent of the owner of the Business Premises in order to allow the Responsible Entity and Receiver access to the Business Premises as reasonably required by the Receiver in accordance with this Agreement. The Service Provider must give to the Responsible Entity and the Receiver a copy of the consent immediately upon them being given.

5.3 Termination or reduction in Licence Area

- (a) The Receiver may by giving not less than fourteen (14) days written notice to the Service Provider that the Responsible Entity either:-
 - (i) requires less space than the Licence Area; or
 - (ii) no longer requires the licence to use the Licence Area,

(Area Reduction Notice).
- (b) If the Receiver gives an Area Reduction Notice, the Service Provider and the Responsible Entity agree that from the date set out in the Area Reduction Notice:-
 - (i) if the Area Reduction Notice provides that there will be part of the Licence Area retained:
 - (A) the Responsible Entity must identify in that notice that part of the Licence Area that the Responsible Entity requires be retained in the licence (**Reduced Licence Area**); and
 - (B) the Licence Area is reduced to the Reduced Licence Area on the expiration of the fourteen (14) day notice period; or

- (ii) if the Area Reduction Notice provides that the Responsible Entity no longer requires the licence to use the Licence Area:-
 - (A) the licence will terminate on the expiration of the fourteen (14) day notice period; and
 - (B) the Licence Fee will no longer be payable.
- (c) The Receiver may give an Area Reduction Notice on more than one occasion.
- (d) For the avoidance of doubt, if for any reason the Service Provider is unable to provide the Licence Area to the Responsible Entity, the Licence Fee is not payable.

5.4 Licence Area to be kept secure

Upon any reduction of the Licence Area, the Service Provider must not:-

- (a) grant any lease or licence of; or
- (b) allow any third party to access to,

the balance of the Business Premises unless the Service Provider has put in place adequate confidentiality agreements with such third party or other security measures acceptable to the Responsible Entity and the Receiver.

5.5 Covenants of Responsible Entity

The Receiver and the Responsible Entity agree with the Service Provider:

- (a) not to make any alterations or additions to the Licence Area without first obtaining the consent of the Service Provider;
- (b) to keep the Licence Area clean;
- (c) not to conduct any noisome, dangerous or illegal trade or activity on or from the Licence Area;
- (d) to keep the Licence Area open during all normal business hours for the Responsible Entity; and
- (e) upon termination of this Agreement, to quietly give up possession of the Licence Area to the Service Provider or the respective landlord or other person entitled to possession.

5.6 Covenants of Service Provider

The Service Provider agrees with the Responsible Entity and the Receiver:

- (a) to maintain the Licence Area in a good state of repair and a thorough state of cleanliness;
- (b) to meet the following expenses in addition to the rent (if payable pursuant to the SPL):

- (i) the cost of obtaining such consents to this access as may be necessary from the owner of the Business Premises or from any other person from whom the Service Provider holds the Business Premises;
 - (ii) lease negotiation costs including stamp duty, registration fees and legal costs and outlays;
 - (iii) cleansing, maintenance and sewerage charges and other outgoings incurred in respect of the Licence Area;
 - (iv) electricity, light and power charges;
 - (v) rates and land tax and any other assessments;
 - (vi) insurance premiums or other outlays required to be incurred to fully protect and indemnify the Service Provider from liability for any claim brought against the Responsible Entity; and
 - (vii) security patrols surveillance and awareness programs;
- (c) not to commit any act or omission which would lead to the surrender, forfeiture or breach of the SPL or the Lease in respect of the Business Premises; and
- (d) in particular, not to assign or transfer the SPL without the consent of the Receiver which will not be unreasonably withheld,

and this clause must not be construed so as to limit the costs for which the Service Provider is responsible.

5.7 Formal licence agreement

Should either party so require, the parties will formally enter into an agreement to licence to embody these terms and such further terms as are normal and reasonable for the occupation of the Business Premises.

5.8 Changes to the SPL

The Service Provider must not:-

- (a) vary or agree to any terms of the SPL;
- (b) surrender the SPL or obtain a new licence or lease of the Business Premises; or
- (c) waive any breach of the SPL by ECG under the SPL,

without the prior written consent of the Receiver which will not be unreasonably withheld.

5.9 Consent from ECGA

ECGA acknowledges and agrees that:

- (a) it consents to the grant of the Licence under this Agreement; and

- (b) it will not vary or agree to any terms of the Lease;
- (c) it will not surrender the Lease or obtain a new lease of the Business Premises; or
- (d) it will not waive any breach of the Lease by the Landlord under the Lease,

without the prior written consent of the Receiver which will not be unreasonably withheld.

5.10 Warranties in relation to the SPL

The Service Provider and ECGA warrant that the SPL is valid, binding and enforceable as at the date of this Agreement.

6. ECGA covenants

6.1 Not to amend

During the term of this Agreement, ECGA must:-

- (a) not assign the Equipment, SPL or Staff or Consultants or this Agreement to another entity without the approval of the Receiver (which will not be unreasonably withheld);
- (b) procure the assignee enter a deed of covenant (on terms acceptable to the Receiver acting reasonably) with the Receiver, the Service Provider and Responsible Entity agreeing to be bound by the terms of this Agreement;
- (c) not without the approval of the Receiver (which will not be unreasonably withheld):-
 - (i) vary the terms of or surrender the SPL;
 - (ii) vary the terms of the employment of the Staff or the terms of any contract with a Consultant; or
 - (iii) vary the terms of any right to use any Equipment.

6.2 ECGA warranty

ECGA warrants that:

- (a) those people listed in Schedule 2 as "Staff" were previously employed by the Responsible Entity and their employment was transferred to ECGA late in 2010; and
- (b) it is able to provide the services to the Service Provider to allow the Service Provider to provide services to the Responsible Entity.

7. Service Fee and Licence Fee

7.1 Service Fee

Subject to the provisions of this clause 7, the Responsible Entity agrees to pay the Service Fee to the Service Provider for the provision of the Services. The Service Fee is to be calculated as the sum of the direct expenses incurred by the Service Provider to provide the Services in accordance with this Agreement (including the costs of the Staff and Consultants and the Equipment), provided that:

- (a) those expenses are consistent with the Agreed Costs or are otherwise approved by the Receiver from time to time;
- (b) the costs of the Staff and Consultants means:
 - (i) the actual wages or salaries paid by the Service Provider to the Staff (as set out in the Agreed Costs, but also including workcover, leave, superannuation, pay-roll tax, and other staff costs to the extent required under the respective Staff member's terms of employment);
 - (ii) the actual consultant's fees paid to the Consultants (as set out in the Agreed Costs); and
 - (iii) any costs incurred in the termination or redundancy of any of the Staff (provided such costs are approved by the Receiver prior to termination or redundancy and are consistent with the spreadsheet set out in Schedule 4);
 - (iv) does not include any amounts payable to the Staff and Consultants by the Service Provider with respect to employment or provision of services for any period after the expiration of a notice given by the Receiver in accordance with clause 3.1;
- (c) the costs of the Equipment means \$300 per month for each member of the Staff and Consultants involved in the provision of the Services from time to time; and
- (d) the Service Fee does not include the costs referred to in clause 7.3 or 9.2.

7.2 Redundancy provisos

For the avoidance of doubt:-

- (a) the Service Provider is not entitled to any payment or reimbursement of any redundancy, severance or other fee payable on the termination of any agreement with a Consultant; and
- (b) if any Staff member or Consultant is made redundant or their employment or contract is terminated, if notice is required to be given under the terms of their agreement, the Service Provider must require the relevant Staff member or Consultant to work their period of notice.

7.3 Licence Fee

The Responsible Entity agrees to pay the Licence Fee to the Service Provider. The Licence Fee is that amount equal to:-

A x (\$8,170 per fortnight plus B for that period)

Where:

A for the relevant fortnight is:

- (a) 50%;
- (b) reduced by 10% each time the number of Staff and Consultants involved in the provision of the Services is reduced by one person; and

B is limited to the following expenses:-

- (a) cleansing and maintenance incurred in respect of the Licence Area;
- (b) electricity, light, power charges and other utilities consumed in respect of the Licence Area;
- (c) costs directly incurred in the ordinary course with respect to the Licence Area;
- (d) outgoings that are payable by the tenant under the Lease (but not any management fee which is payable to any entity which is related to the landlord under the Lease, ECGA, the Service Provider or any director or shareholder of any of those entities);
- (e) insurance premiums for insuring the Licence Area; and
- (f) security patrols surveillance in respect of the Licence Area.

7.4 Time of payment

Subject to clause 7.5, the Service Fee and the Licence Fee is payable to the Service Provider fortnightly in arrears within 7 days of receipt of a valid tax invoice.

7.5 Invoicing and documentation

The obligation to make payments to the Service Provider under this Agreement is subject to:

- (a) the Service Provider providing a valid tax invoice to the Responsible Entity;
- (b) the Responsible Entity providing the Receiver with a request for reimbursement from the Funds, in accordance with clause 8 and each Funds' constitution;
- (c) the Responsible Entity providing the Receiver with valid tax invoices in relation to those requests;

- (d) the Service Provider providing the Receiver with such information and documentation in relation to the calculation of the payment as are requested by the Receiver from time to time; and
- (e) the Receiver being satisfied in his absolute discretion that the relevant costs have been properly incurred in accordance with the terms of this Agreement.

7.6 Payment by Receiver

The Responsible Entity irrevocably authorises the Receiver to pay the Service Provider the Service Fee and Licence Fee payable under this Agreement from time to time and acknowledges that such payments will be deemed to be paid in satisfaction of any obligation to indemnify the Responsible Entity for that amount.

7.7 Goods and Services Tax

- (a) If GST is payable by a supplier (or by the representative member for a GST group of which the supplier is a member) on any supply made under or in relation to this document, the recipient must pay to the supplier an amount (**GST Amount**) equal to the GST payable on the supply. The GST Amount is payable by the recipient in addition to and at the same time as the net consideration for the supply.
- (b) If a party is required to make any payment or reimbursement, that payment or reimbursement must be reduced by the amount of any input tax credits or reduced input tax credits to which the other party (or the representative member for a GST group of which it is a member) is entitled for any acquisition relating to that payment or reimbursement.
- (c) This clause is subject to any other specific agreement regarding the payment of GST on supplies.

7.8 Expenses

In addition to the Service Fee and the License Fee, the Service Provider is entitled to be reimbursed its direct expenses incurred as a result of providing the Services under this Agreement as approved in advance by the Receiver and the Responsible Entity from time to time. Such expenses shall include items such as telephone, facsimile, stationery, printing, postage, photocopying, external IT and computer support and other out of pocket expenses reasonably incurred. In seeking reimbursement of expenses the Service Provider must provide a valid tax invoice in accordance with clause 7.5 and reasonable evidence of the expenditure sought to be reimbursed.

8. Receiver

8.1 Authority of Receiver

The Service Provider and the Responsible Entity acknowledge that this Agreement is executed by the Receiver in his capacity as receiver of the property of the Funds and not in the Receiver's personal capacity.

8.2 No personal liability

Except to the extent required by law, the Receiver shall not be personally liable to the Service Provider or the Responsible Entity in respect of this Agreement.

9. Responsible Entity

9.1 Reimbursement of costs of the Services

- (a) The Receiver acknowledges that the Responsible Entity is entitled (under each Funds' constitution) to be indemnified out of the assets of the Funds for all debts, liabilities, costs, expenses and outgoings reasonably and properly incurred by the Responsible Entity in the proper performance of its functions and duties and exercising its power under each Funds' constitution.
- (b) When making a claim for reimbursement in accordance with this indemnity, the Responsible Entity must provide to the Receiver, any evidence reasonably requested supporting its claim, including any invoices and evidence that the costs were reasonably and properly incurred by the Responsible Entity in the proper performance of its functions and duties as responsibility entity of the Funds.
- (c) The Receiver, if satisfied acting reasonably that the expenses incurred are expenses to which the Responsible Entity is entitled to be indemnified out of the assets of the Funds in accordance with their constitution, will indemnify the Responsible Entity for these costs.

9.2 Costs in relation to Services and Business Premises

- (a) Despite clause 9.1, the Responsible Entity acknowledges that it will not be entitled to be indemnified out of the assets of the Funds for the costs or expenses which form part of the amounts paid to the Service Provider under this Agreement.
- (b) Nothing in this Agreement is intended to waive, compromise or create any estoppel in respect of any rights or claims on the part of the Responsible Entity or ECGA which were pre-existing prior to execution of this Agreement.
- (c) Nothing in this Agreement is intended to be an admission by the Receiver of any right or claim on the part of the Responsible Entity or ECGA which were pre-existing prior to execution of this Agreement and the Receiver reserves the right to defend or deny any claim on the part of the Responsible Entity or ECGA which were pre-existing prior to execution of this Agreement.

9.3 Insolvency Event in relation to Responsible Entity

To the extent permissible at law, this Agreement will survive any Insolvency Event which occurs in relation to the Responsible Entity.

10. Equititrust Premium Fund

- (a) The parties acknowledge and agree that the Staff and Consultants engaged by the Responsible Entity or the Service Provider may, from time to time, provide services in relation to the Equititrust Premium Fund with the prior written approval of the Receiver which will not be unreasonably withheld where the provision of services to the Equititrust Premium Fund is unavoidable.
- (b) For the avoidance of doubt:
- (i) the Service Provider is not entitled to be reimbursed under this Agreement for any services provided by the Staff and Consultants, or any other persons, in relation to the Equititrust Premium Fund;
 - (ii) if any such services are provided, the Responsible Entity must be reimbursed for such services out of the Equititrust Premium Fund and is not entitled to be reimbursed for those services out of the Funds; and
 - (iii) if any such services are provided, and the costs of such Staff and Consultants has, in error been reimbursed out of the Funds, then
 the Service Provider and/or the Responsible Entity, as the case may be, must either (at the election of the Receiver):-
 - (A) immediately refund to the Funds; or
 - (B) provide an adjustment in favour of the Funds on the next Tax Invoice issued pursuant to this Agreement,
 the amount reasonably attributable to the cost of provision of such services (including the wages, salaries and consultants fees of the Staff and Consultants and an appropriate proportion of the Licence Fee) having regard to :-
 - (C) the period of time the Staff and Consultants provide services to the Equititrust Premium Fund; and
 - (D) the hourly rates of the Consultants and the wages and salaries (and associated money) payable to the Staff; and/or
 - (iv) the Responsible Entity and the Service Provider are responsible for recovering from the Equititrust Premium Fund the cost of the provision of for such services;
 - (v) the Service Provider must:-
 - (A) promptly notify the Receiver and the Responsible Entity upon a request being made for the provision of services to the Equititrust Premium Fund; and
 - (B) keep accurate records of the amount of any time the Staff and Consultants provide services to the Equititrust Premium Fund and provide to the Receiver and the Responsible Entity a copy of those records.

11. Service Provider's duties

The Service Provider must:

- (a) exercise the degree of care, diligence and skill that a reasonable person would exercise if they were in the Service Provider's position;
- (b) act honestly;
- (c) keep proper records in respect of all transactions, undertakings and other conduct which the Service Provider may take pursuant to this Agreement;
- (d) act in accordance with reasonable instructions of the Receiver;
- (e) permit the Receiver at all reasonable times and upon reasonable notice to inspect and audit the Service Provider's records relating to the Funds for the purpose of ensuring the Service Provider is complying with the provisions of this Agreement and to ensure that the Responsible Entity is meeting its obligations with respect to compliance with the law, and for any other purpose required by law or the ASIC;
- (f) use its best endeavours to perform the services in accordance with this agreement;
- (g) ensure the Staff and Consultants have the experience, qualifications, knowledge and skills necessary to perform their functions properly;
- (h) comply with the provisions of the Law and ASIC policy;
- (i) advise the Receiver in the event that there is a material change in the Service Provider's organisational structure, reporting lines or ownership; and
- (j) notify the Receiver if there is any breach of the provisions of this Agreement, the Law or ASIC policy.

12. Warranties by Service Provider

The Service Provider represents and warrants to the Receiver as at the date of this Agreement and during the term of this Agreement that:

- (a) It has the power, skills, facilities, financial ability and staff and consultants to enter into and perform its obligations under this Agreement and has duly executed this Agreement;
- (b) It holds such licenses and authorities as are necessary to lawfully perform its obligations under this Agreement;
- (c) It will, at its cost, procure on or prior to the date of this Agreement and maintain at all times during the term of this Agreement any insurance necessary to insure the Service Provider against risks in connection with the provision of the Services, including insurance in relation to:

- (i) workers compensation, in compliance with any applicable law or industrial award;
- (ii) business interruption;
- (iii) public liability risk;
- (iv) professional indemnity; and
- (v) directors and officeholders liability insurance.

Any insurance procured by the Service Provider must be effected with an independent, reputable and solvent insurer as approved by the Receiver and may either be in its own name or ensure that it is covered pursuant to a company group insurance arrangement which are appropriate for a prudent company engaged in a similar business to that of the Service Provider.

The Service Provider must:

- (i) notify the Receiver of any claim made by the Service Provider in relation to any insurance procured by the Service Provider under this Agreement promptly following the occurrence of any event giving rise to the claim; and
 - (ii) provide the Receiver with any information relating to the claim requested by the Receiver.
- (d) There is no conflict of interest involved in it acting as Service Provider, save as is disclosed in writing to and approved by the Receiver.

13. Indemnity from Service Provider

- (a) Subject to the provisions of this Agreement and without derogating from any other indemnity in this Agreement, the Service Provider will at all times indemnify and hold harmless the Responsible Entity and the Receiver, their officers, employees and agents (in this clause 13(a) referred to as those indemnified) from and against any loss (including legal costs and expenses on a solicitor/own client basis), or liability, reasonably incurred or suffered by any of those indemnified arising from any claim, suit, demand, action or proceeding by any person against any of those indemnified where such loss or liability was caused by any wilful, unlawful or negligent act or omission of the Service Provider, its officers, employees, agents or sub-contractors (including the Staff and Consultants) in connection with this Agreement or in the course of, or incidental to, performing the Services.
- (b) Subject to the provisions of this Agreement and without derogating from any other indemnity in this Agreement, the Responsible Entity will, to the extent it is entitled to be indemnified out of the Funds, at all times indemnify and hold harmless the Service Provider, its officers, employees and agents (in this clause 13(b) referred to as those indemnified) from and against any loss (including legal costs and expenses on a solicitor/own client basis), or liability, reasonably incurred or suffered by any of those indemnified arising from any claim, suit, demand, action or proceeding by any person

against any of those indemnified where such loss or liability was caused by acting in accordance with the instructions of the Responsible Entity and/or the Receiver in connection with this Agreement.

- (c) The indemnities referred to in this clause 13 will survive the expiration or termination of this Agreement.

14. Commitment to Business

The Service Provider and the Responsible Entity must:

- (a) co-operate and use their best endeavours in providing the Services under this Agreement to ensure that the Responsible Entity and the Receiver successfully conducts the Business;
- (b) not use Confidential Information in a way which does or is reasonably likely to damage the Responsible Entity, the Receiver or any of the other parties;
- (c) not unreasonably delay any action, approval, direction, determination or decision which is required of the party by the Receiver from time to time;
- (d) make approvals or decisions that are required of the party in good faith and in the best interests of the conduct of the Business;
- (e) be just and faithful in the party's activities and dealings with the Receiver and the other parties;
- (f) use their best endeavours to ensure their respective obligations contained in this Agreement are performed;
- (g) execute and deliver all documents and instruments and do all other things as may be necessary or desirable to carry out their obligations under this Agreement.

15. Compliance with Agreement

- (a) If requested, the Service Provider will meet with the Receiver as and when reasonably required by the Receiver from time to time to review the Services and Licence provided under this Agreement and monitor the activities of the Service Provider to ensure that the Service Provider is complying with the terms of this Agreement and the Law.
- (b) If requested by the Receiver, the Service Provider is to provide a written report to the Receiver detailing the Services provided and any other relevant information to assist in the Receiver's review of the process prior to the meeting.

16. Accounting System

- (a) The Service Provider must ensure that accounts are kept on a computer-based system.

- (b) The computer accounts must be updated as and when reasonably required by the Receiver.
- (c) The accounting system must be capable of generating any reports or accounts acquired under the Law or any other relevant legislation or the Receiver as reasonably required from time to time.

17. Filing System

- (a) All hard copy documentation in relation to the Business will be available for inspection by the Receiver, his nominated personnel or ASIC when reasonably required and on reasonable notice.
- (b) Hard copies will be stored in a filing system in which files are clearly marked with the name of the file, the type of documents to be placed in the file and any other information which is relevant.

18. Computer systems

- (a) All computer systems are to be secured by password.
- (b) The computer systems in relation to the management of the Funds are not to leave the Business Premises without the prior written consent of the Receiver.
- (c) If the computer systems being used at any time are systems which are not using hardware or software generally available to the public then the Service Provider must take steps to ensure the computer systems can be supported by a specialist consultant without unacceptable delay which could cause loss to the investors of the Funds.
- (d) The data stored on the computer systems must be backed up to an external data medium as and when reasonably directed by the Receiver and provided to the Receiver as and when reasonably directed by the Receiver. A full backup of all data will be done at least weekly with incremental backups to be done as and when reasonably directed by the Receiver.
- (e) The computer systems must be reviewed and tested as and when reasonably directed by the Receiver to confirm they are operated at the level required for the Responsible Entity and the Business.

19. Security of Business Premises

- (a) The Service Provider will ensure that the Business Premises and any other premises of the Service Provider are secured outside normal business hours by locked doors and a fully operational electronic security system at all times. Access to those premises is to be by security key only. A register shall be maintained of all those persons permitted to hold a security key.

- (b) The Service Provider will ensure that the Business Premises and any other premises of the Service Provider are secured during normal business hours. Access to those premises by the public shall be supervised at all times. Only authorised persons are permitted access to the area of the premises where control of the electronic security systems and computer systems are stored.
- (c) The Service Provider must give to the Responsible Entity and the Receiver the number of security keys specified by the Receiver from time to time.

20. Disaster recovery plan

- (a) The Service Provider must ensure there is in place at all times during the term of the Agreement a disaster recovery plan ("the plan") in respect of the computer systems and business continuity in the event of a disaster or alternative office site.
- (b) The Service Provider must ensure that any external service provider who maintains computerised records on behalf of the Service Provider has in place an adequate disaster recovery plan and business continuity plan.
- (c) The Service Provider must:-
 - (i) put in place or cause to be put in place the plan;
 - (ii) periodically review the plan throughout the term of this Agreement, but in any event no less frequently than twice yearly;
 - (iii) ensure the relevant Staff and Consultants are-
 - (A) aware of the plan;
 - (B) trained in the process of initiating the plan in the event of a computer disaster or other disaster; and
 - (C) directed to notify the Receiver immediately a problem with the computer systems is identified, the plan is initiated, or any other problem is identified that relates to the business continuity of the Service Provider.
- (d) The Service Provider is to report to the Receiver as soon as practicable following a test of the plan or its initiation and, in the case of initiation, provide a report on the procedure to update the business continuity system and the plan with a view to preventing a similar business continuity disaster in the future.
- (e) The Service Provider must prepare and retain in accordance with the provisions of this agreement or any relevant legislation which will provide for safe data storage facilities, copying of computer records and storage of those copies at a secure location.

21. Privacy

- (a) The Responsible Entity at the direction of the Receiver will endeavour to procure such consents of the members of the Funds as are reasonably necessary to enable the Service Provider, the Staff and Consultants and the Receiver to use the information and personal information of the members of the Funds for the purposes of the provision of the Services.
- (b) The Service Provider will ensure its Staff and Consultants comply with the obligations and requirements of all relevant privacy legislation.

22. Confidentiality

22.1 Confidential information

The Service Provider must not divulge or make known any trust, secret account, Confidential Information or dealing relating to the Responsible Entity, the Funds or the Receiver without the prior consent of the Receiver.

22.2 Staff and Consultants confidentiality

The Service Provider must use reasonable measures to ensure that no person employed or engaged by it and involved with the Business divulges or makes known any trust, secret account, Confidential Information or dealing relating to the Responsible Entity, the Funds or the Receiver without the prior consent of the Receiver.

23. Publicity

23.1 Promotional Restriction

The Service Provider must not issue any promotional material or make any public comment on or in connection with the Services or this document, without the prior written consent of the Receiver, except where required by any Law.

23.2 Name Restriction

The Service Provider must not use or permit the use of the name of the Responsible Entity or the Receiver, whether in whole or in an abbreviated form, or any trade mark or logo owned by or associated with the Responsible Entity, the Funds or the Receiver, except with the prior written consent of the Receiver and in compliance with written conditions attached to that written consent.

23.3 Restriction Scope

This provision applies, without limitation, to any promotion, presentation, publicity and advertising in any medium for any purpose and survives termination of this document.

23.4 Promotional Approval

The Service Provider must submit to the Receiver any advertising, written sales promotion, press release and other publicity matter relating to this document in which the name or mark of the Responsible Entity, the Funds or the Receiver may be inferred or implied and must not publish or use any previously specified item without the prior written consent of the Receiver.

24. Termination

24.1 Immediate termination

This Agreement terminates immediately upon the Service Provider:

- (a) ceasing to carry on business;
- (b) entering into liquidation voluntarily or otherwise (except for the purpose of amalgamation or reconstruction);
- (c) passing any resolution which might result in a winding up; or
- (d) having a receiver of its property appointed.

24.2 Termination by notice

The Receiver may terminate this Agreement at any time, by giving thirty (30) days written notice to the other parties.

The Service Provider may terminate this Agreement at any time, by giving sixty (60) days written notice to the other parties.

24.3 Right to terminate concurrent

The rights to terminate this Agreement are in addition to, and not instead of, the remedies available to either party at general law for breach by either of them of any term of this Agreement.

24.4 No Lien

The Service Provider is prohibited from taking a charge, mortgage, lien or encumbrance over or in relation to the assets of the Responsible Entity or the Funds or any records created or held by the Service Provider for the benefit of the Responsible Entity, the Funds or the Receiver.

25. Post-Termination Obligations

25.1 General obligations

The Service Provider must at any time after termination of this Agreement and regardless of whether there are any monies due and owing under this Agreement:

- (a) promptly deliver to the Receiver in the manner and at the time as reasonably specified in any written notice by the Receiver to the Service Provider in relation to the Services:
 - (i) copies of all accounts, records, reports, timesheets, invoices, agreements, proposals documents including all records created or held by the Service Provider for the benefit of the Responsible Entity or Funds; and
 - (ii) duplicates of all artwork, films, designs, printing plates, disks and computer media;
- (b) execute any document and perform any action reasonably necessary or reasonably required by the Receiver to vest in and secure to the Receiver any right in relation to the Services, Staff and Consultants or Equipment pursuant to this Agreement;
- (c) grant to or procure for the Receiver an irrevocable licence to have access to the Business Premises during usual business hours and take possession of any assets and exercise any right of the Receiver under this Agreement;
- (d) provide to the Receiver all reasonable assistance to effectuate the transfer to the Receiver or any substitute or alternative service provider engaged by the Receiver of performance of the Services, including attendance at transition meetings at a mutually convenient time and place, assisting with the preparation of a transfer plan and providing relevant information relating to the Services; and
- (e) if requested by the Receiver, waive or release any of the Staff and Consultants from any restrictions or conditions which would prevent them from being employed by the Responsible Entity, the Receiver or any substitute or alternative Service Provider.

25.2 Costs of copies

The Receiver will pay the Service Provider the reasonable costs of:

- (a) providing the copies or duplicates referred to in clause 25.1(a); and
- (b) attendance at transition meetings referred to in clause 25.1(d).

26. Relationship between the parties

26.1 Non-exclusive agreement

This Agreement does not create an exclusive relationship between the parties. The Responsible Entity and the Receiver may obtain services, staff, consultants, premises and equipment of the type dealt with in this Agreement from people other than the Service Provider and the Service Provider may supply services, staff, consultants, premises and equipment of the type dealt with in this Agreement to people other than the Receiver and the Responsible Entity.

26.2 No agency

This Agreement does not constitute the parties as partners nor does it constitute the Service Provider as the attorney or agent of the Responsible Entity or the Receiver. It does not authorise

the Service Provider to pledge the credit of the Responsible Entity or the Receiver nor does it constitute the Service Provider or any of its employees (including the Staff and Consultants to be provided hereunder) as an agent or employee of the Responsible Entity or the Receiver.

27. Waiver

27.1 No waiver

The failure of a party at any time to require the full or partial performance of any provision of this Agreement does not affect in any way the full right of that party to require that performance any time in the future.

27.2 Waiver of breach

The waiver by any party of a breach of a provision of this Agreement will not be deemed to be a waiver of all or part of that provision or of any other provision or of the right of that party to avail itself of its rights at any time in the future.

27.3 Waiver to be in writing

Any waiver of a breach of this Agreement must be in writing signed by the party granting the waiver and will be effective only to the extent specifically set out in that waiver.

27.4 Responsible Entity

Nothing in this Agreement, nor the entering into this Agreement, is intended to anyway compromise or affect any rights of the Responsible Entity in relation to the appointment or powers of the Receiver under the Orders, or to any rights of appeal from the decisions of Applegarth J in respect of the Orders.

28. General Provisions

28.1 Notices

- (a) Any notice to or by a party under this document must be in writing and signed by the sender or its solicitor.
- (b) Any notice may be served by delivery in person or by post or transmission by facsimile to the address or number of the recipient specified as set out below:

Equititrust Limited ACN 061 383 944
 Level 1, 67 Thomas Drive
 Chevron Island in the State of Queensland
 Facsimile: (07) 5527 5900

ECG Administration Pty Ltd ACN 144 977 275
 Level 1, 67 Thomas Drive
 Chevron Island in the State of Queensland
 Facsimile: (07) 5527 5900

GCP (HQ) Pty Ltd ACN 154 327 732
 Level 1, 67 Thomas Drive
 Chevron Island in the State of Queensland
 Facsimile: (07) 5527 5900

David Whyte as receiver of the property of the Equititrust Income Fund (Receiver Appointed) and the Equititrust Priority Class Income Fund (Receiver Appointed)
 BDO, Level 18, 300 Queen Street,
 Brisbane in the State of Queensland
 Facsimile: (07) 3221 9227

- (c) Any notice is effective for the purposes of this document upon delivery to the recipient or production to the sender of a facsimile transmittal confirmation report before 4.00 pm local time on a day in the place in or to which the written notice is delivered or sent or otherwise at 9.00 am on the next day following delivery or receipt.

28.2 Governing Law and jurisdiction

- (a) This document is governed by and construed under the law in the State of Queensland.
- (b) Any legal action in relation to this document against any party or its property may be brought in any court of competent jurisdiction in the State of Queensland.
- (c) Each party by execution of this document irrevocably, generally and unconditionally submits to the non-exclusive jurisdiction of any court specified in this clause in relation to both itself and its property.

28.3 Further assurance

Each party must execute any document and perform any action necessary to give full effect to this document, whether before or after performance of this document.

28.4 Counterparts

This document may be executed in any number of counterparts, all of which taken together are deemed to constitute one and the same document.

28.5 No assignment without consent

This Agreement is not assignable by either party without the prior written consent of each of the other parties.

28.6 Stamp duty and legal costs

All stamp duty payable upon this Agreement or any document incidental to it will be borne and paid for by the Service Provider. Each party will bear their own legal costs of and incidental to the preparation of this Agreement.

28.7 Good faith

The parties must at all times during the term of this Agreement act towards each other with the utmost good faith.

28.8 Variations to be in writing

A provision or right under this Agreement may not be varied except in writing signed by the parties.

28.9 Interpretation

In this Agreement, unless the context requires otherwise any reference to a party to this Agreement includes its successors and permitted assigns.

29. Bank

29.1 Default Notice

The Service Provider may not terminate the Agreement unless:

- (a) a copy of the proposed notice of termination has been given to the Bank; and
- (b) the Bank does not advise the Service Provider within 30 days of receiving the notice in clause 29.1(a) that the Bank or any Controller appointed or authorised by the Bank to the Responsible Entity wishes to adopt the terms of the Agreement.

29.2 Step In Rights

In the event that:

- (a) the Receiver is removed, replaced or resigns; or
- (b) a replacement responsible entity is appointed in place of the Responsible Entity; or
- (c) a Controller is appointed to the Responsible Entity or any replacement responsible entity,

the Bank or any Controller appointed or authorised by the Bank to the Responsible Entity may give notice to the Service Provider that either the Bank or any Controller appointed or authorised by the Bank to the Responsible Entity elects to adopt the Agreement.

29.3 Effects of notice

In the event the Agreement is adopted in accordance with clause 29.2:

- (a) the references in the Agreement to Receiver (other than clause 8.1 and 10) will be replaced with a reference to the Bank or any Controller appointed or authorised by the Bank to the Responsible Entity as set out in the notice issued pursuant to clause 29.2;

- (b) the Bank and any Controller appointed or authorised by the Bank to the Responsible Entity will not be liable for any monies owing or accrued under the Agreement prior to the date of giving notice pursuant to clause 29.2;
- (c) the Bank and any Controller appointed or authorised by the Bank to the Responsible Entity will not be required to rectify any defaults of the Responsible Entity or the Receivers that existed prior to the issuing of a notice under clause 29.2(a); and
- (d) the Service Provider will not be entitled to terminate the Agreement without providing 90 days notice.

29.4 Bank not bound by EQT obligations

Despite anything in this Agreement, the Bank and any Controller appointed or authorised by the Bank to the Responsible Entity is not bound by the obligations of the Responsible Entity under the Agreement and is not liable for any act or omission or breach of any obligation by the Responsible Entity in connection with the Agreement.

30. Third Party Covenant

- 30.1 The covenants given in this Agreement in favour of persons not a party to this Agreement are intended to be, and are, directly enforceable by each of those persons, and operates as a deed poll in favour of those persons.

Schedule 2

Staff and Consultants

1. **Consultant: CEO - Troy Bingham: \$300/hour for the first 20 hours in any week, then \$150/hour thereafter, but the maximum claimed per week is to be capped at \$8,250.00.**

Troy is responsible for the day to day management of all areas of the business. This includes managing the staff, overseeing and approving expenditure, liaising with third party borrowers, receivers, banks and legal representatives. He has accountability for managing the right outcomes required in realising each of the assets. It is envisaged that he will be required until the loan book is wound up in its entirety as accounts, reporting and ongoing strategic decisions will still be required.

2. **Consultant: Director – Ross Honeyman: \$300 per hour (maximum 10 hours a week)**

Ross manages the secretariat and project management directorate functions of fund unit holder groups and support operatives. He is a director of Equititrust as RE of EIF and will act as a liaison person with its stakeholders including its shareholders and unitholders.

He has a well established knowledge base in respect to all aspects of the EIF customer base, assets and other commercial relationships and can assist to ensure a smooth transition to an orderly wind-up. He has the strongest relationship with the majority of investors and plays a support role to the member services team in dealing with the larger and more difficult investors.

3. **Employee: Loan Recovery Officer: Dispute Resolution Officer – Brenton Task: \$120,000 per annum**

Brenton is responsible for management of external legal services and allocated special projects, advisory support to all divisions in relation to special projects, acquisitions, property developments, litigation, capital raisings, and other transactions.

Preparation and negotiation of sales strategies, coordinating and managing real estate agents, negotiating sale terms and conditions, ensuring conditions precedent and subsequent fulfilled and preparation of business case documents in support of sales.

Prepare and review various documents and due diligence, including contracts of sale, leases, development agreements, confidentiality agreements, demands, etc.

Recovery of non-complying loans through debt and possession proceedings, power of sale, valuer actions, etc.

Instruct and manage external lawyers and other professional services providers.

Liaise with industry regulatory bodies, including ASIC, FOS, etc.

Active management of Internal Dispute Resolutions and External Dispute Resolution (Investors and Borrowers) in capacity as Dispute Resolution Officer.

Assist with various loans management issues including borrower liaison, ongoing management of statutory obligations.

Assist with compliance with legal and regulatory requirements, including ASIC licensing requirements.

Report compliance breaches to the Compliance Officer.
 Review and sign-off on external service provider contracts.
 Strategic and commercial advice
 Review investor communications.
 Assist with preparation of insurance notifications of potential claims.

4. Employee: Asset and Compliance Manager - Arthur Taylor: \$160,000 per annum

Arthur is responsible for managing the day to day operations of the various loans and properties. He interacts with the various receivers and councils and sales teams with regards to ongoing sales campaigns and settlements.

Recovery of non-complying loans through debt and possession proceedings, power of sale, valuer actions, etc.

Prepare and review various documents, including residential leases, receiver deeds of appointment, affidavits to support legal proceedings, notices of exercise of power of sale, demands, settlement deeds, loan statements for pleadings/affidavits, etc.

Vigorously pursue and prosecute claims against defendants to obtain judgement and/or possession of securities to support sales process.

Instruct and manage external lawyers and receivers.

Ensure accuracy of pleadings and provide ongoing instructions/act as point of liaison with external lawyers and receivers.

Ensure external solicitors and receivers remain focused on achieving the determined outcome.

Provide support on various loans management issues including sales progress reports, asset review reports, outstanding performance bonds and bank guarantees, monitoring outstanding rates and land tax, flagging critical arrears, etc.

Liaison with Borrowers where required;

Monitor the loan book to ensure compliance regulations are adhered to.

Ensure personnel reporting directly have a clear understanding of what is expected of them.

Ensure personnel reporting are fully and effectively deployed.

In addition assumed Compliance Manager role mid August 2011 – a downscaled function as a result of recent developments;

5. Employee: Financial Controller – Sue Hughes: \$180,000 per annum

Responsible for finance staff – managing workloads, ensuring accuracy of information issued by the finance department

Responsible for providing accurate daily, weekly and monthly reports in accordance with reporting timetable

To efficiently manage all accounting issues related to Investor & Borrower money and daily operation of the Responsible Entity.

Ensure reconciliation of all income and balance sheet accounts on a monthly basis.

Preparation & compilation of monthly management reports for the Equititrust Capital Group

Accurately complete month end reporting within the stipulated internal and external reporting deadlines

Preparation and compilation of the company's statutory accounts (half yearly and annual)

Liaison with company auditors

To oversee, process & pay Investor's monthly interest at the beginning of each month, carrying out relevant reconciliations and ensuring that there are sufficient funds to cover the monthly interest payments

Access Database Query & report writing – preparation of numerous reports for management regarding investors & borrowers
 Maintain the company's asset register / depreciation schedule and ensure accuracy of the same at all times
 Compilation and lodgement of statutory returns including Fringe Benefits Tax, Business Activity statements, Withholding Tax
 Preparation of work papers for tax returns for the Group
 To assist the directors to maintain the accounting systems, policies and procedures including those required for ASIC and other regulatory government bodies
 Liaise with the directors to ensure the effective banking and cash management of funds
 Oversee cashflow for all entities including funds and operating subsidiaries
 Ensure that all financial transactions are recorded in accordance with accepted accounting Responsible Entity's and company policies and procedures
 To ensure that all working papers, reconciliations and other documentation is maintained and filed in such a manner to facilitate ease of audit procedures
 To ensure that the payroll is processed in an efficient manner to produce accurate payroll statistics and in accordance with Industrial Relations and ATO requirements
 Assist the managers in the recruitment of staff and organise temporary staff as requested
 Trouble shooting and problem solving in the day to day operational accounting practices

6. Employee: Finance Officer – Toni Napier: \$60,000 per annum

Toni reports to the Financial Controller and conducts the following tasks
 Reconciliation of EIF, Equititrust Ltd and ECG Administration bank accounts in MYOB
 Preparation of daily cashflow reports for the accountant
 Daily reconciliation of funds relating to lending and investing transactions
 Advising departments of rejected/dishonoured bank transactions and correctly adjusting lending/investing funds until resolved
 Data entry and preparation of accounts payable payments for ECG, ETL and other non lending subsidiaries
 Month end process preparation and execution of lending interest run
 Preparation and execution of expiry fee run reconciliation of funds, loan control and deposit control account obtaining relevant data for collation and preparation of lending reports
 Intercompany interest calculations and entry journals
 Depreciation schedule updated
 Entry of relevant MYOB journals
 Preparation of payments in NAB online through either file importing or individual creation of payment files
 Reconciling suspense and electronic payments transactions in MYOB
 Process partial or full repayments onto loans, including preparation of cheques for banking
 Process PDC (direct debit) interest draws
 Calculate full repayments for loans in excel where system generated statements are not possible (now 99% of loans due to default)
 Calculate default information on loans in excel
 Amending loan information such as changes in interest rates and expiry fees and performing necessary pro-rata calculations to adjust the loan
 Ad-hoc lending/investing queries – locating historical information as required by accountant and/or CFO for internal and external stakeholders
 Daily investing payments/reports prepared from information in Finpower
 Preparation of deposit/redemption form and bank files for Equititrust investments

7. Consultant: Member Services Manager – Trish Riley \$120,000 per annum

Trish has been overseeing member communication, member meetings and website updates. She is the first point of contact for members who have questions and concerns. Trish also writes the monthly member communication and updates as and when required for the website. Her responsibilities include:

Providing customer service and fielding administrative queries from investors in relation to:
Redemptions, Income Payments, Reinvestments, Deceased Estates, Change of Account Details,
Other Account queries

Investment administration & database management and implementing changes to procedural practices when necessary

8. Employee: General Administration – Jodie Markovitch: \$45,000 per annum

There is currently 3 administration staff that will be rolled into one position moving forward. The responsibilities of the administration members are as follows:

Arrange settlements & repayments

Develop procedures to ensure compliance with the Lending Manual

Manage security property insurance register including obtaining cover on security properties when required

Administer assistance to the department where and when needed

Liaise and Coordinate with borrower's solicitors and agents for settlements

Maintain Receiver and/or Controller appointments including ASIC reporting

Prepare draft loan default and power of sale notices

Maintain ASIC alerts on all Borrower companies

Enhance systems and procedures through team feedback & communication

Identify areas of compliance risk or breach

Assist in the registration of companies and company names with ASIC

Comply with the Lending Manual & compliance obligations

Determine workload priorities to allow best time management policies

Organise ordering and purchasing of general office requirements when required

Collect and maintain records of outstanding rates on security properties

Collect and maintain records of outstanding Land tax on security properties

Perform reception duties 2 days per week

Collect mail, note in the mail register and distribute accordingly

Provide general administrative support as required

9. Consultant: IT Manager – Jason Gouws: \$354.17 per day

Jason is responsible for IT support as follows:

Resolution of Technical issues: Desktop support, Server support including remote access support, Internet support, Provide training to clients in the use of system and applications

Preventive maintenance: Identify, correct and advise on operational issues within client computer systems, Data backups, Microsoft patch management, Hardware and software support renewal

IT Management: Financial IT budgeting and cost reduction, develop IT Strategies, Infrastructure reviews, Disaster Recovery

Schedule 3

Equipment

Desk, telephone and computer for each of the Staff and Consultants

Computer server

Schedule 4

Agreed Costs

Staff and Consultants: As per Schedule 2.

Equipment: As per clause 7.1 of this Agreement.

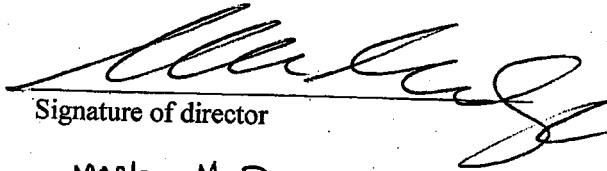
Schedule 5

Termination and redundancy entitlements

	Long service leave	Annual Leave	Sick Leave	*Redundancy Pay period (see comment below)
Sue Hughes	5.52	175.28	518.34	12 weeks
Jodie Markovitch	71.67	46.42	7.29	12 weeks
Toni Napier	68.75	143.01	43.01	6 weeks
Brenton Task	38.75	69.23	75.87	4 weeks
Arthur Taylor	282.34	154.21	531.23	14 Weeks

* As for redundancy payments, there are no accruals for that as part of payroll. Taken this information from the National Employment Standards (<http://www.fairwork.gov.au/termination/redundancy/pages/how-much-redundancy-pay.aspx>), based on length of service.

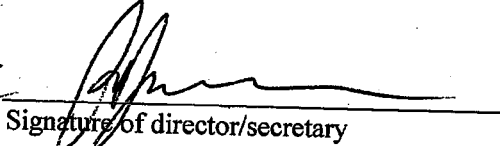
EXECUTED as an agreement in Queensland.
SIGNED by **EQUITITRUST LIMITED**
ACN 061 383 944 in accordance with
section 127 of the *Corporations Act 2001*
(Cth) in the presence of:



Signature of director

MARK MCINER

Full name of director

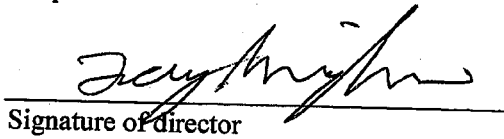


Signature of director/secretary

ROSS HONEYMAN

Full name of director/secretary

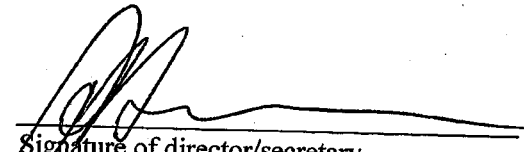
SIGNED by **GCP (HQ) PTY LTD ACN**
154 769 178 in accordance with section
127 of the *Corporations Act 2001* (Cth) in
the presence of:



Signature of director

TROY BINGHAM

Full name of director

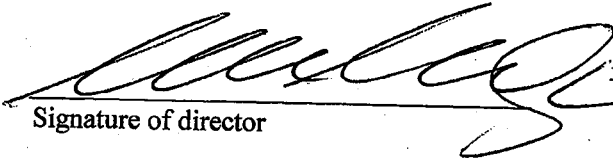


Signature of director/secretary

ROSS HONEYMAN

Full name of director/secretary

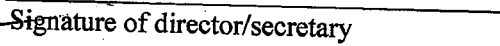
SIGNED by **ECG ADMINISTRATION**
PTY LTD ACN 144 977 275
in accordance with section 127 of the
Corporations Act 2001 (Cth) in the
presence of:



Signature of director

MARK MCINER

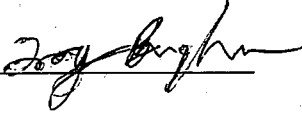
Full name of director



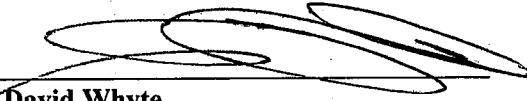
Signature of director/secretary

Full name of director/secretary

SIGNED by DAVID WHYTE in the presence of:

Signature of witness 

TROY BINGHAM
Name of witness - please print


David Whyte

"DW-11"

Jacqueline Kemp

From: David Whyte <David.Whyte@bdo.com.au>
Sent: Tuesday, 14 February 2012 2:01 PM
To: Mark Mclvor
Cc: ross.honeyman@equititrust.com.au; David Hickie; David Brushe; Scott Couper
Subject: Equititrust Income Fund (Receiver Appointed) [GQ-BD.FID525428]
Attachments: RE: Equititrust Income Fund (Receiver Appointed) - Border Park transaction; FW: Equititrust - RSH - David Clout affidavit non breach of March 2011 order; Equititrust Income Fund (Receiver Appointed); RE: Boothers - Geoff Booth; Fwd: Equititrust - Birch; FW: Equititrust - Birch - claim for \$30,000 in DC Legal trust account; FW: Part 1) All outstanding EIF payables as at 20/1/12 (excluding rates and land tax); Walsh matter; RE: Investor Contact; Equititrust Income Fund (Receiver Appointed) - Compliance Plan

Mark

I am becoming increasingly concerned regarding your lack of co-operation in the winding up of the EIF, the actions you have taken which I consider are adverse to the interests of the EIF investors and the lack of responses/follow up to issues which I have previously raised with you. The lack of response and the necessity to continue to have to follow you up in relation to these matters is adding unnecessary costs to the winding up of the fund.

I summarise my concerns below:

1. Termination of Troy Bingham

As has been canvassed numerous times before, you had no authority to terminate Troy and have failed to produce documentary evidence of his alleged misconduct. Your email to Troy advising him of his termination stated it was because you had reviewed his costs and considered them too high. The reason you provided to me for his termination was different to this reason. It should be noted that as part of the services agreement executed by the Receiver, Equititrust Ltd and the service provider, Troy's remuneration was reduced and it is only the Receiver that can increase/reduce the staff/consultants used to wind up the fund.

I once again request that you provide documentary evidence of the alleged misconduct by Troy.

2. Appointment of Administrators to Wirrina Resort and Conference Centre Pty Ltd ("WRCC")

You allege that you made this appointment as the sole director of WRCC because of your concern that it was trading whilst solvent. This was despite you being unaware that the receiver had funded the resort to the extent of \$240,000 since my appointment and that financial support had not been withdrawn. Accordingly, I have queried your position that the company was insolvent at the time you made the appointment. Further, as I have previously advised you the appointment was made despite my written advices not to do so. I also consider that it was not in the best interests of the EIF investors with negotiations on foot for a sale of the resort.

You also made the appointment without the knowledge of the legal structure and insisted I fund the administrators despite the administrators having no right to trade the business as the liquor and gaming licences were in another entity.

3. Conflicts of Interest/Offer for Lennox Head property

I refer to my solicitors responses to you and David Hickie concerning this matter. I await your responses.

4. Not attending meetings

You have failed to attend loan strategy review meetings on 3 and 13 February 2012 and abruptly left the meeting on 10 February 2012. I once again request that you attend these meetings in the future.

5. Circular to investors/Landsolve

No specific comments were received in relation to my draft circular to investors prior to it being sent, despite your unsubstantiated claims that the circular will cause "untold damage to investors". Ted Manny of Landsolve promised to provide a written summary of his proposals for consideration before the circular was issued on 1 February 2012. This is still awaited.

6. Failure to respond to correspondence

I attach examples of correspondence where you are yet to respond/provide assistance to the Receiver. This is summarized as follows:

Border Park transaction

You have failed to date to provide your proposal as to how this matter should be progressed despite my requests for you to do so. I have also advised I did not consider it appropriate to involve Peter Mitchell as that was likely to confuse matters. Based on my telephone conversation with the coursing club's solicitor today Mr Mitchell's contact with the coursing club does appear to have indeed confused them.

Please provide copies of the documentation between the EIF and Landsolve and advise how you propose advancing this transaction so that we can discuss this matter further.

Management fee of \$2.8M for year ended 30 June 2011

As you are aware, the previous board waived any right to this fee. I note that you and the current board of EL have sought to reinstate this fee. It is apparent that no adequate explanation as to the reasons for this proposed reinstatement has been provided nor an explanation as to why it is payable in accordance with the constitution/PDS. I understand David Hickie is currently considering this issue and I look forward to your response as a matter of urgency.

Boothers Loan - Geoff Booth

You have failed to advise whether or not discussions have taken place with Geoff Booth to ensure vacant possession of his wife's property and their cooperation in relation to the sale process. In the absence of any such confirmation by tomorrow, Brenton Task will seek to progress this matter. Please let me have your response as a matter of urgency.

Birch

You have failed to respond to correspondence seeking confirmation that you have had no dealings with Birch since his eviction. You have failed to provide the requested affidavit in relation to this matter which would avoid incurring further unnecessary costs and is required to try and secure the release of \$30,000 held on trust. Please let me have your response on these matters as soon as possible.

EIF payables

You have failed to provide confirmation that the EIF payables are approved so that we can make payments to outstanding creditors. Please let me have your confirmation as a matter of urgency.

Walsh matter

You have failed to confirm that you will not interfere with the current legal proceedings on foot. Please provide that confirmation by return.

Compliance plan

You have failed to advise if a review has been undertaken on Landsolve as a material services provider in accordance with the compliance plan. Please advise whether this has been undertaken.

Can you please respond to the outstanding issues as a matter of priority. As was stated in my solicitors letter to you of earlier today, if I consider that Equititrust Limited may not be acting consistently with its obligations in winding up the EIF, it is proper that I revert to Court for directions. I hope that such action will not be necessary and look forward to your response to these matters.

Regards

David

DAVID WHYTE

Partner

Direct: +61 7 3237 5887

Mobile: +61 413 491 490

David.Whyte@bdo.com.au

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TO THE INVESTOR AS ADDRESSED

1 February 2012

**EQUITITRUST INCOME FUND ARSN 089 079 854 ("EIF")
(RECEIVER APPOINTED) ("The Fund")****1. Introduction/Court Order**

As you will be aware from previous correspondence and Equititrust Ltd's website, I was appointed as interim Receiver on 21 November 2011 and on 23 November 2011 as Receiver of the Fund assets and the person responsible for ensuring the winding up of the Fund in accordance with the terms of its constitution.

I attach a copy of the judgement in this respect which includes the two court orders setting out the terms of the appointments.

In summary, the Court has ordered that the Fund be wound up in accordance with its constitution. The constitution provides that the procedure for the winding up of the Fund is that the Manager must convert to money all Assets, deduct all proper costs and then distribute the money to each Member in proportion to the Member's interests in the Scheme.

The making of the orders followed an application by Equititrust Ltd (the responsible entity of the Fund) to the Supreme Court of Queensland to appoint a temporary replacement responsible entity to the Fund and if this was not approved to appoint a liquidator to wind up the Fund. The application was brought by the then directors of the responsible entity.

The judge refused the application for a temporary replacement responsible entity and ordered the Fund be wound up pursuant to the terms of its constitution as detailed in the attached court orders.

On 21 November 2011 the then directors of the responsible entity resigned during the course of the judge hearing the application. As that left the responsible entity without any directors and as there was a hearing in Sydney that day in relation to a winding up application against Equititrust Ltd with no one available to provide instructions, Mark McIvor, Stacey McIvor and Ross Honeyman were appointed as directors. Stacey McIvor subsequently resigned as a director on 16 December 2011 and, according to forms lodged with the ASIC, David Hickie was appointed on 12 January 2012.

This report summarises the key issues which have arisen since my appointment and the key steps taken by me since my appointment.

2. Secured creditors

There are two secured creditors that have the ability to appoint Receivers over the Fund assets at any time and who continue to reserve their rights in relation to same.

Notwithstanding their ongoing rights in this respect, I have agreed with both banks, subject to certain conditions, to allow ongoing payments in respect of Fund expenses for the purposes of the winding up of the Fund. The first secured creditor has insisted on repayment at the earliest opportunity. Therefore, in order to allow for the orderly winding up of the Fund the bank with second priority has agreed to replace the first ranking secured creditor's bank guarantees totalling approximately \$1.1M. It is hoped that the documentation of this arrangement will occur shortly.

The total debt to the banks, including the bank guarantees, is approximately \$9.5M.

3. Staff/Consultants and Services Agreement

Immediately following my appointment, I reviewed the staffing levels (including consultants) with the CEO of Equititrust Limited and identified that substantial savings could be made in relation to the ongoing costs in this respect.

In the circumstances, I requested the CEO and Mark McIvor prepare a proposal for a planned reduction in staff/consultants and other costs for the purposes of the winding up for my approval.

Prior to my appointment the total expenses for the four months ended 31 October 2011 were \$2.059M in this respect (an average of \$514k per month and over \$6M per annum).

Since my appointment and as a result of the review undertaken the costs were reduced to \$147K per month with further reductions expected as properties are realised and further savings can be identified.

As the staff and consultants were not engaged directly by Equititrust Limited, it was agreed to document the arrangements by way of a services agreement between Equititrust Limited, GCP (HQ) Pty Ltd ("GCP") (the service provider), the Receiver and the previous service provider, ECG Administration Pty Ltd ("ECG").

As, prior to my appointment, there was no written agreement entered into regarding the provision of services, it was agreed to transfer all staff and consultants to GCP (a company setup by the CEO).

The agreement, which was executed on 20 December 2011, also provides that no amendments can be made to the staff/consultants engaged without my approval. Notwithstanding this, Mark McIvor advised the CEO that he had terminated him on 13 January 2012 and without any consultation with me. I am presently considering the position in this respect.

4. Draft Audited Accounts for the year ended 30 June 2011

Excerpts from the Fund's draft audited accounts as at 30 June 2011 follow in Sections 4.1 to 4.3 below. These figures are subject to review and sign-off by the Responsible Entity and auditors and may materially change. The Receiver has not audited or otherwise reviewed the figures for accuracy and does not accept any responsibility for the figures or any reliance placed on the figures.

The adopted value of the assets may materially change and are not fully supported by professional valuations.

4.1 Statement of comprehensive income

	2011 \$	2010 \$
Revenue		
Interest income	30,327,145	36,378,860
Total revenue	30,327,145	36,378,860
Expenses		
Impairment losses - mortgage loans	(167,510,994)	(1,855,596)
Management fees - Responsible Entity	(2,810,045)	(4,460,638)
Scheme expenses reimbursed to Responsible Entity	(6,077,334)	-
Other expenses	(62,948)	-
Total expenses	(176,461,321)	(6,316,234)
Profit/(loss) from operating activities before finance costs	(146,134,176)	30,062,626
Finance costs		
Interest expense	(3,388,056)	(3,094,533)
Distributions to investors	(9,718,837)	(16,436,359)
Return on Responsible Entity's subordinated investment	-	(10,531,734)
Total finance costs	(13,106,893)	(30,062,626)
Decrease in obligations to unit holders	(159,241,069)	-
Represented by:		
Absorption by subordinated unitholders	40,000,000	-
Absorption by ordinary unitholders	119,241,069	-
Net comprehensive income	-	-

I comment on the key issues arising from the above, as follows:

- The impairment losses for the year are \$167M (2010 \$1.8M);

- The management fee of 1.5% of gross assets plus GST is not payable to the Responsible Entity (Equititrust Ltd) when interest distributions are not being paid to investors. I understand payments ceased in February 2011 in this respect. The previous board had agreed to waive the \$2.8M fee for the year ended 30 June 2011 as previously advised to investors however the current board has sought to reinstate this. I have asked Mark McIvor to provide an explanation in this respect however his reply is awaited;
- When the management fee is no longer payable then pursuant to the Fund's constitution, the Responsible Entity is entitled to reimbursement of expenses. Expenses totalled \$6M in the 2011 financial year in this respect compared to the management fee in the 2010 year of \$4.46M;
- Due to the subordinated nature of the Responsible Entity's \$40M investment, the first \$40M of impairment losses was absorbed by the Responsible Entity with the balance of \$119M attributable to ordinary investors.

4.2 Statement of Financial Position

	2011	2010
	\$	\$
Assets		
Cash and cash equivalents	77,321	19,800,774
Other receivables	144,038	1,668,485
Mortgage loans and accrued interest	106,480,922	259,675,256
Total assets	106,702,281	281,144,515
Liabilities		
Financial liabilities measured at amortised cost:		
Overdraft	233,444	-
Accounts payable	3,850,821	1,417,578
Distributions payable	140,407	1,970,639
Interest bearing liabilities	18,083,722	35,000,000
Total liabilities (excluding net assets attributable to investors)	22,308,394	38,388,217
Net assets attributable to investors - liability	84,393,787	242,756,198
Net assets	100	100
Equity	100	100

I comment on the key issues arising from the above, as follows:

- Mortgage loans and investments were written down to \$106M at the year end with net assets attributable to investors of \$84M (2010 \$242M);
- The secured creditors were reduced from \$35M to \$18M during the year. Since the year end, NAB's facilities have been reduced from \$15M to \$8.4M.

4.3 Statement of Cash Flows

	2011	2010
	\$	\$
Cash flows from operating activities		
Interest received - mortgage loans	5,283,080	32,705,888
Interest received - cash and cash equivalents	259,176	457,432
Distributions paid to investors	(11,549,069)	(17,342,774)
Interest paid	(3,388,056)	(3,225,131)
Return on Responsible Entity's subordinated investment	-	(13,244,244)
Management fee	-	(4,070,936)
Scheme expenses	(6,338,459)	-
Net cash flows (used in)/from operating activities	(15,733,328)	(4,719,765)
Cash flows from investing activities		
Advances on existing mortgage loans	(16,054,689)	(44,427,143)
Mortgage loans repaid	27,868,740	89,069,931
Net cash (used in) investing activities	11,814,051	44,642,788
Cash flow from financing activities		
Proceeds from issue of redeemable units - investors	3,034,319	6,914,051
Payments on redemption of redeemable units - investors	(2,155,661)	(10,675,129)
Proceeds from borrowings	2,583,722	-
Repayment of borrowings	(19,500,000)	(29,000,000)
Net cash from financing activities	(16,037,620)	(32,761,078)
Net increase in cash and cash equivalents	(19,956,897)	7,161,945
Cash and cash equivalents at 1 July	19,800,774	12,638,829
Cash and cash equivalents at 30 June	(156,123)	19,800,774

I comment on the key issues arising from the above, as follows:

- Interest received on mortgage loans was \$5M (2010 \$32M) with mortgage loans repaid of \$27.8M (2010 \$89M);
- Borrowings were reduced by a net amount of \$17.5M (2010 \$29M).

4.4 Investors Unit Price of \$0.44 as at 30 June 2011

As notified by Equititrust Ltd on 22 December 2011, on the recommendation of its auditors KPMG and as adopted by the board, it was agreed to write-down the mortgage loans with the result that the investors' unit price was calculated at \$0.44.

For further details, please visit the company's website www.equititrust.com.au.

This does not take into account future operating costs and Receivers fees and therefore the likely final return is likely to be less. An estimated return as at 31 December 2011 is included at Section 6 below.

5. Loan Book Realisation Strategy

In determining the most appropriate realisation strategy for each property asset, there are a number of competing priorities and issues to consider, so as to realise the optimum return to investors, as follows:

- Both secured creditors (loans/bank guarantees totalling \$9.5M) seeking repayment as soon as possible;
- Other loans to the Fund looking for repayment. M M Holdings Pty Ltd ATF The McIvor Superannuation Fund is currently owed approximately \$2.6M in this respect;
- The unsecured creditors of the Fund which total \$8.8M as at 31 December 2011, including rates and land taxes of \$7.2M. A number of these creditors are pressing for payment. There are competing priorities to ensure the terms of the bank facilities are maintained and to ensure other creditors do not take enforcement action;
- The holding costs of the assets, including rates, land tax, time value of money, ongoing overheads to realise assets. Whilst the costs of managing the Fund have reduced from approximately \$6M per annum to less than \$1.5M (plus Receiver's fees - see section 7 below), they remain sizeable;
- Any opportunities available to add value to the asset, e.g. improving the DA, developing the property, adding to the marketability of the property, resolving outstanding issues that are detrimental to potential purchasers. The ability to spend funds on these issues is currently restricted due to the secured creditors' position and other creditors pressing for payment.

I have reviewed and discussed the realisation strategies with the loan officers, the CEO and Mark McIvor and have taken into account the issues noted above. The results of this review are that a number of sale campaigns are to commence shortly with the current status of the portfolio, as follows:

- Two contracts of sale have been entered into totalling \$1.15M although both are currently subject to finance;
- Negotiations are taking place in relation to two conditional offers received totalling \$4.725M;
- Steps are being taken to market properties with an estimated selling price of between \$27.8M and \$34.2M;

- There are ongoing sales at an industrial sub division although progress is slow. This strategy needs further consideration with a view to progressing further sales;
- The three remaining properties with estimated selling prices totalling between \$46M and \$59M require consultancy advice to develop the most appropriate realisation strategy. There are significant challenges to overcome in relation to these assets which ultimately will have a material effect on the amount recovered for investors.

In addition to the realisation of the physical assets, there are a number of ongoing legal actions to recover funds for the benefit of investors.

The realisation of the loan book will be commented on in more detail in future reports and as and when realisations are made in this respect.

6. Estimated Outcome to Investors as at 31 December 2011

	Low \$000's	High \$000's
Total estimated selling prices	93,315	119,065
Less: Selling costs - marketing and agents fees (3.5%)	(3,266)	(4,167)
Secured creditors	(12,100)	(12,100)
Land Tax and Rates	(7,200)	(7,200)
Other unsecured creditors	(1,600)	(1,600)
Receivers fees	(115)	(115)
Estimated net amount available to investors as at 31 December 2011	69,034	93,883
Total investors units	203,635	203,635
Estimated return in the dollar	\$0.34	\$0.46

The estimated selling prices have been prepared and provided to me by management based on their knowledge of the files, previous valuations held and feedback from sales campaigns, selling agents and other property experts. These may materially change and will be reviewed on a regular basis.

The above table does not take into account future operating costs, interest on bank loans until repaid in full, future Receivers fees and rates and land tax after 31 December 2011. It also excludes any legal recoveries against borrowers, valuers or other third parties.

7. Receiver's Remuneration and Expenses

Fees incurred from the date of my appointment on 21 November 2011 until 29 January 2012 (ten weeks) are \$175,708.50 plus GST and outlays as detailed in the attached remuneration summary.

My fees will be subject to approval by the court in due course.

I note that Equititrust Limited have appealed the judgement pursuant to which I was appointed as receiver and person responsible for ensuring the Fund is wound up in accordance with the constitution of the Fund. Substantial costs and fees have been incurred in my dealing with the issues raised by Equititrust Limited as to the nature and extent of my appointment. No date has yet been set for the hearing of the appeal. Notwithstanding the appeal by Equititrust Limited I will continue to act pursuant to the orders made that the Fund be wound up.

8. ASIC Investigations/Suspension of Australian Financial Services Licence

On 20 October 2011, ASIC officers exercised search warrants at the offices of the Responsible Entity in relation to documents relevant to ASIC's investigation of historical matters. A number of the seized documents are the subject of claims for legal professional privilege.

I have met with ASIC in this regard and agreed a protocol to protect investors interests in this respect.

ASIC has advised me that if there are any concerns or issues investors would wish to raise, they should contact ASIC's hotline on 1300 300 630.

ASIC consent order

On 27 October 2011, ASIC obtained orders by consent of the Responsible Entity from the Supreme Court. These orders include that until the Responsible Entity ceases to be in breach of clause 6 of its Australian Financial Services Licence (which related to net tangible assets of the Responsible Entity) and lodges outstanding audited annual financial reports and compliance audits for the Schemes for which it is Responsible Entity, the Responsible Entity is subject to a range of restraints including, inter alia, modifying the Constitution of the Scheme, issuing of new interest in the Scheme, and entering into related party transactions without providing ASIC with 21 days notice.

Suspension of Australian Financial Services Licence

On 7 December 2011, the Australian Financial Services Licence of the Responsible Entity was suspended by ASIC until 6 December 2012. Notwithstanding this suspension the Responsible Entity may continue to act as responsible entity of the Scheme in order to effect the winding up of the Scheme. The Responsible Entity remains subject to its relevant ongoing obligations while it continues to be the Responsible Entity.

9. Responsible Entity Insurance

Insurance policies of the Responsible Entity expired on 21 November 2011, resulting in the Responsible Entity being in breach of its Australian Financial Services Licence. As at the date of this report, the directors of the Responsible Entity have not been successful in arranging alternative appropriate insurance.

10. Social Security Update

As noted on Equititrust's website on 29 September 2011 and 22 December 2011, the responsible entity has been in correspondence with the Department of Families, Housing, Community Services and Indigenous Affairs to request an exemption from social security deeming rules to assist pensioners who are income and asset tested and hold investments in the EIF.

The Minister has declined to assist although investors should keep Centrelink informed of any changes in unit value so that their position can be reassessed.

Any investors experiencing severe financial hardship should contact Centrelink on 13 23 00.

11. Ongoing Reporting

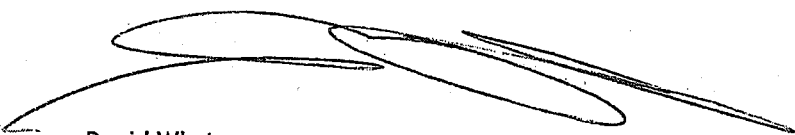
My intention is to provide monthly reports to investors in relation to the ongoing progress of the receivership. In order to save costs, future reports will be posted on the updates page of the website www.equititrust.com.au.

Please note that prior to finalising this report I provided a copy of the report to Equititrust Limited as Responsible Entity for it to comment on the content of the report. I have not received any written comments from Equititrust Ltd regarding the contents of the report.

12. Queries

Should you have any queries in the above respect, please contact Andrew Want on (07) 3237 5711 or Jayden Coulston of this office on (07) 3237 5890.

Yours faithfully



David Whyte
Receiver

Enc.

REMUNERATION SUMMARY
Equititrust Income Fund (Receiver Appointed)
21 November 2011 to 29 January 2012

Employee	Position	Rate	Total Units	Total \$	Administration		Assets		Creditors		Employees		Investigations		Trades			
					Units	\$	Units	\$	Units	\$	Units	\$	Units	\$	Units	\$		
Fielding, Andrew	Partner	545	0.70	381.50	0.20	109.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Newman, Helen	Partner	545	0.60	327.00	0.60	327.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Whyte, David	Partner	545	238.50	130,927.50	9.80	5,341.00	33.90	18,475.50	31.70	17,276.50	0.20	109.00	5.30	2,888.50	157.60	85,892.00		
Brushe, David	Manager	375	76.20	28,575.00	14.30	5,362.50	51.30	19,237.50	0.90	337.50	0.00	0.00	0.00	0.00	9.70	3,637.50		
Want, Andrew	Senior Accountant II	260	50.80	13,208.00	48.20	12,532.00	1.10	286.00	1.50	390.00	0.00	0.00	0.00	0.00	0.00	0.00		
Coulston, Jayden	Accountant I	210	4.40	924.00	6.90	1,449.00	6.60	1,386.00	0.30	63.00	0.00	0.00	0.10	21.00	0.50	105.00		
Pembroke, Elle	Accountant I	210	2.30	483.00	2.30	483.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
TOTAL			388.00	175,708.50	122.30	72,603.50	92.90	39,385.00	34.40	18,067.00	0.20	109.00	5.40	2,909.50	167.80	89,634.50		
			TOTAL GST	17,570.85														
			TOTAL INC GST	193,279.35														
			AVERAGE HOURLY RATE	311.10			423.95			525.20			545.00			538.80		

DISBURSEMENT REPORT
Equititrust Income Fund (Receiver Appointed)
21 November 2011 to 29 January 2012

Item	Amount
NSW Power of Attorney Transfer fee	90.45
Travel - Mileage	1,059.04
Mobile Internet	53.63
Postage	6.88
Search Fee	274.45
Sub Total	1,484.45
GST	148.45
TOTAL	1,632.90

SUPREME COURT OF QUEENSLAND

Duplicate

REGISTRY: Brisbane
NUMBER: 10478/2011

In the matter of **EQUITITRUST LIMITED ACN 061 383 944**

Applicant: **EQUITITRUST LIMITED ACN 061 383 944**

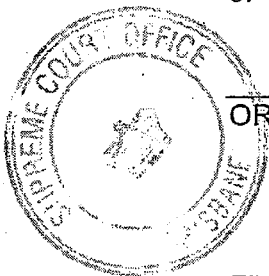
Before: Justice Applegarth

Date: 21 November 2011

Initiating document: Application filed 15 November 2011, and oral application made by the Australian Securities and Investments Commission on 21 November 2011

THE ORDER OF THE COURT IS THAT:

1. Pursuant to section 601ND (1)(a) of the *Corporations Act 2001* (Cth) (the "Act"):-
 - (a) Equititrust Limited ACN 061 383 944 be directed to wind up the Equititrust Income Fund ARSN 089 079 854, established by Deed Poll dated 9 August 1999 ("EIF");
 - (b) Equititrust Limited ACN 061 383 944 be directed to wind up the Equititrust Priority Class Income Fund ARSN 089 079 729 established by Deed Poll dated 9 August 1999 ("EPCIF").
2. David Whyte ("**Mr Whyte**") be appointed pursuant to section 601NF(1) of the Act to take responsibility for ensuring that:-
 - (a) the EIF is wound up in accordance with its constitution; and
 - (b) the EPCIF is wound up in accordance with its constitution.
3. Pursuant to section 601NF(2), that Mr Whyte:-



ORDER:

Filed on behalf of the Applicants

TUCKER & COWEN
Solicitors
Level 15
15 Adelaide Street
Brisbane, Qld, 4000.
Tele: (07) 300 300 00
Fax: (07) 300 300 33

- (a) have access to the books and records of Equititrust Limited which concern the EIF and the EPCIF;
 - (b) be indemnified out of the assets of the EIF in respect of any proper expenses or costs incurred in effecting the winding up of the EIF;
 - (c) be indemnified out of the assets of the EPCIF in respect of any proper expenses or costs incurred in effecting the winding up of the EPCIF;
 - (d) be entitled to claim remuneration in respect of the time spent by him and by any servants or agents of BDO who perform work in the winding up of the EIF at rates and amounts to be approved by the Court and be indemnified out of the assets of the EIF in respect of such remuneration; and
 - (e) be entitled to claim remuneration in respect of the time spent by him and by any servants or agents of BDO who perform work in the winding up of the EPCIF at rates and amounts to be approved by the Court and be indemnified out of the assets of the EPCIF in respect of such remuneration.
4. Pursuant to sections 1101B(1) and 1101B(5) of the Act, Mr Whyte be appointed as:-
- (a) a receiver of the property of the EIF; and
 - (b) a receiver of the property of the EPCIF,
- until 4:00pm on Wednesday 23 November 2011, or further earlier order.
5. That nothing in this Order prejudices the rights of the National Australia Bank Limited, Commonwealth Bank of Australia Limited or Bank of Scotland International Ltd, pursuant to any securities any of them hold over Equititrust Limited or the EIF.
6. That by 4pm on Tuesday 22 November 2011, Equititrust Limited publish on its website (www.equititrust.com.au), in pdf form, by way of notice to members of the EIF and EPCIF a copy of this Order, which publication shall be sufficient notice to members of the EIF and EPCIF of this Order.
7. There be general liberty to apply to any person affected by these Orders, including liberty to apply for further directions in accordance with section 601NF(2) of the Act.
8. The parties appearing on this application, save for ASIC, be paid their costs of and incidental to this Application, to be assessed on the standard basis, out of the EIF.
9. The oral application of ASIC be adjourned to 10:00am on Wednesday 23 November 2011.

Signed:

A handwritten signature consisting of several overlapping loops and lines, appearing to be a stylized name or initials.

Duplicate

SUPREME COURT OF QUEENSLAND

REGISTRY: Brisbane
NUMBER: BS 10478 of 2011

IN THE MATTER OF EQUITITRUST LIMITED ACN 061 383 944

Applicant: EQUITITRUST LIMITED ACN 061 383 944

AND

Respondents: THE MEMBERS OF THE EQUITITRUST INCOME FUND
ARSN 089 079 854 AND THE MEMBERS OF THE EQUITITRUST
PRIORITY CLASS INCOME FUND ARSN 089 079 729

ORDER

Before: Justice Applegarth

Date: 23 November 2011

Initiating document: Application filed 15 November 2011 and Oral Application made 21
November 2011

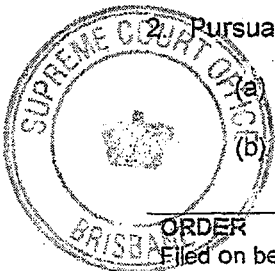
THE ORDER OF THE COURT IS THAT:

1. Pursuant to s.1101B(1) of the *Corporations Act 2001* (Cth) (*the Act*) David Whyte (*Mr Whyte*) be appointed as:

- (a) a receiver of the property of the Equititrust Income Fund (*EIF*); and
- (b) a receiver of the property of the Equititrust Priority Class Income Fund (*EPCIF*).

2. Pursuant to s.601NF(2) of the Act David Whyte (*Mr Whyte*) be appointed as:

- (a) a receiver of the property of the Equititrust Income Fund (*EIF*); and
- (b) a receiver of the property of the Equititrust Priority Class Income Fund (*EPCIF*).



ORDER
Filed on behalf of the Intervener

Australian Securities & Investments Commission
Hugh Copley, Litigation Counsel

Form 59 Rule 661

Level 20, 240 Queen Street, Brisbane Qld 4000
Tel: (07) 3867 4700
Fax: (07) 3867 4725
Ref: KRodgers (11-40025)

3. Pursuant to s.1101B(1) of the Act, Mr Whyte have, in relation to the property for which he is appointed receiver pursuant to Order 1 above, the powers set out in s.420 of the Act in addition to the powers set out in s.1101B(8)(a) to (c) of the Act.
4. Pursuant to s.601NF(2) of the Act, Mr Whyte have, in relation to the property for which he is appointed receiver pursuant to Order 2 above, the powers set out in s.420 of the Act and the powers set out in s.1101B(8)(a) to (c) of the Act.
5. Pursuant to s.1101B(1) of the Act, Mr Whyte in respect of the appointment made in Order 1 above:
 - (a) be indemnified out of the assets of the EIF in respect of any proper expenses or costs incurred in acting as receiver of the property of the EIF;
 - (b) be indemnified out of the assets of the EIF in respect of any proper expenses or costs incurred in acting as receiver of the property of the EPCIF;
 - (c) be entitled to claim remuneration in respect of the time spent by him and by any servants or agents of BDO who perform work in the receivership of the property of the EIF at rates and amounts to be approved by the Court and be indemnified out of the assets of the EIF in respect of such remuneration;
 - (d) be entitled to claim remuneration in respect of the time spent by him and by any servants or agents of BDO who perform work in the receivership of the property of the EPCIF at rates and amounts to be approved by the Court and be indemnified out of the assets of the EPCIF in respect of such remuneration.
6. Pursuant to s.601NF(2) of the Act, Mr Whyte in respect of the appointment made in Order 2 above:
 - (a) be indemnified out of the assets of the EIF in respect of any proper expenses or costs incurred in acting as receiver of the property of the EIF;
 - (b) be indemnified out of the assets of the EIF in respect of any proper expenses or costs incurred in acting as receiver of the property of the EPCIF;
 - (c) be entitled to claim remuneration in respect of the time spent by him and by any servants or agents of BDO who perform work in the receivership of the property of the EIF at rates and amounts to be approved by the Court and be indemnified out of the assets of the EIF in respect of such remuneration;
 - (d) be entitled to claim remuneration in respect of the time spent by him and by any servants or agents of BDO who perform work in the receivership of the property of the EPCIF at rates and amounts to be approved by the Court and be indemnified out of the assets of the EPCIF in respect of such remuneration.
7. That nothing in this Order prejudices the rights of the National Australia Bank Limited, Commonwealth Bank of Australia Limited or Bank of Scotland International Ltd, pursuant to any securities any of them hold over Equititrust Ltd or the property of the EIF.

8. That by 4pm on Thursday 24 November 2011, Equititrust Ltd publish on its website (www.equititrust.com.au), in pdf form, by way of notice to its members of the EIF and EPCIF a copy of this Order, which publication shall be sufficient notice to members of the EIF and EPCIF of this Order.
9. That the parties appearing on this application, save for ASIC, be paid their costs of and incidental to this Application, to be assessed on the standard basis, out of the EIF.
10. There be general liberty to apply to any person affected by these Orders, including liberty to apply for further directions in accordance with s.601NF(2) of the Act.

Registrar:

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

SUPREME COURT OF QUEENSLAND

CITATION: *Re Equititrust Ltd* [2011] QSC 353

PARTIES: **EQUITITRUST LTD**
ACN 061 383 944
(applicant)
v
THE MEMBERS OF THE EQUITITRUST INCOME FUND AND THE EQUITITRUST PRIORITY CLASS INCOME FUND
(respondents)

FILE NO: BS 10478 of 2011

DIVISION: Trial Division

PROCEEDING: Originating Application

ORIGINATING COURT: Supreme Court at Brisbane

DELIVERED ON: 23 November 2011

DELIVERED AT: Brisbane

HEARING DATE: 21 and 23 November 2011

JUDGE: Applegarth J

ORDERS: **Orders for two registered schemes to be wound up pursuant to s 601ND of the *Corporations Act 2001 (Cth)*, for the appointment of a person to take responsibility for ensuring that each registered scheme is wound up and for the same person to be appointed as a receiver of the property of each scheme.**

CATCHWORDS: CORPORATIONS – MANAGED INVESTMENTS – WINDING UP – where company applied to Court for the winding up of two registered schemes of which it was the responsible entity and for the appointment of a temporary responsible entity – where circumstances of urgency exist due to impending lapse of insurance for officers of company – where directors indicated that they would resign upon lapse of insurance – where the administration of the schemes had broken down and the schemes' purposes could no longer be accomplished – where the company was in breach of the *Corporations Act 2001 (Cth)* and of conditions of its financial services licence – whether the Court had jurisdiction to appoint a temporary responsible entity – whether the Court should order the winding up of the schemes – whether the Court should appoint a receiver to the property of each scheme

Corporations Act 2001 (Cth) s 601FA, s 601FN, s 601FP, 601ND, s 601NF, s 1101B

Australian Securities and Investments Commission v Knightsbridge Managed Funds Ltd [2001] WASC 339 cited
Capelli v Shepard (2010) 264 ALR 167; [2010] VSCA 2 cited

Re Crust 'N' Crumb Bakers (Wholesale) Pty Ltd [1992] 2 Qd R 76 cited

Joye v Beach Petroleum N.L. (1996) 67 FCR 275 cited
Mier v FN Management Pty Ltd [2006] 1 Qd R 339; [2005] QCA 408 discussed

Re PWL Ltd; Ex parte PWL Ltd (formerly Palandri Wines Ltd) (No 2) [2008] WASC 232 cited

Re Rubicon Asset Management Ltd (2009) 74 ACSR 346; [2009] NSWSC 1068 discussed

Re Stacks Managed Investments Ltd (2005) 219 ALR 532; [2005] NSWSC 753 discussed

Westfield Management Ltd v AMP Capital Nominees Ltd [2011] NSWSC 1015 cited

Yunghanns v Candoora No. 19 Pty Ltd (No 2) (2000) 35 ACSR 34; [2000] VSC 300 cited

COUNSEL: P L O'Shea SC and J W Peden for the applicant
A S Martin SC and G M Drew for certain members
D R W Tucker (solicitor) for a member, Tucker SF Pty Ltd
T P Sullivan SC and S R R Cooper for the Australian Securities and Investments Commission intervening
D D Keane instructed directly by Lion Advantage Ltd, an applicant for appointment as a temporary responsible entity (21 November 2011)
J W Peden for the applicant and Mr Mark McIvor (23 November 2011)

SOLICITORS: Nyst Lawyers for the applicant
Piper Alderman for certain members
Tucker & Cowen for Tucker SF Pty Ltd
Australian Securities and Investments Commission for the intervener
Nyst Lawyers for Mr Mark McIvor (23 November 2011)

- [1] On Monday, 21 November 2011 I made certain orders following a hearing which was held on short notice and in circumstances of urgency. These are my reasons for making those orders. The circumstances of urgency included the fact that two insurance policies covering officers of Equititrust Ltd (the company) were due to expire at 3.00 pm that day. They were unlikely to be renewed and alternative insurance could not be sourced. In those circumstances, the recently-appointed directors of the company were not prepared to remain on the board and proposed to resign shortly before 3.00 pm.

- [2] By an originating application filed on 15 November 2011 the company sought the following two orders:

- “1. The Equititrust Income Fund be wound up pursuant to section 601ND of the *Corporations Act* (Cth) 2001;
2. The Equititrust Priority Class Income Fund be wound up pursuant to section 601ND of the *Corporations Act* (Cth) 2001.”

It also sought an order pursuant to s 601FN of the *Corporations Act* (Cth) 2001 (“the Act”) that:

“Equititrust Limited be replaced as the Responsible Entity of the Equititrust Income Fund and the Equititrust Priority Class Income Fund (‘Funds’) by a temporary Responsible Entity, with that entity to wind-up the Funds and take steps to call a meeting of members to ratify its appointment”.

The company also sought an order pursuant to s 601NF that a committee consisting of Mr Jeff McDermid, Mr Paul Vincent and Mr Nick Combis be appointed to take responsibility for ensuring that the funds are wound up in accordance with their constitutions and that appropriate directions be made to effect that winding up.

- [3] Upon the hearing of the application the company initially sought only an order pursuant to s 601FN of the Act that it be replaced as the responsible entity of the two funds. However, it submitted that if I did not appoint a temporary responsible entity to replace it, I should order that the funds be wound up.
- [4] The Australian Securities and Investments Commission (ASIC) intervened in the proceeding and made an oral application for the appointment of a receiver to the funds pursuant to s 1101B of the Act.

The application for the appointment of a temporary responsible entity

- [5] There was a jurisdictional impediment to the making of an order under s 601FN for the appointment of a temporary responsible entity. That section entitles ASIC or a member of a registered scheme to apply to the Court for the appointment of a temporary responsible entity of a scheme under s 601FP if the scheme “does not have a responsible entity that meets the requirements of s 601FA”. Section 601FA requires the responsible entity of a registered scheme to be a public company that holds an Australian financial services licence authorising it to operate a managed investment scheme. At the time of the company’s application and at the time of the hearing it met both of these requirements. The fact that it was in breach of the terms of its financial services licence and faced the prospect of having that licence terminated or suspended did not alter the fact that it still held its licence.
- [6] This jurisdictional impediment was, in part, the result of the company seeking from ASIC and obtaining an adjournment until 22 November 2011 of a hearing to show cause why its licence should not be terminated.
- [7] Counsel for ASIC helpfully drew my attention to Regulation 5C.2.02 of the *Corporations Regulations* 2001 (Cth), although the company did not make any

application under that regulation. For the reasons given by ASIC, it is questionable whether that regulation provides a source of power for the Court to appoint a temporary responsible entity other than in the circumstances provided for in s 601FL or s 601FN.

- [8] In the result, the Court's power to appoint a temporary responsible entity upon an application under s 601FN was not invoked.
- [9] This makes it unnecessary to address the question of whether the appointment of a temporary responsible entity was in the interests of the members, and a contentious issue as to whether the replacement of the company by such an entity would result in a reconversion of subordinated units held by the company in its own right, and a decrease in the value of units held by other members.

The application under s 601ND to wind up the funds

- [10] The company submitted that if I did not appoint a temporary responsible entity to replace it as the responsible entity for each fund, then I should make the orders sought in paragraphs 1 and 2 of its originating application for each of the funds to be wound up pursuant to s 601ND. ASIC supported this application. So did a member of the Equititrust Income Fund, Tucker SF Pty Ltd. The only opposition to making orders under s 601ND came from seven members for whom Mr Martin SC and Mr Drew of counsel appeared. The basis for that opposition was to enable members to call a meeting and to vote upon a proposal to wind up the Income Fund pursuant to s 601NB of the Act.
- [11] It is necessary to outline certain factual matters by way of background to explain why I reached the conclusion that it was just and equitable to make an order directing the responsible entity to wind up each fund, and why I considered that such an order should be made promptly rather than delayed for some uncertain period to allow the members to vote on a resolution to wind up the Income Fund.
- [12] The company is the responsible entity of three managed schemes, two of which are registered. The third, being the Equititrust Premium Fund ("EPF"), is not registered and is not required to be registered under the Act. The two registered managed investment schemes are known as the Equititrust Income Fund ("EIF") and the Equititrust Priority Class Income Fund ("EPCIF"). The EIF has some 1,400 members and net assets in excess of \$100,000,000. The EPCIF has only five members, all apparently associated with the company's sole shareholder, Mr McIvor. EPCIF holds 13,636,478 units in the EPF.
- [13] As its name suggests, the EIF was intended to be an "income fund" which provided monthly interest payments on most investments and the redemption of capital. Where a member invests for a period of 12 months the entitlement to redemption arises on the anniversary of the allotment of units after a request is made to redeem. The fund no longer achieves its purposes. The fund has been frozen since October 2008 in that no redemptions of units have been permitted since then. Since April 2011 the fund has ceased paying interest to members.
- [14] The company was beset by discord between directors and the company's sole shareholder, Mr McIvor, during 2011. It is unnecessary to describe fully the nature of the discord. An application was brought by the superannuation fund of a former director, Mr Tucker, seeking an order for the winding up of the EIF. The

application was adjourned on the basis of certain undertakings, given by Mr McIvor to the Court, not to seek to appoint any new director or remove any existing director from the board of the company without giving notice to the existing board and to ASIC, and seeking leave of the Court. These undertakings were given on 27 October 2011 in circumstances in which the company had been placed in the hands of a newly appointed board of directors. The newly appointed board comprised Mr Paul Vincent, Mr Jeff McDermid, Mr Troy Bingham and Mr Warwick Powell. Mr Vincent is a Fellow of the Institute of Chartered Accountants, and has 30 years experience as a Chartered Accountant. He and his fellow directors familiarised themselves with the operations of the company and considered how the funds might best be wound up. The new board considered the best realisation strategies.

- [15] On 12 October 2011 a differently constituted board had unanimously resolved:
- (a) that Equititrust Limited as the responsible entity of the Equititrust Income Fund considers that the purpose of the Equititrust Income Fund cannot be accomplished (within the meaning of s 601NC(1) of the *Corporations Act*).
 - (b) that Equititrust Limited as responsible entity of the Equititrust Income Fund take steps to wind up the Equititrust Income Fund within the meaning of s 601NC(1) and in accordance with its constitution.
 - (c) that the chief executive officer prepare notices to give to members of the scheme and to ASIC in accordance with s 601NC(2) of the *Corporations Act*.

A similar resolution was passed the same day in respect of the EPCIF, namely that its purpose cannot be accomplished and that it should be wound up.

- [16] The new board would have preferred to continue with the process of winding up that had been instigated, being a process provided for under s 601NC of the Act. However, the expiry and non-renewal of insurance policies on 21 November 2011 prompted them to have the company apply for winding up orders pursuant to s 601ND.
- [17] Mr Vincent, in an affidavit sworn on 18 November 2011, assessed the approximate financial position of the company as at 31 October 2011 as follows:
- “a. ETL [Equititrust Ltd] has assets in its own right worth approximately \$26,498,000;
 - b. ETL has liabilities in its own right in the approximate sum of \$26,470,000;
 - c. ETL has assets that it holds for the EIF in the approximate sum of \$120 million;
 - d. ETL has liabilities in its capacity as responsible entity for the EIF in the approximate sum of \$9 million;
 - e. ETL has therefore net assets in the EIF in the approximate sum of \$111 million;

- f. ETL has liabilities in its capacity as Responsible Entity for EPF in the approximate sum of \$12.5 million;
- g. ETL has assets that it holds for the EPF of approximately \$13 million;
- h. ETL has therefore net assets in the EPF in the approximate sum of \$0.5 million."

[18] The company has borrowings on its own behalf and also on behalf of the funds. The secured lenders include the Commonwealth Bank, the National Australia Bank and the Bank of Scotland International. The borrowings are secured by various real property mortgages and charges over assets of the company in its own right and also over assets of the funds. The total borrowings are approximately \$17 million, owed by EIF as to \$9 million and by EPF (the unregulated fund) as to \$8 million. The company's assets and liabilities are more fully summarised in Mr Vincent's affidavit sworn on 18 November 2011. That affidavit was supplemented by an affidavit sworn on 21 November 2011 which corrected paragraph 6 of the earlier affidavit by stating that the company in its capacity as responsible entity for the EPCIF holds 13,636,478 units in the EPF.

[19] Importantly for present purposes, according to Mr Vincent's assessment the EIF has net assets of about \$111 million.

[20] Based upon his work as a director since his appointment, Mr Vincent was "clearly of the view that the Funds should be wound up". His reasons were summarised as follows:

- "a. the Funds have been frozen since October 2008, in that no redemptions of units have been permitted since then;
- b. since April 2011, the Funds have ceased paying interest on the units to members of the Funds;
- c. the disharmony between Mr Tucker and Mr Kennedy on the one hand and Mr McIvor on the other hand over the past 12 months or so, as more fully described in the affidavits of Mr Tucker, Mr Kennedy and Mr McIvor filed in BS9534/2011, has destabilised the Funds to such a degree that it is extremely unlikely that the Funds could regain the possibility of resuming trading;
- d. the vast majority of the loans owed to ETL as responsible entity for the EIF are in default and require intensive management so as to maximise the value realisable from those loans;
- e. as indicated in paragraph 8 of my earlier affidavit, I have received widespread support from members for the winding up and no objections. I am aware of an indication, by correspondence from Piper Alderman as solicitors for a number of members who have mooted a potential class action against ETL and its former directors, that there may be some opposition

to the winding up, but I have not yet seen the details of any such opposition and am accordingly unable to comment on the reasons for such opposition; and

- f. against this background, it is clear to me that the purpose for which each of the EIF and EPCIF were established can not be accomplished.”

- [21] Mr Vincent and his fellow directors reached the conclusion that it is in the best interests of members of the EIF and the EPCIF that each fund be wound up forthwith.
- [22] It is unnecessary to canvass the board's preference for the appointment of a temporary responsible entity pursuant to s 601FP to enable the winding up to proceed subject to oversight by a committee. Mr Vincent's affidavit indicated that if a responsible entity was not able to be appointed to replace the company as the responsible entity by Monday, 21 November 2011, then the board recommended that an independent insolvency practitioner be appointed to wind up each fund in accordance with the provisions of its constitution.
- [23] The assessment by Mr Vincent and his fellow-directors of what is in the best interests of members of each fund was undertaken in difficult circumstances. I accepted the considered view of the new board that it was in the best interests of members of each fund that each fund be wound up forthwith.
- [24] As noted, the only opposition to such an order was advanced by counsel on behalf of a small number of members who, according to their Notice of Appearance, hold units in the EIF totalling \$2,433,743.11. Those members also obtained leave to file an application seeking a variety of orders including a declaration that certain notices given pursuant to s 601NC of the Act were invalid and an order pursuant to s 252E(1) of the Act that a meeting of the members of the EIF be called to consider and vote on an extraordinary resolution directing the responsible entity to wind up the EIF. I took into account the submissions made on behalf of these members as to the desirability of allowing the members to meet and consider a resolution to wind up the EIF. I was not in a position to make any assessment of the merit of a submission made by Mr Tucker to the effect that the opposition to an order to wind up the funds forthwith was to achieve some collateral advantage in connection with foreshadowed proceedings against the company and its former officers. I declined these members' application to adjourn the company's application and decided to make orders directing that each fund be wound up pursuant to s 601ND because such a course appeared to be in the best interests of members of the funds. Any advantage in allowing the members to vote on a resolution to wind up the EIF at a yet-to-be convened meeting at some uncertain future date was outweighed by the disadvantages associated with delaying orders for the winding up of each fund.
- [25] In addition to the matters supporting a winding up forthwith identified by Mr Vincent is the fact that the board intended to resign prior to 3.00 pm on Monday, 21 November 2011 in the event that the company was unable to obtain insurance coverage. Such a course would leave the company without directors unless and until Mr McIvor obtained a release from the undertakings given in relation to the appointment of directors. There is evidence from former directors of the company that Mr McIvor does not wish the company to properly pursue a winding up of the

funds. There was no proposal for directors who were independent of Mr McIvor to be appointed as directors. The task of winding up the funds, including the recovery of loans upon which there has been default, should be undertaken by an independent person who is appointed pursuant to s 601NF to take responsibility for ensuring that each fund is wound up in accordance with its constitution, and any orders made under subsection 601NF(2).

[26] Part 5C.9 of the Act creates a framework for the winding up of registered schemes. In general terms, a registered scheme may be wound up:

- (a) as required by the scheme's constitution pursuant to s 601NA;
- (b) at the direction of members after a members' meeting to consider and vote on an extraordinary resolution directing the responsible entity to wind up the scheme, as envisaged by s 601NB;
- (c) pursuant to s 601NC, if the scheme's purpose is either accomplished or cannot be accomplished after the responsible entity gives members of the scheme and ASIC the written notice provided for in s 601NC(2) and if no meeting is called within 28 days of the responsible entity giving the notice to the members;
- (d) pursuant to s 601ND, by order of the Court either on the ground that the Court thinks that it is just and equitable to make an order directing the responsible entity to wind up the scheme or because of an unsatisfied judgment against the responsible entity in its capacity as the scheme's responsible entity.

[27] The company resolved in accordance with s 601NC that the funds should be wound up. Winding up under s 601NC could not commence until 25 November 2011 at the earliest, being 28 days after certain notices were given to members. However, a number of members requested a meeting of members to consider the proposed winding up of the EIF and to vote on an extraordinary resolution directing that the fund be wound up pursuant to s 601NB of the Act.

[28] In short, the company's proposal that the funds be wound up pursuant to s 601NC had been overtaken by events, and such a winding up would not commence until some uncertain future date, depending upon the calling of a meeting and the validity of certain notices. A winding up at the direction of members in accordance with s 601NB could not commence until the calling of a members' meeting to consider and vote on such a resolution. The date upon which such a meeting would occur was uncertain and the pending resignation of directors made uncertain the means by which such a meeting would be held. All parties, including ASIC, appeared to agree that the funds should be wound up. I was not persuaded that there was any particular advantage to the members of the fund by a delay in the commencement of the winding up of the funds. The circumstances that had arisen by 21 November 2011 made it appropriate to direct that each fund be wound up forthwith.

[29] Section 601ND(1)(a) authorises the Court to order that the responsible entity of a registered scheme wind up the scheme if the Court thinks it is "just and equitable to make the order". The principles concerning the winding up of companies on the

just and equitable ground inform the application of this provision.¹ A registered scheme may be wound up on the just and equitable ground because the administration and original arrangement have broken down.² The Court may wind up a registered scheme on the just and equitable ground if it is in the public interest to do so.³

[30] The evidence before me, particularly Mr Vincent's evidence, and the parties' submissions persuaded me that it was just and equitable to make orders directing the applicant, as responsible entity, to wind up each fund. The principal reasons for that conclusion are those contained in Mr Vincent's affidavit and which I have earlier quoted. They may be summarised as follows:

- (a) The administration of the funds has broken down and the funds' purposes cannot be accomplished;
- (b) Repayments to investors have been frozen since October 2008 and the funds ceased making monthly interest payments to members on 1 April 2011;
- (c) Disharmony and disputes between members of the board of the company and Mr McIvor prior to the recent appointment of new board members destabilised the administration of the funds with the result that it is extremely unlikely that the funds could resume trading;
- (d) The vast majority of the loans owed to the company as responsible entity for the EIF are in default and require proper management so as to maximise the realisation of funds for the benefit of members;
- (e) The company is in breach of the conditions of its Australian financial services licence, including by a failure to lodge audited accounts, and the company was also likely to be in breach of the conditions of its licence upon the expiry of necessary insurance coverage;
- (f) The members of the recently appointed board were due to resign prior to 3.00 pm on 21 November 2011, whereupon the proper administration of the funds would be jeopardised;
- (g) The appointment of an independent person to take responsibility for ensuring that each fund is wound up in accordance with its constitution and any orders made under subsection 601NF(2) appears to be in the best interests of members of each fund;
- (h) The winding up of the EIF appears to have received widespread support from members, and no member contended that the funds should not be wound up.

¹ *Capelli v Shepard* (2010) 264 ALR 167 at 190, [2010] VSCA 2 at [104]; *Westfield Management Ltd v AMP Capital Nominees Ltd* [2011] NSWSC 1015 at [124]; *Re PWL Ltd; Ex parte PWL Ltd (formerly Palandri Wines Ltd) (No 2)* [2008] WASC 232 at [44].

² *Capelli v Shepard* (2010) 264 ALR 167 at 186, [2010] VSCA 2 at [86]; *Australian Securities and Investments Commission v Knightsbridge Managed Funds Ltd* [2001] WASC 339 at [63].

³ *Australian Securities and Investments Commission v Knightsbridge Managed Funds Ltd* [2001] WASC 339 at [64]; *Re Rubicon Asset Management Ltd* (2009) 74 ACSR 346 at 351, [2009] NSWSC 1068 at [23].

[31] For these reasons, I made orders on the afternoon of Monday, 21 November 2011 pursuant to s 601ND of the Act that:

- (a) Equititrust Limited ACN 061 383 944 be directed to wind up the Equititrust Income Fund ARSN 089 079 854, established by Deed Poll dated 9 August 1999; and
- (b) Equititrust Limited ACN 061 383 944 be directed to wind up the Equititrust Priority Class Income Fund ARSN 089 079 729 established by Deed Poll dated 9 August 1999.

Appointment of a person to take responsibility for the winding up of the funds

[32] Section 601ND empowers the Court, by order, to direct the responsible entity to wind up the scheme. Section 601NE provides that the responsible entity must ensure that the scheme is wound up in accordance with its constitution and any orders under subsection 601NF(2) if, among other things, the Court makes an order directing it to wind up the scheme. Section 601NF provides:

“601NF Other orders about winding up

- (1) The Court may, by order, appoint a person to take responsibility for ensuring a registered scheme is wound up in accordance with its constitution and any orders under subsection (2) if the Court thinks it necessary to do so (including for the reason that the responsible entity has ceased to exist or is not properly discharging its obligations in relation to the winding up).
- (2) The Court may, by order, give directions about how a registered scheme is to be wound up if the Court thinks it necessary to do so (including for the reason that the provisions in the scheme’s constitution are inadequate or impracticable).
- (3) An order under subsection (1) or (2) may be made on the application of
 - (a) the responsible entity; or
 - (b) a director of the responsible entity; or
 - (c) a member of the scheme; or
 - (d) ASIC.”

[33] In the circumstances that presented themselves on 21 November 2011, including the jurisdictional impediment to the appointment of a temporary responsible entity pursuant to s 601FN and the pending resignation of recently appointed members of the company’s board, I considered it necessary to appoint a person to take responsibility for ensuring that each fund was wound up in accordance with its constitution and any orders made under subsection 601NF(2). No party argued against such a course. The pending resignation of the company’s directors made it necessary to appoint an independent person to take responsibility to wind up each fund. The parties accepted that an independent insolvency practitioner be appointed to wind up each fund. Different persons had indicated their preparedness to be

appointed. After hearing submissions I decided to appoint Mr David Whyte, who is an experienced insolvency practitioner.

Powers conferred by s 601NF

[34] Given the time constraints that applied in hearing the application and making appropriate orders on Monday, 21 November 2011, I was not in a position fully to consider that day the extent of the powers conferred upon Mr Whyte by virtue of his appointment to take responsibility for ensuring that each fund is wound up in accordance with its constitution, and the extent of the Court's power to make orders pursuant to s 601NF(2) to facilitate the performance of his responsibility to ensure that each fund is wound up in accordance with its constitution. Having heard submissions, my provisional view was that orders might be made pursuant to s 601NF(2) directing that Mr Whyte act as a receiver of the property held by the company as:

- (a) responsible entity of the EIF; and
- (b) responsible entity of the EPCIF

However, I deferred making any orders pursuant to s 601NF in this regard so that I might consider relevant authorities concerning the power to make such orders pursuant to s 601NF.

Appointment of a receiver pursuant to s 1101B of the Act

[35] Soon after the commencement of the hearing on 21 November 2011, ASIC made an oral application pursuant to s 1101B of the Act for an order appointing a receiver of the property of each fund. The evidence and submissions indicated that the company had contravened the Act and one condition of its Australian financial services licence, and that upon the expiry of its insurance coverage would have contravened another condition. In the circumstances that I have earlier related concerning the need to appoint a person to take responsibility for ensuring that the funds were wound up, and in the absence of a specific order that Mr Whyte act as a receiver of the property of each fund, I made an interim order under s 1101B appointing him:

- (a) a receiver of the property of EIF; and
- (b) a receiver of the property of EPCIF

until 4.00 pm on Wednesday, 23 November 2011 or further earlier order. I was satisfied that such an order would not unfairly prejudice any person, and that such an order was in the interests of the members of each fund.

Further orders

[36] I have now had an opportunity to consider whether in lieu of a further order pursuant to s 1101B, or in addition to an order made under that section, Mr Whyte should be ordered pursuant to s 601NF to act as a receiver of the property of each fund and whether an order should be made as to the powers which he has to act as receiver.

- [37] I have set out the text of s 601NF above. The exercise of the power to appoint a person to take responsibility for ensuring a registered scheme is wound up in accordance with its constitution and any orders made under subsection 601NF(2) may arise for consideration in a wide variety of circumstances. For example, the originating application in this matter envisaged the appointment pursuant to s 601NF of a capable and competent temporary responsible entity pursuant to s 601NF to wind up the funds and for a committee consisting of Mr McDermid, Mr Vincent and a partner of Mr Vincent to be appointed to s 601NF to oversee the winding up. In other circumstances a responsible entity will not exist or will not be capable of winding up the registered scheme under the oversight of a person appointed pursuant to s 601NF. Section 601NF(1) contemplates such situations. One such situation is where the responsible entity "has ceased to exist". As ASIC submits, in such a case, unless a person appointed under s 601NF is empowered to deal with the assets of the scheme, that person will have no means to effect the winding up and the appointment would be rendered meaningless.
- [38] The terms of s 601NF(1) by which the Court may, by order, appoint a person "to take responsibility for ensuring" a registered scheme is wound up may be thought to necessarily carry with the appointment the authority to do such things as are necessary to wind up the registered scheme in accordance with its constitution and any orders made under subsection (2). McPherson SPJ (as his Honour then was) in *Re Crust 'N' Crumb Bakers (Wholesale) Pty Ltd*⁴ stated that:

"Winding up is a process that consists of collecting the assets, realising and reducing them to money, dealing with proofs of creditors by admitting or rejecting them, and distributing the net proceeds, after providing for costs and expenses, to the persons entitled."

This statement has been approved by the Court of Appeal in *Mier v FN Management Pty Ltd*⁵ and by the Full Court of the Federal Court in *Joye v Beach Petroleum N.L.*⁶ Accordingly, an appointment pursuant to s 601NF may be said itself to authorise the appointed person to cause assets to be collected, realised and other steps taken so as to wind up the scheme in accordance with its constitution and any orders made under s 601NF(2). In general terms, the constitution of the EIF provides for the winding up to involve the conversion of the funds' assets to money and, after the payment of debts, the payment to members in proportion to the amount of the members' interests in the scheme.

- [39] Depending upon the circumstances of a particular case, the responsibility for ensuring that a registered scheme is wound up may involve the appointed person ensuring that the responsible entity undertakes these kind of tasks. In other circumstances, for example, because the responsible entity has ceased to exist or is incapable of doing these tasks, the appointed person may need to undertake them or engage someone else to do so.
- [40] The nature and extent of the powers which s 601NF confers upon an appointed person by virtue of his or her appointment is not clear from the terms of the statute. The matter is not clarified or illuminated by the Explanatory Memorandum to the

⁴ [1992] 2 Qd R 76 at 78.

⁵ [2006] 1 Qd R 339 at 347, [2005] QCA 408 at [15].

⁶ (1996) 67 FCR 275 at 287, 290.

Managed Investments Bill 1997 (Cth) which simply stated in respect of proposed s 601NF (which is in identical terms to s 601NF as enacted) that:

“The Court may make other such orders as it sees fit.”

But the section, as enacted, is not in such simple terms. Instead, it provides for the appointment of a person pursuant to s 601NF(1), and goes on to provide that the Court may “by order” give directions about how a registered scheme is to be wound up if the Court thinks it necessary to do so. I note that subsection 601NF(2) is not simply a power to give directions.⁷ It contemplates the Court making orders, not simply directions. The orders that might be made under s 601NF(2) are not confined to directions about winding up the scheme in accordance with its constitution. The section does not specify all of the circumstances under which it may be necessary to give directions, but the circumstances include the fact that the provisions in the scheme’s constitution are inadequate or impracticable.

- [41] The terms of s 601NF might be contrasted with the terms of s 601EE(2) in respect of unregistered managed investment schemes. Section 601EE(2) provides in such a case that the Court may make “any orders it considers appropriate for the winding up of the scheme.”
- [42] In *Re Stacks Managed Investments Ltd*,⁸ White J compared s 601NF(2) with s 601EE(2) and considered the authorities in relation to s 601EE(2). Section 601EE(2) was said to empower the Court “to fashion the winding-up process.”⁹ By contrast, s 601NF(2) gave power to make directions about how a registered scheme is to be wound up, where the winding up may already be on foot and should be provided for by the scheme’s constitution.
- [43] In that matter the plaintiff wished to have insolvency practitioners appointed as persons to take responsibility for ensuring that the scheme was wound up. The plaintiff sought the conferral of a wide range of powers on such persons. These included the power to conduct examinations in the same way that liquidators of companies have those powers. White J observed that the plaintiff had adapted the provisions of the *Corporations Act* dealing with the winding up of companies to the circumstances of the scheme. The plaintiff contended that powers could be conferred on the responsible persons, obligations imposed on third parties, and rights of creditors restricted to bring the winding up of the scheme into line with the winding up of companies.¹⁰ His Honour observed that Part 5C.9 provides for the winding up of a registered scheme in accordance with its constitution and any order the Court might make under s 601NF(2). Where the scheme is a trust, what is envisaged by the winding up of a scheme is the realisation of its property, the payment by the responsible entity of liabilities incurred on behalf of the scheme or the retention by it of funds with which to meet its liabilities, the ascertainment of the members’ entitlements, and the distribution of the trust assets to the members in accordance with their entitlements.¹¹ The winding up of a trust was said to be quite a different thing from winding up a company, with the liquidation of a company being a matter governed by statute. His Honour observed that none of the detailed

⁷ cf. the power of a Court to give directions under a provision such as the *Trusts Act 1973*, s 96 (Qld).

⁸ (2005) 219 ALR 532, [2005] NSWSC 753.

⁹ Ibid at 541, [37].

¹⁰ Ibid at 537, [19].

¹¹ Ibid at 542, [42].

provisions of the *Corporations Act* that relate to the liquidation of a company applied to the winding up of a scheme.

- [44] The facts of that case are materially different to this proceeding. The plaintiff in that case sought the appointment of registered liquidators to provide the expertise which the plaintiff did not have in handling administrations. White J observed that the responsible entity was entitled under s 601FB to appoint those persons as its agents, or otherwise engage those persons, to do what the plaintiff was authorised to do in connection with the scheme. There was no necessity for an order under s 601NF(1). His Honour observed that such an order might be necessary if the plaintiff were failing in its duty to wind up the scheme, but there was no suggestion of that.
- [45] As to the proper scope for orders to be made under s 601NF(2), White J noted that the power was limited to giving directions about “how a registered scheme is to be wound up”. It did not authorise the Court “to confer additional powers upon a responsible entity to which third parties would be made subject, or to interfere with the rights which third parties would otherwise enjoy.”¹² His Honour went on to conclude that Parliament deliberately did not apply the regime for the winding up of companies to the winding up of registered schemes and that he did not read the power to give directions in s 601NF(2) “in the wide way for which the plaintiff contends as, in effect, permitting the court, by order, to impose a new legislative regime on the winding up of a particular scheme, and thereby affecting the rights of and imposing duties on third parties.”¹³ I respectfully agree with these conclusions.
- [46] It is necessary, however, for me to consider whether s 601NF authorises the making of orders which are of a different kind.
- [47] In *Re Rubicon Asset Management Ltd*,¹⁴ McDougall J was likewise concerned with the scope of the power to make orders pursuant to s 601NF(2). The matter in issue was a direction that the costs of winding up be borne by the responsible entity. The power to give such a direction was found to exist. The direction was not one which would take away any right that a third party had, or would subject a third party to any form of compulsory process for production of documents or examination. The order sought by the plaintiffs in that case was made. McDougall J noted that in *Re Stacks Managed Investments* White J gave as an example of what was authorised by s 601NF(2) “the making of directions of a kind which would be made in an administration suit for the purpose of settling the entitlements of members”. McDougall J stated that White J was not intending to give an exhaustive account of the width of the statutory power. Like McDougall J and White J, I do not propose to canvass the full extent of the power to give directions under s 601NF(2). My present concern is whether s 601NF authorises the Court by order to give a direction about how a registered scheme is to be wound up by giving a direction that the person to take responsibility for ensuring that the registered scheme is wound up has the power to act as a receiver of the property held by the company as responsible entity of the fund.

¹² Ibid at 544, [52].

¹³ Ibid at 545, [55].

¹⁴ (2009) 74 ACSR 346, [2009] NSWSC 1068.

- [48] In *Mier v FN Management Pty Ltd*¹⁵, Keane JA (as his Honour then was, and with whom McMurdo P and Douglas J agreed) was concerned with the power conferred by s 601EE(2) in relation to the getting in, realisation and distribution of the property of an unregistered managed investment scheme. Because the Act did not explicitly lay down a method for the winding up of an unregistered scheme, Keane JA stated that it must be assumed that, in general, the Court would be guided by analogies with the law relating to the winding up of companies, partnerships and trusts when deciding on the appropriate procedure for the winding up of a scheme. His Honour went on to observe that the best analogy might be thought to be the winding up procedure applicable to a registered scheme and continued:

“Unfortunately for present purposes, the Act, beyond directing that a registered scheme be wound up in accordance with its constitution, also leaves the detail of the winding up of a registered scheme in the hands of the Court, which may make such orders as it ‘thinks necessary to do so’.”¹⁶ (emphasis added)

- [49] In *Capelli v Shepard*¹⁷ the Victorian Court of Appeal made a passing comment in the context of a submission that the Court might give directions about whether the scheme property included certain trees. The Court did not think it appropriate to exercise the power under s 601NF(2) as suggested. Its first reason was that the question was not in terms raised in the appeal. Its second reason was that the Court was “not at all confident that a power such as this might be used to affect rights to property.” The Court observed that it “may be that ‘directions as to how a registered scheme is to be wound up’ are limited to procedural rather than substantive matters.” The Court did not develop this point or attempt to define the difference between procedural and substantive matters.
- [50] I am not concerned with an application of the kind that White J rejected in *Re Stacks Managed Investments Ltd*. The application does not seek an order that would give the person appointed pursuant to s 601NF(1) powers in relation to the property of third parties. The application does not seek to adapt and impose detailed provisions dealing with the winding up of companies to the circumstances of a registered scheme.
- [51] I am concerned with a question of whether s 601NF authorises the person who I have appointed to take responsibility for ensuring the funds are wound up to act as a receiver of the property of each fund. There may be doubt as to whether the appointment itself confers such a power. It may be thought necessary to make an order pursuant to s 601NF(2) directing the appointed person to act as receiver since such an order is one which gives directions about “how a registered scheme is to be wound up”. Such an order will be made only if the Court thinks it necessary to do so. For example, the occasion to make such an order may arise if the responsible entity is either unable or unwilling to wind up the scheme, or itself to appoint a person to collect the property of the scheme, realise it and otherwise undertake the winding up of the scheme in accordance with its constitution.
- [52] I am satisfied that in an appropriate case s 601NF(2) gives the Court power, by order, to give directions that the person appointed to take responsibility for ensuring

¹⁵ [2006] 1 Qd R 339, [2005] QCA 408.

¹⁶ *Ibid* at 348-349, [18] (footnotes omitted).

¹⁷ (2010) 264 ALR 167 at 197, [2010] VSCA 2 at [146].

a registered scheme is wound up act as a receiver of the property of the scheme. The Court may exercise the power if it thinks it necessary to do so and one such circumstance might be if the property of the scheme was in jeopardy because the responsible entity was unable or unwilling to collect the property, realise it and do the other things necessary to wind up the scheme.

- [53] The present application is concerned with property that is held on trust. The person that I have appointed pursuant to s 601NF to take responsibility for ensuring that each fund is wound up in accordance with its constitution is required to ensure that a trust is wound up, but cannot necessarily rely upon the responsible entity itself to perform that task. In the analogous situation of a private trust in which trustees fail to get in trust property, a receiver may be appointed on the application of one of the trustees or of any beneficiary where the appointment is required for the safety of the trust property (the basis of the jurisdiction being the jeopardy of that property).¹⁸ The Court may appoint a receiver of trust property where that is necessary for the well-being of the trust.¹⁹ The Court will appoint a receiver of trust property where that property is in jeopardy through misconduct, waste, improper disposition, breach of a trustee's duty or the unsuitable character of the trustee.²⁰ The case in favour of appointment of a receiver must be a strong one but in assessing the risk to the trust the Court will apply a qualitative judgment.²¹ In my view, the exercise of the power conferred by s 601NF(2) to order that the person who has been appointed to take responsibility for ensuring that the registered scheme is wound up act as a receiver of the scheme's property should be exercised with a similar caution, and only where a strong case is made out for the need for such an order.
- [54] Having now had the opportunity to consider the authorities cited to me at the hearing on 21 November 2011, I consider that s 601NF(2) provides a source of power to make an order giving directions that Mr Whyte act as a receiver of the property of each fund.
- [55] On the morning of Wednesday, 23 November 2011, I heard submissions as to whether it is appropriate to extend Mr Whyte's appointment as a receiver pursuant to s 1101B and to make a similar order pursuant to s 601NF(2). I decided to make such orders and my reasons for doing so follow.
- [56] In this matter the Court has directed the responsible entity, namely the company, to wind up each scheme. In the circumstances earlier outlined, it was necessary to appoint an independent person to take responsibility for ensuring that each fund is wound up in accordance with its constitution and any orders made under subsection 601NF(2).
- [57] The appointment of a receiver of the property of each fund pursuant to s 1101B on ASIC's application and also pursuant to s 601NF(2) was supported by ASIC, and the members of the funds for whom Mr Martin SC and Mr Tucker respectively appeared. On this morning's hearing it was opposed by the company and by Mr McIvor for whom Mr Peden of Counsel appeared. Following the resignation of Mr

¹⁸ *Yunghanns v Candoora No. 19 Pty Ltd (No 2)* (2000) 35 ACSR 34 at 47, [2000] VSC 300 at [66]; J.D. Heydon and M.J. Leeming, *Jacobs' Law of Trusts in Australia*, 7th ed (Chatswood: LexisNexis Butterworths, 2006) at 625, [2305].

¹⁹ *Ibid.*

²⁰ *Yunghanns v Candoora No. 19 Pty Ltd (No 2)* (2000) 35 ACSR 34 at 52, [2000] VSC 300 at [84].

²¹ *Ibid.*

Vincent, Mr McDermid, Mr Bingham and Mr Powell at 2.50 pm on Monday, Mr McIvor as sole shareholder of the company appointed himself, his wife Ms Stacey McIvor and Mr Ross Honeyman as directors.

- [58] Whereas on Monday, 21 November, the company did not oppose the appointment of Mr Whyte as a receiver of the property of the funds, it now does so. Mr Peden submitted on its behalf and on behalf of Mr McIvor that there was no need to appoint Mr Whyte as a receiver pursuant to s 1101B(1) or s 601NF(2).
- [59] ASIC made submissions as to why there was such a need. ASIC's submissions were adopted by Mr Martin SC on behalf of the members he represents. Mr Tucker also supported Mr Whyte's appointment as a receiver for essentially the same reasons.
- [60] ASIC placed particular reliance upon the affidavits upon which it previously relied, and on its previous submissions in this proceeding and in proceeding BS9694 of 2011, being a proceeding which it brought against the company. In summary, ASIC submits that there is no dispute that the company is in breach of a condition of its Australian financial services licence—that it hold a minimum amount of net tangible assets ("NTA")—and has breached provisions of the Act requiring the company to lodge audited financial reports for each fund and audited reports of its compliance with the compliance plans for both funds. The affidavit material upon which ASIC relies, particularly an affidavit of Ms Gentles, and ASIC's written submissions detail the circumstances of these breaches.
- [61] ASIC was sufficiently concerned by the company's breaches of its licence and breaches of sections of the Act that it issued a Notice of Hearing under s 915C of the Act requiring the company to show cause as to why its licence should not be cancelled. Prior to that hearing it brought proceedings against the company, as did Tucker SF Pty Ltd. The material upon which ASIC relied included the matters that I have earlier addressed, and also identified substantial concerns as to how the company operated or proposed to operate each fund, the instability of the company's board and Mr McIvor's ability to change the board of the company at any time and without notice.
- [62] The affidavit of Ms Gentles is a substantial document, and contains material which justified ASIC's concern that Mr McIvor may not deal with the assets of the EIF in the best interests of members. The material relied upon by ASIC that supported its concern in this regard included documents that recorded the concerns of the board of the company in September and October 2011 about Mr McIvor's conduct. This included the then board's view that Mr McIvor "was responsible for making all of the current problem loans". It also included claims that he had demonstrated extremely poor judgment in recent times (evidenced by emails attached to an affidavit filed in proceedings brought against the company by a borrower that had acquired a unit in the EIF and commenced proceedings to wind up the company). It included the directors' view that Mr McIvor had continued to deal on an unauthorised basis with some borrowers. Mr McIvor was said to be in ongoing conflict with the board and senior management and to have made a series of threats against staff.
- [63] Exhibits to Ms Gentles's affidavit provided evidence from a former chairman, a former director and a former CEO of the company about the exercise by Mr McIvor

of his ability to change the company's personnel and directors without notice and without consultation.

- [64] ASIC sought relief in the proceedings that it brought against the company and submitted on that occasion that such relief was appropriate in circumstances where:
- (a) the company was, by its own admission, in breach of the NTA requirements imposed by its licence;
 - (b) the company had failed, despite specific requests by ASIC, to notify ASIC of its current NTA position;
 - (c) the company had failed to lodge audited financial reports allowing ASIC to make an assessment of its financial position;
 - (d) the company had breached provisions of the Act in failing to lodge audited financial reports and audited reports of its compliance with compliance plans for both funds;
 - (e) the board of the company had been in a state of upheaval, with Mr McIvor apparently focused on ways to develop the assets of EIF, rather than simply proceeding with an orderly winding up.

These matters were said to pose an increased risk that the company might seek to operate the EIF in a manner which was not in the best interests of members.

- [65] On 27 October 2011, Martin J made consent orders in relation to the operation of the EIF and the EPCIF on ASIC's application.
- [66] In the application brought by Tucker SF Pty Ltd there were many allegations of misconduct by Mr McIvor. Mr McIvor's affidavit sworn 26 October 2011 stated that in respect of Mr Tucker's numerous allegations against him:

"I am deliberately not responding to those allegations as I do not consider them relevant to the present application. My response to those matters will occur in the fullness of time. By not responding to them in this affidavit I should not be taken as accepting the correctness of what Mr Tucker has said."

I am not in a position to resolve the allegations made by Mr Tucker against Mr McIvor.

- [67] The concerns raised by ASIC include concerns based upon facts, about which there is no dispute, relating to the company's failure to comply with the conditions of its licence and the requirements of the Act.
- [68] Mr McIvor gave undertakings to the Court on 26 October 2011 that he would not appoint a new director to the board of the company, or remove a director or seek to remove a director from its board without giving seven days' notice to the existing board and to ASIC, and seeking the leave of the Court after expiry of that notice. He also gave an undertaking that he would not seek to interfere with the conduct of the board in its business and the discharge of its responsibilities on the basis that it was clear that he was entitled to put properly documented proposals before the

board for its consideration. Mr McIvor stated that he gave these undertakings to "safeguard any concerns which may be held regarding the independence of the Board and Board members being subject to influence".

[69] Following the resignation of the directors on Monday, I released Mr McIvor from these undertakings so that the company would have directors. There is no indication that Mr McIvor will not remain a director of the company. There is no indication that he intends to resign as a director and replace himself with other directors who are clearly independent of him. There is no evidence that independent directors would be prepared to assume such a role, and with the expiry of relevant insurance policies there is every reason to suppose that independent directors would not be willing to accept appointment in the absence of the kind of insurance cover that Mr Vincent and his fellow directors were unable to obtain.

[70] The matters raised by ASIC in the proceedings commenced by it, and also in these proceedings, raise serious concerns about the ability of the company while it remains under Mr McIvor's control, and while he remains a director:

- (a) to operate each fund in a manner that will comply with the Act and the conditions of its Australian financial services licence; and
- (b) to act in a manner which is in the best interests of the members of each fund.

I am not persuaded that the company will wind up the funds in a manner that is in the best interests of their members. On the contrary, the matters relied upon by ASIC and the members who support the appointment of Mr Whyte as a receiver raise a strong case that the appointment of a receiver is necessary to ensure that each scheme is wound up in accordance with its constitution and any orders made under subsection 601NF(1).

[71] Whereas the company on Monday did not oppose the making of orders for the appointment of a receiver, it now submits that such an appointment is premature and unfairly prejudicial to the interests of members. It and Mr McIvor submit that I should not assume that there will be problems in the orderly conduct of the winding up that I have ordered, that the company should be given the opportunity to wind up each scheme in accordance with its constitution and that Mr Whyte should only be appointed as a receiver if and when problems arise. They submit that it is not in the interests of members for Mr Whyte as receiver to assert control over the property of the funds and that the property of the funds should be left in the control of the company as a responsible entity, subject to the responsibility that Mr Whyte has by virtue of his appointment pursuant to s 601NF to take responsibility for ensuring that each scheme is wound up in accordance with its constitution.

[72] I do not accept this submission. I conclude that the best interests of most members of the funds, and the winding up of each scheme in accordance with its constitution, will be served by the appointment of Mr Whyte as a receiver. Such an appointment will avoid confusion and possible disputes over the control of property. Placing the property of the funds under the control of Mr Whyte as a receiver is likely to facilitate its realisation and the winding up of each fund for the benefit of its members. The appointment of Mr Whyte as receiver does not preclude him from having employees of the company (past, present and future) undertake tasks that are required to wind up each fund. As I mentioned more than once during the course of

argument, the best interests of members would appear to be served by relying upon the knowledge, skill and experience of persons who are familiar with the company's affairs, including persons who have taken steps to realise its property in the best interests of members. I am not, however, persuaded that the property of each fund should be left under the control of the company, subject only to the oversight of Mr Whyte by virtue of an appointment under s 601NF(1). The company's history of non-compliance with its statutory obligations, breaches of the conditions of its licence and the evidence pointed to by ASIC in relation to Mr McIvor present a strong case for the appointment of a receiver of each fund's property. The orderly conduct of the winding up of each fund will be facilitated by clarification of the fact that Mr Whyte is not only responsible for ensuring that each scheme is wound up in accordance with its constitution and any orders under subsection 601NF(2), but that he has the power to do so, including the power of a receiver to take control of the property to which he has been appointed receiver and to deal with that property in a way that facilitates the winding up of each fund in a manner, and within a timeframe, that realises the property of each fund in the best interests of members.

- [73] I am not satisfied that Mr Whyte will be able to ensure that each fund is wound up in a timely, efficient and cost-effective manner unless he is appointed as a receiver of the property of each fund. I consider that it is in the interests of the members that the property of the funds be under his control.
- [74] In general, the circumstances that made it necessary to appoint an independent person to take responsibility for ensuring that each fund is wound up in accordance with its constitution and any orders made under s 601NF(2) also persuade me that it is in the best interests of each fund that the same person be appointed as receiver of its property. I am persuaded that the appointment of a receiver is necessary for the well-being of the property which is held on trust by the company, and to ensure that the winding up of each fund occurs in accordance with its constitution and any orders made under s 601NF(2).
- [75] Mr Peden also submitted that I should not appoint Mr Whyte as a receiver because such an order would cut across the legislative framework governing the winding up of a registered scheme. I do not agree with that submission.
- [76] First, insofar as an appointment as receiver pursuant to s 1101B(1) is concerned, the company's contravention of the Act and its contravention of conditions of its Australian financial services licence justify the appointment of a receiver in the circumstances. There is nothing inconsistent with the legislative framework for the winding up of a registered scheme in exercising a power conferred under s 1101B. Such an order may aid the winding up of a registered scheme.
- [77] Secondly, I do not consider that the legislative framework of Part 5C.9 precludes the appointment of a receiver pursuant to s 601NF(2) if it is necessary to do so. I have concluded in the circumstances of this matter that an order giving a direction that Mr Whyte be appointed as receiver of the property is necessary.
- [78] I raised during argument the issue of whether it was necessary for Mr Whyte to be appointed as a receiver pursuant to s 1101B(1) and also pursuant to s 601NF(2) of the Act. However, the parties supporting his appointment favoured such a course, and I intend to make such orders. To the extent that there may be some doubt concerning the extent of the Court's power to appoint a receiver pursuant to

s 601NF(2), I consider that the best interests of the members will be protected by making an order under s 1101B(1) of the Act. Even with an appointment as receiver under s 1101B(1), I think that it is necessary also to appoint Mr Whyte as a receiver pursuant to s 601NF(2). Such an appointment makes clear that one source of his power to act as receiver is s 601NF. It is appropriate that, in carrying out his responsibility for ensuring that the registered scheme is wound up in accordance with its constitution, he have powers that are sourced in the section of the Act that imposes that responsibility. Further, the possibility exists that in the future the Court may rescind or vary the order made under s 1101B, or suspend its operation, pursuant to s 1101B(11). If that occurs Mr Whyte should continue to have the powers and responsibilities associated with appointment as a receiver pursuant to s 601NF(2).

- [79] Mr Whyte's appointment as receiver should not be perceived to be based solely upon the contraventions by the company which attract the operation of s 1101B. It should be clear that Mr Whyte is also being appointed a receiver of the property of each fund because such an appointment is thought necessary to facilitate the performance of his responsibility for ensuring that each scheme is wound up in accordance with its constitution. The winding up of each fund will be facilitated by an order that indicates that one purpose of the appointment of Mr Whyte as receiver of the property of each fund is to facilitate the fund being wound up in accordance with its constitution. Mr Whyte, in discharging his responsibilities which arise by virtue of his appointment under s 601NF(1), will have the power to receive the property of each fund, and the directors of the company, its employees and third parties should understand that a source of the power which he is given to facilitate the responsibility imposed upon him by s 601NF(1) is s 601NF(2). He should have the power of a receiver and the order should state that one source of that power is an order made under s 601NF(2).
- [80] If I had acceded to the submissions made by the company and Mr McIvor this morning and not appointed Mr Whyte as a receiver, then there would have been scope for dispute and disagreement between Mr Whyte and individuals in control of the company, including Mr McIvor, concerning the control of the property of each fund. I consider that the appointment of Mr Whyte as a receiver will reduce the scope for such disputes.
- [81] In short, an order pursuant to s 601NF(2) directing that Mr Whyte be appointed as a receiver of the property of the EIF and a receiver of the property of the EPCIF is in the best interests of members and is necessary to facilitate the winding up of each fund.
- [82] A copy of the orders made by me on 21 November 2011 and a copy of the orders made by me today are set out as annexures to these reasons.

SUPREME COURT OF QUEENSLAND

REGISTRY: Brisbane
NUMBER: 10478/11In the matter of **EQUITITRUST LIMITED ACN 061 383 944**Applicant: **EQUITITRUST LIMITED ACN 061 383 944**

ORDER

Before: Justice Applegarth

Date: 21 November 2011

Initiating document: Application filed 15 November 2011, and oral application made by the Australian Securities and Investments Commission on 21 November 2011

THE ORDER OF THE COURT IS THAT:

1. Pursuant to section 601ND (1)(a) of the *Corporations Act 2001* (Cth) (the "Act"):-
 - (a) Equititrust Limited ACN 061 383 944 be directed to wind up the Equititrust Income Fund ARSN 089 079 854, established by Deed Poll dated 9 August 1999 ("EIF");
 - (b) Equititrust Limited ACN 061 383 944 be directed to wind up the Equititrust Priority Class Income Fund ARSN 089 079 729 established by Deed Poll dated 9 August 1999 ("EPCIF").
2. David Whyte ("Mr Whyte") be appointed pursuant to section 601NF(1) of the Act to take responsibility for ensuring that:-
 - (a) the EIF is wound up in accordance with its constitution; and
 - (b) the EPCIF is wound up in accordance with its constitution.
3. Pursuant to section 601NF(2), that Mr Whyte:-
 - (a) have access to the books and records of Equititrust Limited which concern the EIF and the EPCIF;
 - (b) be indemnified out of the assets of the EIF in respect of any proper expenses or costs incurred in effecting the winding up of the EIF;

- (c) be indemnified out of the assets of the EPCIF in respect of any proper expenses or costs incurred in effecting the winding up of the EPCIF;
 - (d) be entitled to claim remuneration in respect of the time spent by him and by any servants or agents of BDO who perform work in the winding up of the EIF at rates and amounts to be approved by the Court and be indemnified out of the assets of the EIF in respect of such remuneration; and
 - (e) be entitled to claim remuneration in respect of the time spent by him and by any servants or agents of BDO who perform work in the winding up of the EPCIF at rates and amounts to be approved by the Court and be indemnified out of the assets of the EPCIF in respect of such remuneration.
4. Pursuant to sections 1101B(1) and 1101B(5) of the Act, Mr Whyte be appointed as:-
- (a) a receiver of the property of the EIF; and
 - (b) a receiver of the property of the EPCIF,
- until 4:00pm on Wednesday 23 November 2011, or further earlier order.
5. That nothing in this Order prejudices the rights of the National Australia Bank Limited, Commonwealth Bank of Australia Limited or Bank of Scotland International Ltd, pursuant to any securities any of them hold over Equititrust Limited or the EIF.
6. That by 4pm on Tuesday 22 November 2011, Equititrust Limited publish on its website (www.equititrust.com.au), in pdf form, by way of notice to members of the EIF and EPCIF a copy of this Order, which publication shall be sufficient notice to members of the EIF and EPCIF of this Order.
7. There be general liberty to apply to any person affected by these Orders, including liberty to apply for further directions in accordance with section 601NF(2) of the Act.
8. The parties appearing on this application, save for ASIC, be paid their costs of and incidental to this Application, to be assessed on the standard basis, out of the EIF.
9. The oral application of ASIC be adjourned to 10:00am on Wednesday 23 November 2011.

SUPREME COURT OF QUEENSLAND

REGISTRY: Brisbane
NUMBER: 10478/11

IN THE MATTER OF EQUITITRUST LIMITED ACN 061 383 944

Applicant: EQUITITRUST LIMITED ACN 061 383 944

AND

Respondents: THE MEMBERS OF THE EQUITITRUST INCOME FUND
ARSN 089 079 854 AND THE MEMBERS OF THE
EQUITITRUST PRIORITY CLASS INCOME FUND ARSN
089 079 729

ORDER

Before: Justice Applegarth

Date: 23 November 2011

Initiating document: Application filed 15 November 2011 and Oral Application made 21
November 2011

THE ORDER OF THE COURT IS THAT:

1. Pursuant to s.1101B(1) of the *Corporations Act 2001* (Cth) (*the Act*) David Whyte (*Mr Whyte*) be appointed as:
 - (a) a receiver of the property of the Equititrust Income Fund (*EIF*); and
 - (b) a receiver of the property of the Equititrust Priority Class Income Fund (*EPCIF*).
2. Pursuant to s.601NF(2) of the Act David Whyte (*Mr Whyte*) be appointed as:
 - (a) a receiver of the property of the Equititrust Income Fund (*EIF*); and

- (b) a receiver of the property of the Equititrust Priority Class Income Fund (*EPCIF*).
3. Pursuant to s.1101B(1) of the Act, Mr Whyte have, in relation to the property for which he is appointed receiver pursuant to Order 1 above, the powers set out in s.420 of the Act in addition to the powers set out in s.1101B(8)(a) to (c) of the Act.
 4. Pursuant to s.601NF(2) of the Act, Mr Whyte have, in relation to the property for which he is appointed receiver pursuant to Order 2 above, the powers set out in s.420 of the Act and the powers set out in s.1101B(8)(a) to (c) of the Act.
 5. Pursuant to s.1101B(1) of the Act, Mr Whyte in respect of the appointment made in Order 1 above:
 - (a) be indemnified out of the assets of the EIF in respect of any proper expenses or costs incurred in acting as receiver of the property of the EIF;
 - (b) be indemnified out of the assets of the EIF in respect of any proper expenses or costs incurred in acting as receiver of the property of the *EPCIF*;
 - (c) be entitled to claim remuneration in respect of the time spent by him and by any servants or agents of BDO who perform work in the receivership of the property of the EIF at rates and amounts to be approved by the Court and be indemnified out of the assets of the EIF in respect of such remuneration;
 - (d) be entitled to claim remuneration in respect of the time spent by him and by any servants or agents of BDO who perform work in the receivership of the property of the *EPCIF* at rates and amounts to be approved by the Court and be indemnified out of the assets of the *EPCIF* in respect of such remuneration.
 6. Pursuant to s.601NF(2) of the Act, Mr Whyte in respect of the appointment made in Order 2 above:
 - (a) be indemnified out of the assets of the EIF in respect of any proper expenses or costs incurred in acting as receiver of the property of the EIF;
 - (b) be indemnified out of the assets of the EIF in respect of any proper expenses or costs incurred in acting as receiver of the property of the *EPCIF*;
 - (c) be entitled to claim remuneration in respect of the time spent by him and by any servants or agents of BDO who perform work in the receivership of the property of the EIF at rates and amounts to be approved by the Court and be indemnified out of the assets of the EIF in respect of such remuneration;
 - (d) be entitled to claim remuneration in respect of the time spent by him and by any servants or agents of BDO who perform work in the receivership of the property of the *EPCIF* at rates and amounts to be approved by the Court and be indemnified out of the assets of the *EPCIF* in respect of such remuneration.

7. That nothing in this Order prejudices the rights of the National Australia Bank Limited, Commonwealth Bank of Australia Limited or Bank of Scotland International Ltd, pursuant to any securities any of them hold over Equititrust Ltd or the property of the EIF.
8. That by 4pm on Thursday 24 November 2011, Equititrust Ltd publish on its website (www.equititrust.com.au), in pdf form, by way of notice to its members of the EIF and EPCIF a copy of this Order, which publication shall be sufficient notice to members of the EIF and EPCIF of this Order.
9. The parties appearing on this application, save for ASIC, be paid their costs of and incidental to this application, to be assessed on the standard basis, out of the EIF.
10. There be general liberty to apply to any person affected by these Orders, including liberty to apply for further directions in accordance with s.601NF(2) of the Act.

"DW-13"



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AUSTRALIA

TO INVESTORS

21 February 2012

**EQUITITRUST INCOME FUND ARSN 089 079 854 ("EIF")
(RECEIVER APPOINTED) ("The Fund")**

1. Introduction

I refer to my first report to investors dated 1 February 2012 in which, amongst other things, I advised that I would post monthly updates on the website www.equititrust.com.au in relation to the progress of the winding up of the EIF.

There have been several significant developments over the last three weeks that warrant a further report at this time, and which I comment on as follows:

2. Appointment of Voluntary Administrators to Wirrina Resort and Conference Centre Pty Ltd ("WRCC")

WRCC is a subsidiary of Wirrina Corporation Pty Ltd which is in turn a subsidiary of Equititrust Ltd ("Equititrust") as responsible entity for the EIF.

Wirrina Corporation Pty Ltd is the mortgagee in respect of loans made to Sunset Cove Developments Pty Ltd and which were assigned from a subsidiary of Octaviar Ltd (formerly MFS) in 2010.

The loans and the security for the loans are held on behalf of the EIF. WRCC operated the resort and golf course at Wirrina Cove, South Australia.

Mark McIvor is the sole director of WRCC.

As you are aware, I was appointed by the Court as Receiver of the assets of the EIF and the person responsible for ensuring that the fund is wound up in accordance with its constitution. Notwithstanding this and my prior written instructions not to do so, Mark McIvor appointed David Ross, Blair Pleash and Richard Albarran of Hall Chadwick as Voluntary Administrators of WRCC on 3 February 2012 without any prior reference to me.

As a result of subsequent discussions with Mr McIvor, I have formed the view that Mr McIvor may have made this appointment without a full understanding of the legal structure of the resort and surrounding land and funding arrangements for the resort. This included that the Administrators had no right to trade the business as the liquor and gaming licences were in the name of Wirrina Corporation Pty Ltd.

Notwithstanding the appointment of administrators to WRCC, the resort and golf course is now continuing to trade through Wirrina Corporate Pty Ltd with my support as the Receiver.

3. Recent Contract of Sale

An offer was recently received for one of the properties where Equititrust Ltd is mortgagee in possession. The EIF has the first mortgage over this property and Equititrust Ltd as responsible entity for the Equititrust Premium Fund ("EPF") has a second mortgage.

In considering an offer for the property, both Mr McIvor and another director of Equititrust, David Hickie sought to impose conditions in relation to the distribution of the net proceeds of sale. In my view they sought to prefer the interests of the EPF investors ahead of the EIF investors by proposing that approximately \$400,000 be paid to the EPF rather than all proceeds being paid to the EIF in accordance with the terms of the security documentation which recognise the EIF's first priority and entitlement to all net proceeds of sale.

I refused to accept the conditions they sought to impose. I (together with the administrators appointed to EL) have accepted an offer for the sale of the property with the full net proceeds of sale to be paid to the EIF.

I have raised with Mr McIvor and Mr Hickie my concern that their actions may be a breach of duty and would place them in a conflict of interest and have sought an explanation as to the reasons why they sought to impose the above discussed conditions. No response has been received.

4. Lack of Cooperation from Mark McIvor

I wrote to Mr McIvor on 14 February 2012 expressing my concerns regarding his general lack of cooperation in the winding up of the EIF and continued failure to respond to correspondence and attend meetings to discuss important elements of the winding up. My concerns included those mentioned at Sections 2 and 3 above and the unauthorised termination of the CEO, Troy Bingham which was discussed in my first report to investors.

Mr McIvor has also sought to reinstate a management fee from the EIF to Equititrust of \$2.8M that was previously waived by the directors of Equititrust.

I am awaiting a written response.

5. Insolvency Appointments to Equititrust Ltd

Richard Albarran, Glen Oldham and Blair Pleash of Hall Chadwick were appointed Voluntary Administrators of Equititrust by the board of directors on 15 February 2012 when it was resolved that the company is or is likely to become insolvent. The directors' powers were suspended upon the appointment of the Administrators.

Subsequently, on 16 February 2012, Will Colwell and Greg Moloney of Ferrier Hodgson were appointed as Receivers and Managers of the company by one of the secured creditors of the company.

These two appointments do not affect my appointment as Receiver of the assets of the EIF and as person responsible for ensuring that the Fund is wound up in accordance with its constitution.

I will therefore continue to act in accordance with the Court orders pursuant to which I was appointed. This includes ensuring that the Fund is wound up in accordance with the terms of its constitution, including the orderly realisation of its assets.

6. ECG Administration Pty Ltd (Administrators Appointed) ("ECGA")

Richard Albarran, Glen Oldham and Blair Pleash of Hall Chadwick were appointed Voluntary Administrators of ECGA on 5 February 2012. ECGA was the service provider to Equititrust in respect of the provision of staff/consultants, offices and equipment. It is the leaseholder of the premises at Chevron Island that Equititrust traded from.

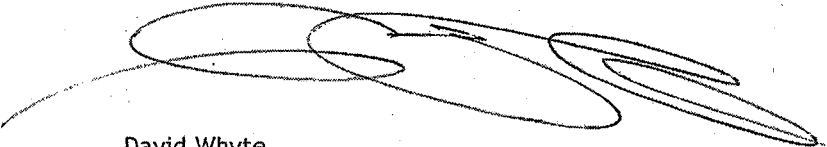
As detailed in my first report to investors, there is a services agreement in place with GCP (HQ) Pty Ltd. This includes paying 50% of the rent payable by ECGA for the premises.

I am in discussions with the Administrators of ECGA to see if they have the funds to meet the other 50% of the rent. Arrangements may be required for the staff and consultants to be moved to alternative premises.

7. Queries

Should you have any queries in the above respect, please contact Jayden Coulston on (07) 3237 5890 Andrew Want of this office on (07) 3237 5711.

Yours faithfully



David Whyte
Receiver

Enc.



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TO INVESTORS

27 March 2012

EQUITITRUST INCOME FUND ARSN 089 079 854 ("EIF") (RECEIVER APPOINTED) ("The Fund")

I refer to my previous two reports dated 1 February 2012 and 21 February 2012 and now provide my third update to investors on the progress of the winding up of the Fund by me as Court appointed receiver of the property of the Fund.

1. Court Order

Following the appointment by the board of Equititrust Limited of Blair Pleash, Richard Albarran and Glen Oldham of Hall Chadwick as Voluntary Administrators and Will Colwell and Greg Moloney of Ferrier Hodgson on 16 February 2012 as privately appointed Receivers and Managers of Equititrust Ltd (Administrators Appointed) (Receivers and Managers Appointed) ("EL") by NAB, it was agreed amongst the parties that in order to save any duplication of effort and costs that I would apply to the court for further directions to clarify the roles of the various insolvency practitioners appointed and for directions that I (as Court appointed receiver) should continue with the winding up of the Fund pursuant to the powers already granted to me by the Court.

The attached court order dated 29 February 2012 includes confirmation that I may:

- take all steps necessary to realise the property of the EIF, including executing documents on behalf of the responsible entity;
- bring, defend or maintain any proceedings on behalf of the EIF in the name of Equititrust Ltd (Administrators Appointed) (Receivers and Managers Appointed); and
- take all steps necessary to effect the NAB bank guarantee facility and replace the CBA bank guarantee facility (this is currently in course to replace the existing facility of approximately \$1.2M).

2. Realisation of Assets

As I have previously advised investors, the purpose of my appointment by the Court is to ensure that the Fund is wound up in accordance with its constitution. The constitution of the Fund provides that when the Fund is being wound up, all assets must be converted to money, all proper costs deducted and then a distribution made to each investor in proportion to the investor's interest in the Fund.

The process of the winding up of the Fund for the benefit of investors is well underway.

As this is a public document and to ensure I do not prejudice any ongoing negotiations regarding the sale of the properties, I will not at this time identify individual properties and/or their expected realisable values.

As noted above, the realisation of assets the subject of security in favour of the Fund is well underway. This process involves all real property assets charged with security in favour of the EIF (in respect of the defaulting loans) either already being on the market or about to have sale campaigns commenced (with the exception of two properties). With respect to the two properties not presently subject to sales campaigns, solicitors have been instructed to commence possession proceedings in respect of one of the properties and in respect of the other, I have asked three planning consultants/real estate advisors to provide their recommendations on whether or not a revised development application should be pursued before taking that property to the market.

Marketing costs of \$240,688 have been approved in respect of the commencement of eight sale campaigns to date. I am currently obtaining updated valuations on a number of properties. I will review the estimated outcome to investors on completion of valuations and ongoing offers received/market feedback.

I summarise in the table below the sales completed since my appointment, contracts on foot and current offers accepted awaiting execution of contracts:

	\$
Sales completed	3,148,866
Five contracts on foot	4,134,820
Four offers accepted, awaiting executed contracts	6,775,140

Of the five contracts on foot, \$2.75M is due to settle on 2 April 2012, \$500K is to be confirmed and the three others are due to settle between 30 November 2012 and 23 December 2012;

Of the offers accepted, two contracts are 30 days unconditional contracts, one is a 90 days unconditional contract and the other contract involves a 30 days due diligence clause followed by a 60 day settlement.

I will update investors on the progress on the sales in my monthly reports to investors. Given the contracts on foot and offers accepted, I am hopeful that the secured creditors of the Fund (NAB and CBA) will be paid in full by the end of June 2012. With the benefit of further sales of the properties currently on the market and where sale campaigns are to commence, I am hopeful I will be able to commence interim distributions to investors in the second half of this year.

3. Legal Proceedings

There are currently nine legal actions on foot although five are largely finalised with cost orders to be recovered in four of those matters.

Judgement was handed down on one matter on 13 March 2012 in the amount of \$401,554 plus interest and costs.

The remaining actions are expected to realise several million dollars for the benefit of investors although this may take some time to realise.

Additionally, as noted above I have instructed solicitors to commence possession proceedings in respect of one property. In addition instructions have been given in relation to two actions against

the same valuer for negligence and damages in excess of \$10M. Any amount recoverable in this latter respect will be sought against a professional indemnity insurance policy.

4. Receipts and Payments

Summary of Receipts and Payments for the Receivership Period 21 November 2011 to 25 March 2012	
RECEIPTS	Amount (\$)
Transfer from pre-appointment bank account	653,867.63
Loan Recoveries:	
Rosea Pty Ltd	19,583.33
Toowoomba (Foundry Shopping Centre) Pty Ltd	23,391.67
Gamp Developments Pty Ltd	2,254,292.44
Tweed Central Pty Ltd	550,116.27
Hollyander Pty Ltd	344,457.88
Total Receipts	3,845,709.22

PAYMENTS	Amount (\$)
Bank Charges	138.20
Distressed Loan Funding:	
Checkling Pty Ltd (Receiver & Manager Appointed)	121,399.28
Corymbia Corporation Pty Ltd	188,017.32
CTP Pty Ltd	17,941.00
East Coast Pty Ltd	40,867.61
Gamp Developments Pty Ltd	75,116.47
Gonfanon Pty Ltd (Receiver & Manager Appointed)	924.55
Glenrowan Land Pty Ltd	4,215.00
ICA (South Australia) Pty Ltd (Receiver & Manager Appointed)/Sunset Cove Developments Pty Ltd	312,392.48
Kele Property Group (Port Macquarie) Pty Ltd	326.00
Morvale Land Pty Ltd	19,535.05
Mountbell Pty Ltd	51,990.76
Newton, Kristine Lorraine	2,041.75
Resort Corporation Pty Ltd (In Liquidation)	1,210.00
Toowoomba (Foundry Shopping Centre) Pty Ltd	15,002.91
Tweed Central Pty Ltd	65,668.04
Valencia Grove Pty Ltd	6,305.75
Western Lands Corporation Pty Ltd	45,500.00
Windsor Turf Pty Ltd (Receiver & Manager Appointed)	121,506.57
	1,089,960.54

Document Production - Printing/Copying		5,863.86
GST Paid		250,689.00
IT expenses		8,627.67
Legal Fees		239,250.97
Office rental		7,791.66
Purchase of office equipment		20,496.71
Reimbursement of expenses - Equititrust Limited		
Pre-appointment (prior to 21 November 2011)	653,867.63	
Post-appointment (subsequent to 21 November 2011)	305,682.62	959,550.25
Telephone/Fax/Internet		9,518.65
Wages and Salaries		25,640.37
Total Payments		2,617,527.88
Cash at Bank		1,228,181.34

5. Potential Proposed Change in Responsible Entity

A number of investors have queried with me what the effect a change in the responsible entity for the Fund would have and how this may affect the winding up of the Fund pursuant to the court orders of 21 and 23 November 2011 and 29 February 2012.

At the first meeting of creditors held by the Voluntary Administrators on 27 February 2012, Richard Albarran stated that his view was that the responsible entity should be changed. However it is my view that he did not fully articulate the reasons why he held this view or explain the key issues relating to this course of action.

In order for investors to be better informed, some of the key issues to consider in respect of a potential change in the responsible entity are, in my view, the following:

- The board of EL resolved at a meeting on 11 October 2011 to wind up the EIF;
- EL made an application to the court on 21 November 2011 requesting a replacement responsible entity however this application was refused by the judge;
- If the request was not granted, EL requested that the EIF be wound up by order of the Court (the Court made such an order);
- EL's Australian Financial Services Licence ("AFSL") is currently suspended however this does not prevent EL remaining as responsible entity during the course of the winding up of the fund;
- In the event there is a change in the responsible entity, there is a significant risk this will trigger EL's subordinated investment of \$40M to rank equally with ordinary investors. This would result in a reduction in the return to ordinary investors of approximately 17% and provide an estimated return to Equititrust Ltd of between \$11.3M and \$15.3M (based on the estimated recoveries contained in my letter to investors of 1 February 2012);
- Should the responsible entity be changed, this of itself will not affect my role as Receiver of the property of the Fund or as person responsible for ensuring the winding up of the Fund in accordance with its constitution;
- The court order in respect of my appointment is final (subject to an appeal, which has not been progressed);

- As previously advised, an appeal was lodged by EL on 19 December 2011 however has not been progressed. The appeal was not in respect of the orders made winding up the Fund but rather was to seek to clarify my powers in relation to same. In these circumstances, the winding up process continues.

Given the above comments, and particularly the estimated potential benefit of between \$11.3M and \$15.3M to EL to the detriment of ordinary investors of the EIF, I have queried why the Administrators view is to recommend a change in responsible entity and their reasons for making the comments at the first meeting of creditors. A response to my query is awaited in this respect.

6. Piper Alderman Class Action

A number of investors have queried what they should do in relation to the proposed class action proposed by Piper Alderman in relation to potential claims against directors/former directors of EL and the auditors of the EIF. Investors have asked if they should join the class action.

I have considered whether or not, as Receiver of the assets of the EIF and person responsible for winding up the Fund, I am able to prosecute any such claims on behalf of investors. The current constitution of the EIF does not allow such a course of action by me. The correct plaintiff in any such action is the individual investor or a group of investors.

Investors should take their own legal advice as to what options may be open to them in respect of these claims.

7. Premises Move

As advised in my letter of 15 March 2012, the staff and consultants engaged to assist me in the winding up of the Fund have moved to the following premises:

Postal Address: Equititrust Income Fund	Phone: 07 5510 4870
Wyndham Building	Fax: 07 5510 4907
Level 9, 1 Corporate Court	
BUNDALL QLD 4217	

The purpose of this office move was to save costs and to avoid interference with the staff and consultants by the board of EL and persons associated with them who still occupied the Chevron Island premises.

8. Services Agreement/Reduction in Overheads

As advised in my first report to investors dated 1 February 2012, as the staff/consultants were engaged by ECGA (who also provided the premises, plant and equipment for the staff/consultants use). I entered into a services agreement covering these arrangements and in order to reduce overheads from an average of \$514K to \$147K per month.

The intention had been for the staff and consultants to be transferred to the new service provider, GCP (HQ) Pty Ltd however this had not been completed at the time of the Administrators appointment.

The staff and consultants retained to assist in the winding up of the Fund have now been terminated by the Administrators. I am now employing the majority of them direct as Receiver of the EIF to assist in the on-going winding up of the Fund.

Following ongoing reductions and the premises move, the monthly overhead costs have been reduced to between \$65K and \$70K per month. This will reduce further as property realisations are made and the loan book reduces.

9. Claim for Management Fee of \$2.8M for 2011 financial year

As advised in my letters to investors dated 1 and 21 February 2012, the board of EL had sought to reinstate a management fee of \$2.8M from the EIF for the financial year ended 30 June 2011. Such a management fee had previously been waived by the previous board of EL. Further at an investors briefing on 23 September 2011, the then CEO of EL, David Kennedy advised the fee had "not been drawn and will not be".

Mr McIvor on behalf of the board of EL has failed to respond to our requests in relation to why the board of EL considered the management fee to be payable taking into account the above comments and that pursuant to the EIF constitution, a management fee is only payable when interest distributions are being paid to investors. I remain of the view that no management fee is payable.

The Administrators wrote to me on 14 March 2012 asking for my confirmation that the sum of \$2,272,388 was due from the EIF to EL as a result of the management fee claimed. I have denied this claim and advised that after the proper reversal of the \$2.8M management fee, there is an amount owing by EL to the EIF.

10. Receivers Remuneration & Expenses

I attach a remuneration summary covering the period from 21 November 2011 to 25 March 2012 (four months) in respect of fees incurred of \$377,843.50 plus outlays of \$3,263.96 plus GST. As previously advised, this will be subject to court approval in due course. None of the fees have been drawn to date.


Substantial costs have been incurred due to the actions and lack of co-operation of Mr McIvor and the board of EL in the winding up. With Administrators appointed to EL, the court order of 29 February 2012, the premises move for the staff and consultants assisting me in the winding up and the continued realisation of the property of the Fund, the costs will continue to reduce.

11. Queries

Monthly reports will continue to be uploaded to the websites www.equititrust.com.au and www.equititrustincomefund.com.au. The latter new website is currently a copy of the old website and will be upgraded in due course.

Should investors have any queries in relation to the winding up of the Fund, they should contact the investors relation manager, Trish Riley on (07) 5510 4870 or my office on (07) 3237 5999 or by email at info@bdo.com.au. In the event investors raise queries not covered by the monthly reports, I will consider adding a frequently asked questions section to the new website.

Yours faithfully,



David Whyte
Receiver

duplicate

SUPREME COURT OF QUEENSLAND

REGISTRY: BRISBANE
NUMBER: BS 10478 OF 2011

IN THE MATTER OF EQUITITRUST LIMITED ACN 061 383 944

Applicant: EQUITITRUST LIMITED ACN 061 383 944

AND

Respondents: THE MEMBERS OF THE EQUITITRUST INCOME FUND ARSN
089 079 854 AND THE MEMBERS OF THE EQUITRUST
PRIORITY CLASS INCOME FUND ARSN 089 079 729

ORDER

Before: Justice Dalton

Date: 29 February 2012

Initiating document: Application filed 24 February 2012

In this order, "Receiver" means Mr David Whyte, in his capacity as receiver of the property of the Equititrust Income Fund ARSN 089 079 854 (EIF) and as the person responsible for ensuring the EIF is wound up in accordance with its constitution pursuant to the Orders of Justice Applegarth of 21 November 2011 and 23 November 2011 in these proceedings (Orders),

THE COURT DIRECTS THAT:

1. Without derogating in any way from the Receiver's appointment or the Receiver's powers pursuant to the Orders, the Receiver is authorised to:
 - (a) take all steps necessary to ensure the realisation of property of EIF held by Equititrust Limited as Responsible Entity of the EIF (EL as RE of the EIF) by exercising any legal right of EL as RE of the EIF in relation to the property, including but not limited to:
 - (i) providing instructions to solicitors, valuers, estate agents or other consultants as are necessary to negotiate and/or finalise the sale of the property;
 - (ii) providing a response as appropriate to matters raised by receivers of property of EL as RE of the EIF to which receivers have been appointed;
 - (iii) dealing with any creditors with security over the property of the EIF including in order to obtain releases of security as is necessary to ensure the completion of the sale of property;



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29 FEB 2012

- (iv) appointing receivers, entering into possession as mortgagee or exercising any power of sale; and
 - (v) executing contracts, transfers, releases, or any such other documents as are required to carry out any of the above;
- (b) bring, defend or maintain any proceedings on behalf of EIF in the name of EL as is necessary for the winding up of the EIF in accordance with clause 9 of its constitution, including the execution of any documents as required and providing instructions to solicitors in respect of all matters in relation to the conduct of such proceedings including, if appropriate, instructions in relation to the settlement of those actions;
- (c) take all steps necessary to effect the implementation of a NAB bank guarantee facility and the replacement of the existing CBA bank guarantee facilities including:
- (i) providing instructions to solicitors as are necessary to negotiate and finalise the facilities and/or the security documentation required for a replacement bank guarantee facility from the NAB and the repayment of the CBA facilities and the release of any security held by the CBA;
 - (ii) dealing with NAB and CBA direct to provide for the replacement of the bank guarantees and finalise the documentation in relation to same; and
 - (iii) executing any and all facility and/or security documentation on behalf of EL as RE of the EIF or all such other legal documents as are necessary to ensure the security documentation is finalised and the CBA bank guarantee facilities replaced by the NAB bank guarantee facility.

THE ORDER OF THE COURT IS THAT:

2. That the parties appearing on this application, save for ASIC, the National Australia Bank and the receivers Messrs Colwell and Moloney, be paid their costs of and incidental to this Application, to be assessed on the standard basis, out of the EIF.

Signed:



DEPUTY REGISTRAR

Equitrust Income Fund (Receiver Appointed)
22 November 2011 to 25 March 2012

Employee	Position	Rate	Total Units	Total \$	Administration		Assets		Creditors		Employees		Investigations		Trade-on	
					Units	\$	Units	\$	Units	\$	Units	\$	Units	\$	Units	\$
Fielding, Andrew	Partner	545	0.20	109.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Newman, Helen	Partner	545	0.60	327.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Whyte, David	Partner	545	493.30	268,848.50	13.60	7,412.00	61.10	33,299.50	40.60	22,127.00	0.20	109.00	8.50	4,632.50	369.30	201,268.50
Brushe, David	Manager	375	115.20	43,200.00	24.00	9,000.00	69.70	26,137.50	1.60	600.00	0.00	0.00	1.00	375.00	18.90	7,082.50
Raphael, Alastair	Manager	375	0.80	300.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bauer, Kirsty	Senior Accountant II	260	8.00	2,080.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Robotham, Scott	Senior Accountant II	260	0.20	52.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Want, Andrew	Senior Accountant II	260	187.40	48,724.00	184.80	48,048.00	1.10	286.00	1.50	390.00	0.00	0.00	0.00	0.00	0.00	0.00
Jones, Jayden	Accountant I	210	44.70	9,387.00	12.10	2,541.00	10.60	2,226.00	19.50	4,095.00	1.90	399.00	0.10	21.00	0.50	105.00
Jones, Annabel	Accountant I	210	16.40	3,444.00	16.40	3,444.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pembroke, Elle	Accountant I	210	3.30	693.00	3.20	672.00	0.00	0.00	0.10	21.00	0.00	0.00	0.00	0.00	0.00	0.00
Richardson, Ashley	Administrative Assistant	70	9.70	679.00	9.70	679.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL			879.80	377,843.50	265.60	72,584.00	142.50	51,949.00	63.30	27,233.00	2.10	508.00	17.60	7,108.50	388.70	208,461.00
			TOTAL	37,784.35	9.70	72,584.00	142.50	51,949.00	63.30	27,233.00	2.10	508.00	17.60	7,108.50	388.70	208,461.00
			TOTAL INC GST	415,627.85	9.70	72,584.00	142.50	51,949.00	63.30	27,233.00	2.10	508.00	17.60	7,108.50	388.70	208,461.00
			AVERAGE HOURLY RATE	429.47	9.70	72,584.00	142.50	51,949.00	63.30	27,233.00	2.10	508.00	17.60	7,108.50	388.70	208,461.00

DISBURSEMENT REPORT
Equitrust Income Fund (Receiver Appointed)
22 November 2011 to 25 March 2012

Item	Rate
NSW Power of Attorney Transfer fee	90.45
Travel - Mileage	2,457.50
Mobile Internet	53.63
Postage	20.10
Photocopying	45.00
Search Fee	597.28
Sub Total	3,263.96
GST	326.40
TOTAL	3,590.36



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AUSTRALIA

TO INVESTORS

16 May 2012

EQUITRUST INCOME FUND ARSN 089 079 854 ("EIF") (RECEIVER APPOINTED) ("The Fund")

I refer to my previous reports dated 1 February 2012, 21 February and 27 March 2012 and now provide my fourth update to investors on the progress of the winding up of the Fund by me as Court appointed receiver of the property of the Fund.

1. Receipts and Payments

I provide below a summary of the Receipts and Payments of the Fund for the period 26 March to 13 May 2012.

Summary of Receipts and Payments for the Period 26 March 2012 to 13 May 2012

Opening Cash at Bank	1,228,181.34
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Receipts

Interest Income	2,915.75
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Loan Recoveries:

Corymbia Corporation Pty Ltd	1,452.21	
Kristine Newton	2,665,906.97	
Rosea Pty Ltd	19,583.33	
Taylor, AG & SK	207,584.01	
Toowoomba (Foundry Shopping Centre) Pty Ltd	6,919.00	
Tweed Central Pty Ltd	153,716.77	
Western Land Corporation	160.00	3,055,322.29
Total Receipts	3,058,238.04	

Payments

Bank Charges	618.12
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Distressed Loan funding:

Boothers Pty Ltd	7,380.63
Checkling Pty Ltd	39,089.58

BDO Business Recovery & Insolvency (QLD) Pty Ltd ABN 90 134 036 507 is a member of a national association of independent entities which are all members of BDO (Australia) Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Business Recovery & Insolvency (QLD) Pty Ltd and BDO (Australia) Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation (other than for the acts or omissions of financial services licensees) in each State or Territory other than Tasmania.

1

Corymbia Corporation Pty Ltd	31,526.10	
Corymbia Estates Pty Ltd	1,320.00	
East Coast Pty Ltd	13,186.42	
Gamp Developments Pty Ltd	26,078.00	
Gonfanon Pty Ltd	6,046.42	
Kele Property Group (Port Macquarie) Pty Ltd	4,856.02	
Morvale Land Pty Ltd	4,021.10	
Mountbell Pty Ltd	4,058.32	
Resort Corporation Australia (No 2) Pty Ltd (In Liq)	20,678.35	
Tweed Central Pty Ltd	101,876.63	
Valencia Grove Pty Ltd	6,935.50	
Western Land Corporation	14,891.25	
Windsor Turf Pty Ltd	29,324.43	
Wirrina Corporation Pty Ltd	122,122.78	433,391.53
Internet Hosting & Access		1,284.80
IT expenses		27,854.48
Legal Fees		114,655.68
Office Rental charge		11,963.95
Purchase of office equipment		745.00
Secured Creditor distribution		
Commonwealth Bank of Australia	54,409.25	
National Bank of Australia	1,200,000.00	1,254,409.25
Wages & Salaries		60,450.83
	Total Payments	1,905,373.64
Closing Cash at Bank		2,381,045.74

2. Realisation of Assets

As previously advised, the process of the winding up of the Fund for the benefit of investors is well underway.

As this is a public document and to ensure I do not prejudice any ongoing negotiations regarding the sale of the properties, I will not at this time identify individual properties and/or their expected realisable values. However, I summarise in the table below the sales completed since my appointment, contracts on foot and current offers accepted and waiting execution of contracts:

	\$
Sales completed	6,758,866
Six contracts on foot	4,253,186
Two offers accepted, awaiting executed contracts	4,850,000

With respect to the contracts on foot, I note the following:

- A deed of settlement has been executed with \$150,000 to be received on 17 June 2012 and \$1.1M to be received on 17 June 2013.
- A contract for \$1.575M has been executed with due diligence expiring on 17 May 2012 and settlement 60 days thereafter.
- A contract for \$545,500 was executed on 16 May 2012 with 30 day settlement terms.
- Three unconditional contracts totalling \$1,033,186 are due to settle between 30 November 2012 and 23 December 2012.

With respect to the offers accepted, I note the following:

- A contract for \$2.95M has been delayed pending confirmation that the Development Approval, that was lodged and withdrawn, will not be opposed by Council.
- A previous offer that was accepted at \$1.9M has not progressed and, therefore, I am arranging for this property to be remarketed after dealing with an outstanding issue in relation to vegetation on the site.

The remaining 15 properties, with the exception of two properties, are currently on the market or being prepared for the commencement of sale campaigns. With respect to the properties two not presently subject to a sale campaign, I have engaged two planning consultants to advise on whether or not a revised development application should be pursued prior to taking one of the properties to market and the other is subject to possession proceedings.

I will update investors on the progress of the sales in my monthly reports to investors. With the contracts on foot and sale campaigns reaching their closing date, I am hopeful that NAB will be repaid in full by the end of July 2012.

3. Legal Proceedings

There are currently nine legal actions on foot although five are largely finalised with cost orders to be recovered in four of those matters.

Judgement was handed down on one matter on 13 March 2012 in the amount of \$401,554 plus interest and costs against several parties. Settlement terms against two parties have been agreed with \$150,000 expected to be received by the end of May 2012.

The remaining actions are expected to realise several million dollars for the benefit of investors although this may take some time to realise.

Additionally, as noted above I have instructed solicitors to commence possession proceedings in respect of one property. In addition instructions have been given in relation to two actions against

the same valuer for negligence and damages in excess of \$10M. Any amount recoverable in this latter respect will be sought against a professional indemnity insurance policy.

4. NAB Funding

Notwithstanding the existing defaults on the National Australia Bank ("NAB") facilities, NAB have approved the continued support of the facilities at normal rates and not at default rates. NAB has also agreed to replace the bank guarantee facility provided by the other secured creditor who insisted on repayment of their facility.

5. Estimated Return to Investors

In my report of 1 February 2012, I provided an estimated return to investors of between 34 and 46 cents in the dollar. This did not take into account future operating costs, interest on bank loans until repaid in full, future Receivers fees and rates and land tax after 31 December 2011. It also excluded any legal recoveries against borrowers, valuers or other third parties.

Since then a number of offers have been received for properties, valuations have been updated on a number of properties and feedback from sale campaigns have indicated in several instances that the valuation amounts are unlikely to be achieved. As a result of this feedback, there have been significant write downs in relation to three large properties in particular.

I have therefore updated the estimated selling values for the properties and have adjusted the estimated return to investors to between 18 and 30 cents in the dollar as at 30 April 2012 as follows:

	Low \$000's	High \$000's
Total estimated selling prices	56,394	80,837
Less: Selling costs - marketing and agents fees (3.5%)	(1,974)	(2,829)
Secured creditors (net of cash at bank)	(7,673)	(7,673)
Land Tax and Rates	(7,900)	(7,900)
Other unsecured creditors	(1,585)	(1,585)
Receivers fees	(464)	(464)
Estimated net amount available to investors as at 30 April 2012	36,798	60,386
Total investors units	203,635	203,635
Estimated return in the dollar	\$0.18	\$0.30

The above table does not take into account future operating costs, interest on bank loans until repaid in full, future Receivers fees and rates and land tax after 30 April 2012. It also excludes any legal recoveries against borrowers, valuers or other third parties.

With the benefit of further sales of the properties currently on the market and where sale campaigns are to commence, I am hopeful I will be able to commence interim distributions to investors in the second half of this year. This will be after paying secured creditors, land tax and rates, Receivers fees and the unsecured creditors who rank ahead of investors' interests.

6. Receivers Remuneration & Expenses

I attach a remuneration summary covering the period from 21 November 2011 to 13 May 2012 (six months) in respect of fees incurred of \$463,873.50 plus outlays of \$9,389.45 plus GST. None of the fees have been drawn to date.

I intend making an application to Court to seek approval of my fees for the period to 13 May 2012. I will notify creditors and investors of the application date with relevant documents to be uploaded to the websites www.equititrust.com.au and www.equititrustincomefund.com.au.

7. Contact Details

As previously advised, the staff and consultants engaged by me to assist in the winding up of the fund are located at the following address which should be used for all communications.

Postal Address: Equititrust Income Fund
Wyndham Building
Level 9, 1 Corporate Court
BUNDALL QLD 4217


Phone: 07 5510 4870
Fax: 07 5510 4907

8. Queries

Monthly reports will continue to be uploaded to the websites www.equititrust.com.au and www.equititrustincomefund.com.au. The latter new website is currently a copy of the old website and will be upgraded in due course.

Should investors have any queries in relation to the winding up of the Fund, they should contact the investors relation manager, Trish Riley on (07) 5510 4870 or my office on (07) 3237 5999 or by email at info@bdo.com.au. In the event investors raise queries not covered by the monthly reports, I will consider adding a frequently asked questions section to the new website.

Yours faithfully,



David Whyte
Receiver

Equititrust Income Fund (Receiver Appointed)
22 November 2011 to 13 May 2012

Employee	Position	Rate	Total Units	Totals		Administration		Assets		Creditors		Employees		Investments		Trade-Son	
				Units	\$	Units	\$	Units	\$	Units	\$	Units	\$	Units	\$	Units	\$
Fielding, Andrew	Partner	545	103.00	103.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Newman, Helen	Partner	545	327.00	327.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Whyte, David	Partner	545	605.50	329,897.50	107.40	58,533.00	42.10	22,944.50	0.20	109.00	8.70	4,741.50	433.30	236,148.50	0.00	0.00	0.00
Brushe, David	Manager	375	134.20	50,825.00	82.60	30,975.00	1.80	675.00	0.00	0.00	1.00	375.00	23.10	8,662.50	0.00	0.00	0.00
Raphael, Alastair	Manager	375	0.80	300.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bauer, Kirsty	Senior Accountant II	260	8.00	2,080.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Robotham, Scott	Senior Accountant II	260	0.20	52.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Want, Andrew	Senior Accountant II	260	224.20	58,292.00	1.10	286.00	5.40	1,404.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Coulston, Jayden	Accountant I	210	56.00	11,760.00	11.90	2,499.00	23.50	4,935.00	1.90	399.00	0.10	21.00	0.50	105.00	0.00	0.00	0.00
Jones, Annabel	Accountant I	210	17.50	3,633.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pembroke, Elle	Accountant I	210	5.80	1,218.00	0.00	0.00	0.30	63.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Glasper, Michael	Accountant II	160	6.50	1,040.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Richardson, Ashley	Administrative Assistant	70	12.00	840.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL			1,088.50	4,631,973.50	220.30	89,293.00	73.80	3,072,150.00	23.00	508.00	17.80	7,277.50	465.40	72,776.00	0.00	0.00	0.00
			1,088.50	4,631,973.50	220.30	89,293.00	73.80	3,072,150.00	23.00	508.00	17.80	7,277.50	465.40	72,776.00	0.00	0.00	0.00
			TOTALING GST	510,260.85	45,465.00	2,410.69	241.90	405.41	531.00	241.90	405.41	531.00	241.90	405.41	531.00	241.90	405.41
			AVERAGE HOURLY RATE	427.02	2,663.7	240.69	241.90	405.41	531.00	241.90	405.41	531.00	241.90	405.41	531.00	241.90	405.41

DISBURSEMENT REPORT
Equititrust Income Fund (Receiver Appointed)
22 November 2011 to 13 May 2012

Item	Rate
NSW Power of Attorney Transfer fee	90.45
Airfares	2,475.41
Travel - Mileage	2,557.50
Travel - Taxi	24.82
Travel - Car Rental	469.47
Parking	63.64
Courier	449.49
Mobile Internet	53.63
Postage	800.72
Photocopying	1,713.60
Search Fee	690.72
Sub Total	9,389.45
GST	938.95
TOTAL	10,328.40

TO INVESTORS

21 June 2012

**EQUITRUST INCOME FUND ARSN 089 079 854 ("EIF")
(RECEIVER APPOINTED) ("The Fund")**

I refer to my previous reports dated 1 February 2012, 21 February, 27 March 2012 and 16 May 2012 and now provide my fifth update to investors on the progress of the winding up of the Fund by me as Court appointed receiver of the property of the Fund.

1. Receipts and Payments

I provide below a summary of the Receipts and Payments of the Fund for the period 14 May to 17 June 2012.

**Summary of Receipts and Payments for the Period
14 May 2012 to 17 June 2012**

Opening Cash at Bank	2,381,045.74
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Receipts**Loan Recoveries:**

Elysian Marketing Pty Ltd et al ATF	367,821.57	
Mountbell Pty Ltd	478,157.31	
Rosea Pty Ltd	39,166.66	
Toowoomba (Foundry Shopping Centre) Pty Ltd	3,527.33	
Tweed Central Pty Ltd	40,016.02	
Valencia Grove Pty Ltd	16,204.63	944,893.52
Total Receipts		944,893.52

Payments

Bank Charges	30.40
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Distressed Loan funding:

Boothers Pty Ltd	4,147.95
Checkling Pty Ltd	3,457.94
Corymbia Corporation Pty Ltd	64,662.76
Corymbia Estates Pty Ltd	1,379.13
CTP Pty Ltd	3,631.88
East Coast Pty Ltd	8,449.15



Gamp Developments Pty Ltd	5,266.71	
Gonfanon Pty Ltd	968.55	
Kele Property Group (Port Macquarie) Pty Ltd	5,030.12	
Morvale Land Pty Ltd	21,496.04	
Mountbell Pty Ltd	612.01	
Newton, Kristine Lorraine	771.93	
Resort Corporation Australia (No 2) Pty Ltd (In Liq)	2,827.00	
Toowoomba (Foundry Shopping Centre) Pty Ltd	16,215.25	
Tweed Central Pty Ltd	6,407.07	
Valencia Grove Pty Ltd	84,843.36	
Western Land Corporation	27,399.73	
Wirrina Corporation Pty Ltd	110,862.25	368,428.83
External Receiver Outlays (David Clout)		297.00
Insurance		1,267.26
IT expenses		6,066.90
Legal Fees		39,144.60
Mileage Allowance		350.25
Motor Vehicle Expenses		9.68
Office Rental charge		8,670.95
Reversal of prior period payment (re-issued in current period)		(4,501.83)
Secured Creditor distribution - National Australia Bank		1,278,882.38
Superannuation Contribution Paid		3,212.50
Wages & Salaries		29,562.26
Total Payments		1,731,421.18
Closing Cash at Bank		1,594,518.08

2. Realisation of Assets

As this is a public document and to ensure I do not prejudice any ongoing negotiations regarding the sale of the properties, I will not at this time identify individual properties and/or their expected realisable values. However, I summarise in the table below the sales completed since my appointment, contracts on foot and current offers accepted and waiting execution of contracts:

	\$
Sales completed	7,813,866
Four contracts on foot	2,133,186
One offer accepted, awaiting executed contract	2,750,000

With respect to the contracts on foot, I note the following:

- A deed of settlement has been executed with \$150,000 received on 18 June 2012 and \$1.1M to be received on 17 June 2013.
- Three unconditional contracts totalling \$1,033,186 are due to settle between 30 November 2012 and 23 December 2012.

With respect to the offer accepted, I note the following:

- A contract for \$2.95M noted in my fourth report has not progressed, however a new contract for \$2.75M has been submitted for execution.

The contract for \$1.575M noted in my fourth report has not progressed due to unsatisfactory due diligence. The material change of use approval "(MCU)" has lapsed and therefore steps are being taken to ascertain if the MCU can be reinstated. A realisation strategy will be developed thereafter.

The remaining 15 properties, with the exception of one property, is currently on the market or being prepared for the commencement of sale campaigns. The property not presently subject to a sale campaign is currently subject to possession proceedings.

I will update investors on the progress of the sales in my monthly reports to investors. With the contracts on foot and sale campaigns reaching their closing date, I am hopeful that NAB will be repaid in full by the end of August 2012.

3. Legal Proceedings

As previously advised, there are currently nine legal actions on foot although five are largely finalised with cost orders to be recovered in four of those matters.

The remaining actions are expected to realise several million dollars for the benefit of investors although this may take some time to realise.

Additionally, as noted above possession proceedings are continuing in respect of one property. In addition, two actions are progressing against the same valuer for negligence and damages in excess of \$10M. Any amount recoverable in this latter respect will be sought against a professional indemnity insurance policy.

4. Appeal of Court Order

Equititrust Limited filed an appeal with respect to the terms of the Court Orders dated 21 and 23 November 2011, in respect to the powers granted to me as Receiver of EIF. The appeal had not progressed and has now been dismissed by the Supreme Court of Queensland as the Liquidators failed to appear and acknowledged they would not be progressing the appeal.



5. Estimated Return to Investors

I provide below an estimated return to investors of between 17 and 28 cents in the dollar as at 31 May 2012 as follows:

	Low \$000's	High \$000's
Total estimated selling prices	53,846	76,719
Less: Selling costs - marketing and agents fees (3.5%)	(1,885)	(2,685)
Secured creditors (net of cash at bank)	(8,458)	(8,458)
Land Tax and Rates	(7,900)	(7,900)
Other unsecured creditors	(373)	(373)
Receivers fees	(544)	(544)
Estimated net amount available to investors as at 31 May 2012	34,686	56,759
Total investors units	203,635	203,635
Estimated return in the dollar	\$0.17	\$0.28

The above table does not take into account future operating costs, interest on bank loans until repaid in full, future Receivers fees and rates and land tax after 31 May 2012. It also excludes any legal recoveries against borrowers, valuers or other third parties.

Subject to the sale of the properties currently on the market and where sale campaigns are to commence, I remain hopeful that I will be able to commence interim distributions to investors in the second half of this year. This will be after paying secured creditors, land tax and rates, Receivers fees and the unsecured creditors who rank ahead of investors' interests.

6. Receivers Remuneration & Expenses

I attach a remuneration summary covering the period from 21 November 2011 to 17 June 2012 (seven months) in respect of fees incurred of \$544,539 plus outlays of \$11,992.46 plus GST. None of the fees have been drawn to date.

As advised in my fourth report, I am currently preparing an application to Court to seek approval of my fees. I will notify creditors and investors of the application date with relevant documents to be uploaded to the websites www.equititrust.com.au and www.equititrustincomefund.com.au.



7. Contact Details

As previously advised, the staff and consultants engaged by me to assist in the winding up of the fund are located at the following address which should be used for all communications.

Postal Address: Equititrust Income Fund
Wyndham Building
Level 9, 1 Corporate Court
BUNDALL QLD 4217


Phone: 07 5510 4870
Fax: 07 5510 4907

8. Queries

Monthly reports will continue to be uploaded to the websites www.equititrust.com.au and www.equititrustincomefund.com.au. The latter new website is currently a copy of the old website and will be upgraded in due course.

Should investors have any queries in relation to the winding up of the Fund, they should contact the investors relation manager, Trish Riley on (07) 5510 4870 or my office on (07) 3237 5999 or by email at info@bdo.com.au. In the event investors raise queries not covered by the monthly reports, I will consider adding a frequently asked questions section to the new website.

Yours faithfully,



David Whyte
Receiver

Equitrust Income Fund (Receiver Appointed)
21 November 2011 to 17 June 2012

Employee	Position	Rate	Total Units	Total \$	Administration	Administration Units	Administration \$	Grants	Grants Units	Grants \$	Employees	Employees Units	Employees \$	Investigations	Investigations Units	Investigations \$	Trade-on	Trade-on Units	Trade-on \$		
Fielding, Andrew	Partner	545	0.20	109.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Newman, Helen	Partner	545	0.60	327.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Whyte, David	Partner	545	658.70	8,284.00	139.60	76,082.00	42.10	22,944.50	0.60	327.00	8.70	4,741.50	452.50	246,612.50	0.00	0.00	0.00	0.00	0.00	0.00	
Brushe, David	Manager	375	146.00	10,500.00	86.00	32,250.00	1.80	675.00	0.00	0.00	1.50	562.50	28.70	10,762.50	0.00	0.00	0.00	0.00	0.00	0.00	
Raphael, Alastair	Manager	375	0.80	300.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Somerville, John	Manager	375	80.50	6,787.50	49.80	18,675.00	4.70	1,762.50	0.00	0.00	0.50	187.50	7.20	2,700.00	0.00	0.00	0.00	0.00	0.00	0.00	
Bauer, Kirsty	Senior Accountant II	260	8.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Robotham, Scott	Senior Accountant II	260	0.20	52.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Want, Andrew	Senior Accountant II	260	297.40	77,328.00	2.10	546.00	5.40	1,404.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Coulston, Jayden	Accountant I	210	63.90	19,514.00	20.60	4,326.00	13.30	2,793.00	26.00	5,460.00	1.90	399.00	1.10	231.00	0.50	105.00	0.00	0.00	0.00	0.00	
Jones, Annabel	Accountant I	210	17.30	3,633.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Pembroke, Elle	Accountant I	210	7.40	1,554.00	0.00	0.00	0.00	0.00	0.40	84.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Gasper, Michael	Accountant II	160	6.50	1,040.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Richardson, Ashley	Administrative Assistant	70	12.40	868.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
TOTAL			1729.60	57,115.90	290.80	1,010,885.00	80.40	2,255,300.00	27.50	726.00	19.80	7,802.50	497.00	267,286.00							
TOTAL			1729.60	57,115.90	290.80	1,010,885.00	80.40	2,255,300.00	27.50	726.00	19.80	7,802.50	497.00	267,286.00							
AVERAGE			1729.60	57,115.90	290.80	1,010,885.00	80.40	2,255,300.00	27.50	726.00	19.80	7,802.50	497.00	267,286.00							
PER HOUR			1729.60	57,115.90	290.80	1,010,885.00	80.40	2,255,300.00	27.50	726.00	19.80	7,802.50	497.00	267,286.00							

DISBURSEMENT REPORT
Equitrust Income Fund (Receiver Appointed)
21 November 2011 to 17 June 2012

Item	Rate	Units	Total
NSW Power of Attorney Transfer fee	90.45		
Airfares	2,475.41		
Travel - Mileage	2,557.50		
Travel - Taxi	104.94		
Travel - Car Rental	469.47		
Parking	134.55		
Courier	449.49		
Mobile Internet	53.63		
EIF - Photocopier install	255.00		
Postage	811.82		
Photocopying	3,811.80		
Search Fee	778.40		
Sub Total	11,992.46		
GST	1,199.25		
TOTAL	13,191.71		

TO INVESTORS

26 July 2012

**EQUITRUST INCOME FUND ARSN 089 079 854 ("EIF")
(RECEIVER APPOINTED) ("The Fund")**

I refer to my previous reports dated 1 February 2012, 21 February 2012, 27 March 2012, 16 May 2012 and 21 June 2012 and now provide my sixth update to investors on the progress of the winding up of the Fund by me as Court appointed receiver of the property of the Fund.

1. Receipts and Payments

I provide below a summary of the Receipts and Payments of the Fund for the period 18 June to 22 July 2012.

**Summary of Receipts and Payments for the Period
18 June 2012 to 22 July 2012**

Opening Cash at Bank	1,594,518.08
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Receipts**Loan Recoveries:**

Corymbia Estates Pty Ltd	4,316.62	
Mountbell Pty Ltd	39,548.75	
Rosea Pty Ltd	168,333.33	
Toowoomba (Foundry Shopping Centre) Pty Ltd	146,200.54	358,399.24
Total Receipts		358,399.24

Payments

Bank Charges	20.80
---------------------	--------------

Distressed Loan funding:

Corymbia Estates Pty Ltd	17,600.00
CTP Pty Ltd	11,477.40
East Coast Pty Ltd	2,750.00
Morvale Land Pty Ltd	660.00
Resort Corporation Australia (No 2) Pty Ltd (In Liq)	37,223.71
Toowoomba (Foundry Shopping Centre) Pty Ltd	16,500.00
Tweed Central Pty Ltd	23,904.62



Valencia Grove Pty Ltd	33,976.03	
Western Land Corporation	4,400.00	
Wirrina Corporation Pty Ltd	144,334.73	292,826.49
Insurance		25,298.24
IT expenses		10,347.27
Legal Fees		841.50
Mileage Allowance		325.50
Office Rental charge		7,770.98
Reversal of Prior Period GST remittance (subject to Private Ruling)		(250,689.00)
Statutory Payments - GST & PAYG		43,909.00
Wages & Salaries		34,672.56
Total Payments		165,323.34
Closing Cash at Bank		1,787,593.98

2. Realisation of Assets

The realisation of the Fund's assets continues to progress.

As this is a public document and to ensure I do not prejudice any ongoing negotiations regarding the sale of the properties, I will not at this time identify individual properties and/or their expected realisable values. However, I summarise all sales, contracts on foot, current offers accepted and contracts awaiting execution below:

	\$
Sales completed	8,848,866
Eight contracts on foot	5,780,000
Eleven offers accepted, awaiting executed contracts	4,050,000
One offer under consideration	12,000,000 - 15,000,000

With respect to the information above, I note the following:

- A property settled on 23 July 2012 with gross realisations of \$885,000;
- Four contracts are unconditional with settlements scheduled in August 2012 and gross realisations of approximately \$1.4 million;
- A contract is unconditional in the amount of \$2.25 million with settlement scheduled in September 2012;
- Three contracts are unconditional with settlements scheduled in December 2012 and gross realisations of approximately \$1.03 million;
- A deed of settlement has been executed with \$150,000 received on 18 June 2012 and \$1.1 million to be received on 17 June 2013;



- Contracts for ten lots are currently being exchanged with gross realisations of approximately \$1.8 million anticipated. The agent for the site is continuing to market the remaining lots;
- An offer of \$2.25 million for a property has been received with a contract forwarded to the purchaser for execution;
- An offer in the range of \$12M to \$15M is currently being considered;
- A highly conditional offer of \$6 million has been received for a property, however is not capable of acceptance at this time. The property will be subject to a sale campaign commencing in the next four to six weeks.

The remaining 11 properties, with the exception of one property, is currently on the market or being prepared for the commencement of sale campaigns. The property not presently subject to a sale campaign is currently subject to possession proceedings.

I will update investors on the progress of the sales in my monthly reports to investors. With the contracts on foot and sale campaigns reaching their closing date, I am hopeful that NAB will be repaid in full by the end of September 2012.

3. Legal Proceedings

As previously advised, there are currently nine legal actions on foot although five are largely finalised with cost orders to be recovered in four of those matters.

The remaining actions are expected to realise several million dollars for the benefit of investors although this may take some time to realise.

Additionally, as noted above possession proceedings are continuing in respect of one property. In addition, two actions are progressing against the same valuer for negligence and damages in excess of \$10M. Any amount recoverable in this latter respect will be sought against a professional indemnity insurance policy.

4. Estimated Return to Investors

I provide below an estimated return to investors of between 18 and 26 cents in the dollar as at 26 July 2012 as follows:

	Low \$000's	High \$000's
Total estimated selling prices	53,435	68,320
Less: Selling costs - marketing and agents fees (3.5%)	(1,870)	(2,391)
Secured creditors (net of cash at bank)	(6,923)	(6,923)
Land Tax and Rates	(7,781)	(7,781)



Other unsecured creditors	(1,094)	(1,094)
Receivers fees	(596)	(596)
Estimated net amount available to investors as at 30 June 2012	35,171	49,535
Total investors units	193,916	193,916
Estimated return in the dollar	\$0.18	\$0.26

The above table does not take into account future operating costs, interest on bank loans until repaid in full, future Receivers fees and rates and land tax after 30 June 2012. It also excludes any legal recoveries against borrowers, valuers or other third parties.

Subject to the sale of the properties currently on the market and where sale campaigns are to commence, I remain hopeful that I will be able to commence interim distributions to investors in the second half of this year. This will be after paying secured creditors, land tax and rates, Receivers fees and the unsecured creditors who rank ahead of investors' interests.

5. Updated Unit Price

I have received numerous requests to provide an updated unit price. In this regard, I provide below an updated unit price as at 30 June 2012 of 23 cents, which is based on the mid point of the high and low estimated selling prices of the secured assets as at 30 June 2012.

	\$000's
Investor units opening balance 1 July 2011	203,635
Reallocation of income payments to reduction in principal in 2011/2012	(9,719)
Total investor units as at 30 June 2012	193,916
Total Value of Fund Assets as at 30 June 2012 (net of land tax and rates)	53,844
Less value of NAB facility	(6,000)
	<hr/>
	47,844
Less Creditors and Other Payables	(3,891)
	<hr/>
Total Net Value of Fund Assets	43,953
Total Number of Units as at 30 June 2012	193,916
Unit Price	0.23

Please note that the unit price has been calculated based on unaudited management accounts as at 30 June 2012.

I attach a copy of a letter to Centrelink confirming the unit price as at 30 June 2012, which may be used by investors to assist with the revision of their pensions.

I have previously written to the Minister for Families, Housing, Community Services and Indigenous Affairs seeking consideration to exempt units in the Fund from social security deeming provisions to assist retirees who are income and asset tested. Despite following them up in this respect, I have not yet received a response from the Minister.

6. Piper Alderman Class Action

I have been asked by Piper Alderman to include the below update to investors on their behalf in relation to the current status of the proposed class action.

As previously advised, pursuant to the terms of the EIF constitution, as Receiver of the fund's assets and person responsible for winding up the fund, I am not able to prosecute the claims proposed by Piper Alderman which are claims that can only be made by investors themselves.

This update has been prepared by Piper Alderman and I make no comment in respect of same. It is for investors to make their own decision regarding any such class action. I recommend investors seek their own independent legal advice before determining if they should participate in the class action contemplated.

"Piper Alderman has been engaged in ongoing preparations relating to the class action proceedings against Equititrust Limited (and its directors) as the responsible entity of the Equititrust Income Fund ("the Fund") and the Fund's auditors. The preparation of the claims is in the final stages, with senior counsel instructed by Piper Alderman reviewing the proposed claims. Accordingly, Piper Alderman expects that the claims will be commenced shortly.

It is understood that unknown persons have made unsolicited communications to unit holders alleging that Piper Alderman is not proceeding with the class action. These allegations are untrue and should be ignored.

Any unit holder wishing to participate in the proceedings should contact Shaan Palmer of Piper Alderman on (02) 9253 9920 without delay to ensure that you are included in the proceedings."

7. Request for Proofs of Debt from Liquidator of Equititrust Limited

I understand that there has been some confusion with respect to Hall Chadwick's request for Proofs of Debt forms in their latest correspondence. Please note that an investor's claim against Equititrust Limited will be for any shortfall on their investment caused by Equititrust Limited acting as responsible entity of the Fund.



If an investor wishes to lodge a Proof of Debt form, they should lodge it directly with Hall Chadwick. Contact details for Hall Chadwick are provided below.

Hall Chadwick
29/31 Market Street
Sydney NSW 2000
Telephone: (02) 9263 2600

8. Reduction in Overheads

As previously advised, staff and consultants were retained following my appointment to assist with the winding up of the Fund initially under a services agreement with Equititrust Limited (Receivers and Managers Appointed) (In Liquidation), GCP(HQ) Pty Ltd and ECG Administration Pty Ltd (In Liquidation) ("ECGA") in order to reduce overheads from an average of \$514,000 to \$147,000 per month.

Since January 2012, the monthly overhead costs have gradually been reduced and are now approximately \$53,000 per month. A further two staff members will cease employment by mid August 2012, reducing overheads by a further amount of approximately \$21,000 per month.

9. Contact Details

One of the staff members due to finish on 27 July 2012 is the investor relations manager, Trish Riley. For all future queries in relation to your investment you should contact Andrew Want of my office on (07) 3237 5711.

The remaining staff and consultants engaged by me to assist in the winding up of the fund are still located at the following address.

Postal Address: Equititrust Income Fund
Wyndham Building
Level 9, 1 Corporate Court
BUNDALL QLD 4217

Phone: 07 5510 4870
Fax: 07 5510 4907

10. Receivers Remuneration & Expenses

I attach a remuneration summary covering the period from 21 November 2011 to 22 July 2012 in respect of fees incurred of \$634,418.00 plus outlays of \$14,804.09 plus GST. None of the fees have been drawn to date.

As advised in my fifth report, I am currently preparing an application to Court to seek approval of my fees. I will notify creditors and investors of the application date with relevant documents to be uploaded to the websites www.equititrust.com.au and www.equititrustincomefund.com.au.




11. Queries

Monthly reports will continue to be uploaded to the websites www.equitytrust.com.au and www.equitytrustincomefund.com.au.

Should investors have any queries in relation to the winding up of the Fund, they should contact my office on (07) 3237 5999 or by email at info@bdo.com.au.

Yours faithfully,



David Whyte
Receiver

Equitrust Income Fund (Receiver Appointed)
21 November 2011 to 22 July 2012

Employee	Position	Rate	Total Units	Totals	Administration		Assets		Gratuities		Employees		Investigations		Rate-On	
					Units	\$	Units	\$	Units	\$	Units	\$	Units	\$	Units	\$
Whyte, David	Partner	560	42.50	23,376.00	3.90	2,184.00	23.90	13,384.00	1.00	560.00	0.20	112.00	0.00	0.00	13.10	7,336.00
Fielding, Andrew	Partner	545	0.20	109.00	0.60	327.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Newman, Helen	Partner	545	0.60	327.00	15.40	8,393.00	156.10	85,074.50	42.10	22,944.50	0.60	327.00	0.00	0.00	458.40	249,828.00
Whyte, David	Senior Manager	545	681.30	371,308.50	4.20	1,785.00	24.10	10,242.50	2.30	977.50	0.00	0.00	0.00	0.00	14.70	6,247.50
Somerville, John	Manager	425	45.30	19,252.50	28.00	10,500.00	86.20	32,325.00	1.80	675.00	0.00	0.00	0.00	0.00	28.70	10,762.50
Brushe, David	Manager	375	146.20	54,825.00	0.80	300.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Raphael, Alastair	Manager	375	0.80	300.00	24.40	9,150.00	69.50	26,062.50	7.50	2,812.50	0.00	0.00	0.00	0.00	19.30	7,237.50
Somerville, John	Senior Accountant II	375	121.20	45,450.00	1.10	297.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Coulston, Jayden	Senior Accountant II	270	1.90	513.00	29.50	7,965.00	2.90	783.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Boyes, Rebecca	Senior Accountant II	270	1.90	513.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Want, Andrew	Senior Accountant II	270	32.40	8,748.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bauer, Kirsty	Senior Accountant II	260	0.20	52.00	0.20	52.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Robotham, Scott	Senior Accountant II	260	0.20	52.00	319.30	83,018.00	1.10	286.00	5.40	1,404.00	0.00	0.00	0.00	0.00	0.00	0.00
Want, Andrew	Senior Accountant II	260	333.90	86,814.00	21.80	4,578.00	13.30	2,793.00	26.10	5,481.00	1.90	399.00	1.10	231.00	8.10	2,106.00
Coulston, Jayden	Accountant I	210	64.70	13,587.00	17.30	3,633.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.50	105.00
Jones, Annabel	Accountant I	210	7.80	1,638.00	7.40	1,554.00	0.00	0.00	0.40	84.00	0.00	0.00	0.00	0.00	0.00	0.00
Pembroke, Elle	Accountant I	210	6.50	1,040.00	6.50	1,040.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Glasper, Michael	Accountant II	160	6.50	1,040.00	12.40	868.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Richardson, Ashley	Administrative Assistant	70	12.40	868.00												
TOTAL			4,152,390	63,441,800	49,490	1,936,266.00	3,376.00	170,950.50	46.60	1,493,850.8	2,270	838.00	19.80	7,802.50	5,280	283,622.50
			TOTALING GST	63,441,180												
			AVERAGE HOUR/RATE	697,859.80												

DISBURSEMENT REPORT
Equitrust Income Fund (Receiver Appointed)
21 November 2011 to 22 July 2012

Item	90.45
NSW Power of Attorney Transfer fee	2,475.41
Airfares	4,849.50
Travel - Mileage	104.94
Travel - Taxi	469.47
Travel - Car Rental	134.55
Parking	449.49
Courier	53.63
Mobile Internet	255.00
EIF - Photocopier install	830.86
Postage	3,811.80
Photocopying	1,278.99
Search Fee	14,804.09
Sub Total	1,480.41
GST	16,284.50
TOTAL	



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AUSTRALIA

TO WHOM IT MAY CONCERN

26 July 2012

EQUITITRUST INCOME FUND
ARSN 089 079 854
(RECEIVER APPOINTED) ("THE FUND")

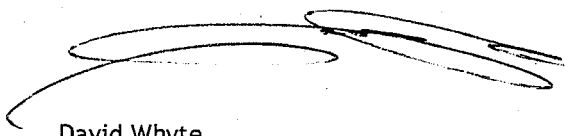
I refer to my court appointment on 21 November 2011 as interim Receiver and subsequent appointment on 23 November 2011 as Receiver of the Fund's assets and the person responsible for ensuring the winding up of the Fund in accordance with the terms of its constitution.

I provide an update on the estimated unit price of the fund as at 30 June 2012, calculated as follows:

	\$000's
Investor units opening balance 1 July 2011	203,635
Reallocation of income payments to reduction in principal in 2011/2012	(9,719)
Total investor units as at 30 June 2012	193,916
Total Value of Fund Assets as at 30 June 2012	53,844
Less value of NAB facility	(6,000)
	<hr/>
	47,844
Less Creditors and Other Payables	(3,891)
	<hr/>
Total Net Value of Fund Assets	43,953
Total Number of Units as at 30 June 2012	193,916
Unit Price	0.23

Should you have any queries in respect of the above, please contact Andrew Want of my office on (07) 3237 5711.

Yours faithfully,


David Whyte
Receiver

BDO Business Recovery & Insolvency (QLD) Pty Ltd ABN 90 134 036 507 is a member of a national association of independent entities which are all members of BDO (Australia) Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Business Recovery & Insolvency (QLD) Pty Ltd and BDO (Australia) Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation (other than for the acts or omissions of financial services licensees) in each State or Territory other than Tasmania.



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AUSTRALIA

TO INVESTORS

30 August 2012

EQUITRUST INCOME FUND ARSN 089 079 854 ("EIF") (RECEIVER APPOINTED) ("The Fund")

I refer to my previous reports dated 1 February 2012, 21 February 2012, 27 March 2012, 16 May 2012, 21 June 2012 and 26 July 2012, and now provide my seventh update to investors on the progress of the winding up of the Fund by me as Court appointed receiver of the property of the Fund.

1. Receipts and Payments

I provide below a summary of the Receipts and Payments of the Fund for the period 23 July 2012 to 28 August 2012.

Summary of Receipts and Payments for the Period	
23 July 2012 to 28 August 2012	
Opening Cash at Bank	1,787,593.98
Receipts	
Interest Income	843.83
Loan Recoveries:	
Resort Corporation Australia (No.2) Pty Ltd	816,868.46
Rosea Pty Ltd	74,963.89
Toowoomba (Foundry Shopping Centre) Pty Ltd	78,491.22
Tweed Central Pty Ltd	1,586,947.64
Total Receipts	2,557,271.21
	2,558,115.04
Payments	
Bank Charges	17.20
Distribution to Secured Creditor - NAB	2,500,000.00
Distressed Loan funding:	
Boothers Pty Ltd	8,295.32
Checkling Pty Ltd	27,305.87
Corymbia Estates Pty Ltd	35,263.12
Gonfanon Pty Ltd	18,964.65
Morvale Land Pty Ltd	5,280.00

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1



Newton, Kristine Lorraine	1,732.50	
Resort Corporation Australia (No 2) Pty Ltd	31,317.34	
Tweed Central Pty Ltd	305,328.17	
Valencia Grove Pty Ltd	2,427.15	
Western Land Corporation	7,544.30	
Windsor Turf Pty Ltd	8,341.21	
Wirrina Corporation	121,057.50	
Wirrina Resort & Conference Centre Pty Ltd (In Liquidation)	20,878.25	593,735.38
IT expenses		9,855.56
Legal Fees		115,934.41
Mileage Allowance		94.53
Office Rental charge		8,018.14
Superannuation		11,123.74
Wages & Salaries		64,980.32
Total Payments		3,303,759.28
Closing Cash at Bank		1,041,949.74

2. Realisation of Assets

The realisation of the Fund's assets continues to progress.

As advised in previous reports, this is a public document and therefore to ensure I do not prejudice any ongoing negotiations regarding the sale of the properties, I will not at this time identify individual properties and/or their expected realisable values. However, I summarise all sales, contracts on foot, current offers accepted and contracts awaiting execution below:

	\$
Sales completed	10,238,726
Twelve contracts on foot	9,755,266
Four offers accepted, awaiting executed contracts	566,960
Three offers under consideration	18,650,000 - 21,650,000

With respect to the information above, I note the following:

- Five contracts are unconditional with settlements scheduled in September 2012 and gross realisations of approximately \$3.4 million;
- Three contracts are unconditional with settlements scheduled in December 2012 and gross realisations of approximately \$1.03 million;
- A contract for \$2.25 million for a property has been exchanged with due diligence expiring on 5 September 2012 and settlement scheduled for 5 October 2012;

- A deed of settlement has been executed with \$150,000 received on 18 June 2012 and \$1.1 million to be received on 17 June 2013;
- Contracts for four lots are currently being exchanged with gross realisations of approximately \$567,000 anticipated. The agent for the site is continuing to market the remaining lots;
- An offer in the range of \$12M to \$15M is still under consideration; and
- Offers of \$5 million and \$1.65 million are currently under consideration.

The remaining 10 properties, with the exception of one property, is currently on the market or being prepared for the commencement of sale campaigns. The property not presently subject to a sale campaign is currently subject to possession proceedings.

I will update investors on the progress of the sales in my monthly reports to investors.

3. Legal Proceedings

As noted in my previous reports, there are currently nine legal actions on foot although five are largely finalised with cost orders to be recovered in four of those matters.

The remaining actions are at various stages from reviewing counter claims to negotiating settlements in respect of amounts awarded in favour of EIF. The actions are expected to realise several million dollars for the benefit of investors although this may take some time to realise.

Additionally, possession proceedings are continuing in respect of one property and two actions are progressing against the same valuer for negligence and damages in excess of \$10M. Any amount recoverable in this latter respect will be sought against a professional indemnity insurance policy.

4. Estimated Return to Investors

I provide below an estimated return to investors of between 17 and 25 cents in the dollar as at 27 August 2012 as follows:

	Low \$000's	High \$000's
Total estimated selling prices	50,367	67,177
Less: Selling costs - marketing and agents fees (3.5%)	(1,763)	(2,351)
Secured creditors (net of cash at bank)	(6,658)	(6,658)
Land Tax and Rates	(8,066)	(8,066)
Other unsecured creditors	(1,094)	(1,094)
Receivers fees	(745)	(745)



Estimated net amount available to investors as at 27 August 2012	32,041	48,263
Total investors units	193,916	193,916
Estimated return in the dollar	\$0.17	\$0.25

The above table does not take into account future operating costs, interest on bank loans until repaid in full, future Receivers fees and rates and land tax after 31 July 2012. It also excludes any legal recoveries against borrowers, valuers or other third parties.

Subject to the sale of the properties currently on the market and where sale campaigns are to commence, I remain hopeful that I will be able to commence interim distributions to investors in the second half of this year or early next year. This will be after paying secured creditors, land tax and rates, Receivers fees and the unsecured creditors who rank ahead of investors' interests.

5. Correspondence from Centrelink

In response to my correspondence requesting consideration to exempt units from deeming provisions, and my updated unit valuation of 23 cents, I have received a letter from the office of the Minister for Families, Community Services and Indigenous Affairs, Minister for Disability reform, the Honourable Jenny Macklin MP. Please find *attached* the Minister's response for your information.

In relation to the exemption of units from deeming provisions, the position of the Minister's office is unchanged and therefore the units held in the fund will not be exempt for deeming purposes. The Minister's office explains that:

"...the freezing of distributions and the risks associated with this product is allowed for in the PDS and the constitution of the fund. Consequently, investors would therefore have been made aware of the potential for this situation when they made the choice to invest."

"...[the] investments in the Fund will continue to be assessed as financial assets subject to the deemed income provisions and the assets tests."

In relation to the updated unit price, the Minister's office has requested that investors advise Centrelink of the change in value of their investment.

6. Income statements for Taxation purposes

To assist completion of your tax obligations for the financial year ending 30 June 2012, please find *attached* a letter detailing that no distributions, interest, capital or otherwise, were made during the last financial year.

7. Piper Alderman Class Action

I have requested an update from Piper Alderman with respect to the status of the proposed class action, however as at the time of finalising this report, a response has not been received.

8. Receivers Remuneration & Expenses

I attach a remuneration summary covering the period from 21 November 2011 to 26 August 2012 (9 months) in respect of fees incurred of \$745,415.00 plus outlays of \$18,553.71 plus GST. None of the fees have been drawn to date.

As advised in my previous reports, I am currently preparing an application to Court to seek approval of my fees. I will notify creditors and investors of the application date with relevant documents to be uploaded to the websites www.equititrust.com.au and www.equitrustincomefund.com.au.

9. Updating your contact details

If investors wish to update their postal address or bank details, a request should be submitted in writing to the following address.

Equititrust Income Fund (Receiver appointed)
C/- BDO
GPO Box 457
Brisbane QLD 4001

10. Queries

Monthly reports will continue to be uploaded to the websites www.equititrust.com.au and www.equitrustincomefund.com.au.

The remaining staff and consultants engaged by me to assist in the winding up of the fund are located at the following address:

Postal Address: Equititrust Income Fund	Phone: 07 5510 4870
Wyndham Building	Fax: 07 5510 4907
Level 9, 1 Corporate Court	
BUNDALL QLD 4217	

Andrew Want of this office is, however, key point of contact for all investor queries. Andrew can be contacted by the following;

Phone: 07 3237 5999
Email: andrew.want@equitrustincomefund.com.au



Should investors have any queries in relation to the winding up of the Fund, they should contact my office on (07) 3237 5999 or by email at info@bdo.com.au.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'D. Whyte', written over a horizontal line.

David Whyte
Receiver



Office of the Hon Jenny Macklin MP
Minister for Families, Community Services and Indigenous Affairs
Minister for Disability Reform

Parliament House
CANBERRA ACT 2600

Telephone: (02) 6277 7560
Facsimile: (02) 6273 4122

RECEIVED
06 AUG 2012

MC12-006579

BY:.....

02 AUG 2012

Mr David Whyte
BDO Business Recovery and Insolvency (QLD) Pty Ltd
GPO Box 457
BRISBANE QLD 4001

Dear Mr Whyte

Thank you for your letter of 31 May 2012 to the Minister for Families, Community Services and Indigenous Affairs, Minister for Disability Reform, the Hon Jenny Macklin MP, about exempting investments in the Equititrust Income Fund from the social security income test deeming rules. The Minister has asked me to reply to you on her behalf. I apologise for the delay in responding.

As you may know, exemptions from the deeming rules have been provided in very limited circumstances and only when specific characteristics are met, including the investment ceasing to operate within the terms of the Product Disclosure Statement (PDS).

In relation to the Equititrust Income Fund (the Fund), I understand the freezing of distributions and the risks associated with this product is allowed for in the PDS and the constitution of the fund. Consequently, investors would therefore have been made aware of the potential for this situation when they made the choice to invest. In this regard, the Fund continues to operate like any other managed fund which is subject to market forces, which may involve the cessation of income distributions, a reduction in the value of the investment or a winding up of the fund.

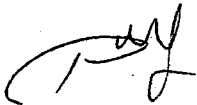
While the Minister appreciates the difficulties investors are experiencing, investments in the Fund will continue to be assessed as financial assets subject to the deemed income provisions and the assets tests.

I note your estimate of the likely return to investors. I would recommend that investors contact Centrelink to advise of the change in the value of their investment.

In addition, if investors want further information regarding their individual circumstances, I would also recommend that they arrange an interview with a Centrelink Financial Information Service officer. These officers are specially trained to provide information on the operation of the income and assets tests. This is a free service and an appointment can be made by phoning Centrelink on 13 2300 for the cost of a local call. Please note that calls made from mobile phones may incur additional costs.

Thank you again for writing.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Max Jeganathan', written in a cursive style.

Max Jeganathan
Adviser



Tel: +61 7 3237 5999
Fax: +61 7 3221 9227
www.bdo.com.au

Level 18, 300 Queen St
Brisbane QLD 4000
GPO Box 457 Brisbane QLD 4001
AUSTRALIA

TO INVESTORS

30 August 2012

Dear Investor,

**EQUITITRUST INCOME FUND ("EIF")
(RECEIVER APPOINTED) ("THE FUND")
RESPONSIBLE ENTITY: EQUITITRUST LTD A.C.N. 061 383 944**

I refer to my appointment on 21 November 2011 as interim Receiver and subsequent appointment on 23 November 2011 as Receiver of the Fund's assets and the person responsible for ensuring the winding up of the Fund in accordance with the terms of its constitution.

The books and records maintained by the Fund and its' Responsible Entity indicate that *no distributions; interest, capital or otherwise, were made to investors of the fund for the financial year ending 30 June 2012.*

I advise that records produced prior to my appointment have not been audited and as such I accept no responsibility for the completeness or accuracy of same.

Should you have any queries, or require further information, please contact Andrew Want of this office on (07) 3237 5999.

Yours faithfully

David Whyte
Receiver

Equititrust Income Fund (Receiver Appointed)
21 November 2011 to 26 August 2012

Whyte, David	560	14.20	7,952.00	79.30	44,408.00	1.40	784.00	0.20	112.00	0.00	0.00	29.40	16,464.00
Fielding, Andrew	545	0.20	105.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Newman, Helen	545	0.60	327.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Whyte, David	545	15.40	8,393.00	156.10	85,074.50	42.10	22,944.50	0.60	327.00	0.00	4,741.50	458.40	249,828.00
Somerville, John	425	19.90	8,457.50	52.90	22,482.50	10.80	4,590.00	0.00	0.00	0.00	0.00	42.40	18,020.00
Brushie, David	375	28.00	10,500.00	86.20	31,325.00	1.80	675.00	0.00	0.00	1.50	562.50	28.70	10,762.50
Raphael, Alastair	375	0.80	300.00	0.00	0.00	0.00	0.00	0.00	0.00	0.50	187.50	19.30	7,237.50
Somerville, John	375	24.40	9,150.00	69.50	26,062.50	7.50	2,812.50	0.00	0.00	0.00	0.00	0.00	0.00
Brown, Gareth	350	0.00	0.00	2.7	945.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bulda, Andrew	350	0.00	0.00	11.2	3,920.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Potts, Andrew	350	0.00	0.00	0.00	0.00	0.00	0.00	0.6	210.00	0.00	0.00	0.00	0.00
Boyes, Rebecca	270	1.10	297.00	0.80	216.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Coulston, Jayden	270	10.40	2,808.00	2.70	729.00	0.10	27.00	0.30	81.00	0.00	0.00	0.00	0.00
Want, Andrew	270	111.30	30,051.00	2.90	783.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bauer, Kirsty	260	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8.00	2,080.00	0.00	0.00
Robotham, Scott	260	0.20	52.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Want, Andrew	260	319.30	83,015.00	0.00	0.00	0.00	1,404.00	0.00	0.00	0.00	0.00	0.00	0.00
Coulston, Jayden	210	21.80	4,578.00	13.30	2,793.00	5.40	5,481.00	0.00	0.00	0.00	0.00	8.10	2,106.00
Jones, Annabel	210	17.30	3,633.00	0.00	0.00	26.10	5,481.00	1.90	399.00	1.10	231.00	0.50	105.00
Pembroke, Elle	210	7.40	1,554.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Gaspar, Michael	160	6.50	1,040.00	0.00	0.00	0.40	84.00	0.00	0.00	0.00	0.00	0.00	0.00
Gaspar, Michael	155	0.30	46.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Richardson, Ashley	70	12.40	866.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NSW Power of Attorney Transfer fee	90.45												
Airfares	2,867.53												
Travel - Mileage	4,849.50												
Travel - Taxi	104.94												
Travel - Car Rental	733.25												
Parking	134.55												
Courier	642.72												
Mobile Internet	53.63												
EIF - Photocopier install	255.00												
Postage	2,375.61												
Photocopying	4,891.80												
Search Fee	1,554.73												
Sub Total	18,553.71												
GST	1,855.37												
TOTAL	20,409.08												

DISBURSEMENT REPORT
Equititrust Income Fund (Receiver Appointed)
21 November 2011 to 26 August 2012

Item	90.45
NSW Power of Attorney Transfer fee	2,867.53
Airfares	4,849.50
Travel - Mileage	104.94
Travel - Taxi	733.25
Travel - Car Rental	134.55
Parking	642.72
Courier	53.63
Mobile Internet	255.00
EIF - Photocopier install	2,375.61
Postage	4,891.80
Photocopying	1,554.73
Search Fee	18,553.71
Sub Total	1,855.37
GST	20,409.08
TOTAL	

"DW-19"

ASIC & Business Names

ORGANISATIONAL SEARCH ON WIRRINA CORPORATION PTY LTD

Historical Extract

This information was extracted from ASIC database on 19 September 2012 at 10:26AM

This extract contains information derived from the Australian Securities and Investment Commission's (ASIC) database under section 1274A of the Corporations Act 2001. Please advise ASIC of any error or omission which you may identify.

131 742 151	WIRRINA CORPORATION PTY LTD	DOCUMENT NO.
ABN	131 742 151 89 131 742 151	
Registered in	NSW	
Date Registered	20-Jun-2008	
Review Date	20-Jun-2013	

Current Organisation Details

Name	WIRRINA CORPORATION PTY LTD	7E4265611
Name Start	03-Mar-2011	
Status	REGISTERED	
Type	AUSTRALIAN PROPRIETARY COMPANY	
Class	LIMITED BY SHARES	
Subclass	PROPRIETARY COMPANY	
Disclosing Entity	NO	

Ceased/Former Organisation Details

Details Start	24-Oct-2011	7E4041389
Details End	24-Oct-2011	
Name	WIRRINA CORPORATION PTY LTD	
Name Start	03-Mar-2011	
Status	EXTERNALLY ADMINISTERED	
	For information about this status refer to the documents listed under the heading "External Administration and/or Appointment of Controller", below.	
Type	AUSTRALIAN PROPRIETARY COMPANY	
Class	LIMITED BY SHARES	
Subclass	PROPRIETARY COMPANY	
Disclosing Entity	NO	
Details Start	03-Mar-2011	026232458
Details End	23-Oct-2011	
Name	WIRRINA CORPORATION PTY LTD	
Name Start	03-Mar-2011	
Status	REGISTERED	

Type	AUSTRALIAN PROPRIETARY COMPANY	
Class	LIMITED BY SHARES	
Subclass	PROPRIETARY COMPANY	
Disclosing Entity	NO	
Details Start	20-Jun-2008	5E1917982
Details End	02-Mar-2011	
Name	WIRRINA FIRST MORTGAGEE PTY LTD	
Name Start	20-Jun-2008	
Status	REGISTERED	
Type	AUSTRALIAN PROPRIETARY COMPANY	
Class	LIMITED BY SHARES	
Subclass	PROPRIETARY COMPANY	
Disclosing Entity	NO	

Current Registered Office

Address	EQUITITRUST INCOME FUND, 'WYNDHAM BUILDING' LEVEL 9, 1F0371148 1 CORPORATE COURT, BUNDALL, QLD, 4217	
Start Date	25-Jun-2012	

Ceased/Former Registered Office

Address	LEVEL 1, 65-67 THOMAS DRIVE, SURFERS PARADISE, QLD, 4217	7E2997859
Start Date	06-Jul-2010	
End Date	24-Jun-2012	
Address	67 THOMAS DRIVE, CHEVRON ISLAND, QLD, 4217	7E2600541
Start Date	18-Dec-2009	
End Date	05-Jul-2010	
Address	'ICA HOUSE' LEVEL 1, 32 RIDGE STREET, NORTH SYDNEY, NSW, 2060	5E1917982
Start Date	20-Jun-2008	
End Date	17-Dec-2009	

Current Principal Place of Business

Address	WIRRINA RESORT, 1 PARADISE DRIVE, WIRRINA COVE, SA, 5204	1F0371148
Start Date	31-May-2012	

Ceased/Former Principal Place of Business

Address	67 THOMAS DRIVE, CHEVRON ISLAND, QLD, 4217	7E2600541
Start Date	11-Dec-2009	
End Date	30-May-2012	
Address	'ICA HOUSE' LEVEL 1, 32 RIDGE STREET, NORTH SYDNEY, NSW, 2060	5E1917982
Start Date	20-Jun-2008	

End Date 10-Dec-2009

Current Director

Officer Name AARON JOHN BATTIS 1F0371148
ABN Not available
Birth Details 15-Nov-1975 TIMARU NEW ZEALAND
Address 'WIRRINA RESORT', 1 PARADISE DRIVE, WIRRINA COVE, SA,
5204
Appointment Date 27-May-2012

Officer Name REGIS MICHAEL AMALRAJ 027855882
ABN Not available
Birth Details 16-Sep-1967 CHENNAI INDIA
Address 1 PARADISE DRIVE, WIRRINA COVE, SA, 5204
Appointment Date 22-Jun-2012

Ceased/Former Director

Officer Name MARK MCIVOR 7E1814448
ABN Not available
Birth Details 27-Mar-1956 DALBY QLD
Address 1 SOUTHERN CROSS DRIVE, CHEVRON ISLAND, QLD, 4217
Appointment Date 18-Sep-2008
Cease Date 29-May-2012

Officer Name DAVID HICKIE 7E4303701
ABN Not available
Birth Details 21-Sep-1951 MELBOURNE VIC
Address UNIT 5, 78 QUEEN ROAD, MELBOURNE, VIC, 3004
Appointment Date 14-Feb-2012
Cease Date 29-May-2012

Officer Name ROSS JAMES HONEYMAN 7E4303701
ABN Not available
Birth Details 02-Apr-1957 SYDNEY NSW
Address UNIT 13, 3508 MAIN BEACH PARADE, MAIN BEACH, QLD, 4217
Appointment Date 28-Feb-2012
Cease Date 27-May-2012

Officer Name DAVID JOHN KENNEDY 7E3042509
ABN Not available
Birth Details 24-Dec-1968 BRISBANE QLD
Address 55 CHAROLAIS CRESCENT, BENOWA, QLD, 4217
Appointment Date 15-Jul-2010
Cease Date 07-Jul-2011

Officer Name WAYNE MCIVOR 1F0187243
ABN Not available
Birth Details 07-May-1954 WARWICK QLD

Address 79 RIVER CRESCENT, BROADBEACH WATERS, QLD, 4218
Appointment Date 15-Jul-2009
Cease Date 02-Aug-2010

Officer Name MATTHEW PATRICK WEAVER 5E1917982
ABN Not available
Birth Details 21-Mar-1970 TOWNSVILLE QLD
Address 17 BRAE STREET, WAVELL HEIGHTS, QLD, 4012
Appointment Date 20-Jun-2008
Cease Date 18-Sep-2008

Ceased/Former Secretary

Officer Name MARK MCIVOR 7E1814448
ABN Not available
Birth Details 27-Mar-1956 DALBY QLD
Address 1 SOUTHERN CROSS DRIVE, CHEVRON ISLAND, QLD, 4217
Appointment Date 18-Sep-2008
Cease Date 29-May-2012

Officer Name MATTHEW PATRICK WEAVER 5E1917982
ABN Not available
Birth Details 21-Mar-1970 TOWNSVILLE QLD
Address 17 BRAE STREET, WAVELL HEIGHTS, QLD, 4012
Appointment Date 20-Jun-2008
Cease Date 18-Sep-2008

Ceased/Former Receiver

Officer Name DAVID LEWIS CLOUT 7E4041389
ABN Not available
Address DAVID CLOUT & ASSOCIATES, LEVEL 5, 320 ADELAIDE STREET, BRISBANE, QLD, 4000
Appointment Date 24-Oct-2011
Cease Date 24-Oct-2011

Current Issued Capital

Type Current 5E1917982
Class ORD
ORDINARY
Number of Shares/Interests issued 100
Total amount paid/taken to be paid \$100.00
Total amount due and payable \$0.00

Note: For each class of shares issued by a proprietary company, ASIC records the details of the twenty members of the class (based on shareholdings). The details of any other members holding the same number of shares as the twentieth ranked member will also be recorded by ASIC on the database. Where available, historical records show that a member has ceased to be ranked amongst the twenty members. This may, but does not necessarily mean, that they have ceased to be a member of the company.

Current Members

Class	ORD			1F0371148
No. Held	100			
Beneficially Owned	NO	Fully paid	YES	
Name	EQUITRUST LIMITED			
ACN	061 383 944			
ABN	74 061 383 944			
Address	EQUITRUST INCOME FUND, 'WYNDHAM BUILDING' LEVEL 9, 1 CORPORATE COURT, BUNDALL, QLD, 4217			
Joint Holding	NO			

Ceased/Former Members

Class	ORD			5E1917982
No. Held	100			
Beneficially Owned	NO	Fully paid	YES	
Name	WEAVER, MATTHEW PATRICK			
ACN	Not available			
ABN	Not available			
Address	17 BRAE STREET, WAVELL HEIGHTS, QLD, 4012			
Joint Holding	NO			

Document Details

Received	Form Type	Processed	No. Pages	Effective	
06-Jul-2012 484E	484 Change to Company Details Appointment or Cessation of A Company Officeholder	09-Jul-2012	11	09-Jul-2012	027855882
18-Jun-2012 484 484B 484C 484A2 484E	484 Change to Company Details Change of Registered Address Change of Principal Place of Business (Address) Change Member Name or Address Appointment or Cessation of a Company Officeholder	19-Jun-2012	6	19-Jun-2012	1F0371148
28-Feb-2012 484E	484 Change to Company Details Appointment or Cessation of A Company Officeholder	28-Feb-2012	2	28-Feb-2012	7E4303701
09-Feb-2012 505K	505 Notification of Receiver Ceasing to Act	09-Feb-2012	2	24-Oct-2011	7E4265611
25-Oct-2011 505A	505 Notification of Appointment of Receiver	25-Oct-2011	2	24-Oct-2011	7E4041389
28-Jul-2011 484E	484 Change to Company Details Appointment or Cessation of A	28-Jul-2011	2	28-Jul-2011	7E3844640

Company Officeholder

03-Mar-2011	205	03-Mar-2011	2	01-Mar-2011	026232458
205A	Notification of Resolution Changing Company Name				
11-Aug-2010	370	11-Aug-2010	2	11-Aug-2010	027042176
370	Notification By Officeholder of Resignation or Retirement Updates 7E2 997 962				
15-Jul-2010	484	15-Jul-2010	2	15-Jul-2010	7E3042509
484E	Change to Company Details Appointment or Cessation of A Company Officeholder				
29-Jun-2010	484	29-Jun-2010	2	29-Jun-2010	7E2997962
484E	Change to Company Details Appointment or Cessation of A Company Officeholder Updated by 027 042 176				
29-Jun-2010	484	29-Jun-2010	2	29-Jun-2010	7E2997859
484B	Change to Company Details Change of Registered Address				
11-Dec-2009	484	11-Dec-2009	2	11-Dec-2009	7E2600541
484	Change to Company Details				
484B	Change of Registered Address				
484C	Change of Principal Place of Business (Address)				
16-Jul-2009	484	16-Jul-2009	3	16-Jul-2009	1F0187243
484E	Change to Company Details Appointment or Cessation of A Company Officeholder				
26-Jun-2009	902	26-Jun-2009	3	18-Sep-2008	025521934
902	Supplementary Document Alters 7E1 814 448				
18-Sep-2008	484	18-Sep-2008	2	18-Sep-2008	7E1814465
484E	Change to Company Details Appointment or Cessation of A Company Officeholder				
18-Sep-2008	484	18-Sep-2008	3	18-Sep-2008	7E1814448
484	Change to Company Details				
484E	Appointment or Cessation of a Company Officeholder				
484N	Changes to (Members) Share Holdings Altered by 025 521 934				
20-Jun-2008	201	20-Jun-2008	3	20-Jun-2008	5E1917982
201C	Application For Registration as a Proprietary Company				

*** End of Extract ***

ASIC & Business Names

ORGANISATIONAL SEARCH ON WIRRINA RESORT & CONFERENCE CENTRE PTY LTD

Historical Extract

This information was extracted from ASIC database on 19 September 2012 at 10:26AM

This extract contains information derived from the Australian Securities and Investment Commission's (ASIC) database under section 1274A of the Corporations Act 2001. Please advise ASIC of any error or omission which you may identify.

141 868 055	WIRRINA RESORT & CONFERENCE CENTRE PTY LTD	DOCUMENT NO.
ABN	141 868 055 92 141 868 055	
Registered in	QLD	
Date Registered	05-Feb-2010	
Review Date	05-Feb-2013	

Current Organisation Details

Name	WIRRINA RESORT & CONFERENCE CENTRE PTY LTD	7E4255640
Name Start	23-Mar-2010	
Status	EXTERNALLY ADMINISTERED	
	For information about this status refer to the documents listed under the heading "External Administration and/or Appointment of Controller", below.	
Type	AUSTRALIAN PROPRIETARY COMPANY	
Class	LIMITED BY SHARES	
Subclass	PROPRIETARY COMPANY	
Disclosing Entity	NO	

Ceased/Former Organisation Details

Details Start	23-Mar-2010	7E2783222
Details End	02-Feb-2012	
Name	WIRRINA RESORT & CONFERENCE CENTRE PTY LTD	
Name Start	23-Mar-2010	
Status	REGISTERED	
Type	AUSTRALIAN PROPRIETARY COMPANY	
Class	LIMITED BY SHARES	
Subclass	PROPRIETARY COMPANY	
Disclosing Entity	NO	
Details Start	05-Feb-2010	5E2296124
Details End	22-Mar-2010	
Name	WIRRINA OPERATIONS PTY LTD	
Name Start	05-Feb-2010	
Status	REGISTERED	

Type AUSTRALIAN PROPRIETARY COMPANY
Class LIMITED BY SHARES
Subclass PROPRIETARY COMPANY
Disclosing Entity NO

Current Registered Office

Address LEVEL 1, 65-67 THOMAS DRIVE, SURFERS PARADISE, QLD, 7E2997782
4217
Start Date 06-Jul-2010

Ceased/Former Registered Office

Address 67 THOMAS DRIVE, CHEVRON ISLAND, QLD, 4217 5E2296124
Start Date 05-Feb-2010
End Date 05-Jul-2010

Current Principal Place of Business

Address 67 THOMAS DRIVE, CHEVRON ISLAND, QLD, 4217 5E2296124
Start Date 05-Feb-2010

Current Director

Officer Name MARK MCIVOR 5E2296124
ABN Not available
Birth Details 27-Mar-1956 DALBY QLD
Address 1 SOUTHERN CROSS DRIVE, CHEVRON ISLAND, QLD, 4217
Appointment Date 05-Feb-2010

Ceased/Former Director

Officer Name DAVID KENNEDY 5E2296124
ABN Not available
Birth Details 24-Dec-1968 BRISBANE QLD
Address 55 CHAROLAIS CRESCENT, BENOWA, QLD, 4217
Appointment Date 05-Feb-2010
Cease Date 30-Jun-2011

Current Secretary

Officer Name MARK MCIVOR 7E3842117
ABN Not available
Birth Details 27-Mar-1956 DALBY QLD
Address 1 SOUTHERN CROSS DRIVE, CHEVRON ISLAND, QLD, 4217
Appointment Date 30-Jun-2011

Ceased/Former Secretary

Officer Name SIDNEY SUPER 5E2296124

ABN Not available
Birth Details 29-Jan-1956 SOUTH AFRICA
Address '48 DEVILLE APARTMENTS', 3645 MAIN BEACH PARADE, MAIN
BEACH, QLD, 4217
Appointment Date 05-Feb-2010
Cease Date 30-Jun-2011

Current Appointed Liquidator (Creditors Voluntary Winding Up)

Officer Name BLAIR ALEXANDER PLEASH 7E4332587
ABN Not available
Address HALL CHADWICK, 'ST MARTINS TOWER' LEVEL 29, 31
MARKET STREET, SYDNEY, NSW, 2000
Appointment Date 09-Mar-2012

Officer Name RICHARD ALBARRAN 7E4332587
ABN Not available
Address HALL CHADWICK, 'ST MARTINS TOWER' LEVEL 29, 31
MARKET STREET, SYDNEY, NSW, 2000
Appointment Date 09-Mar-2012

Officer Name DAVID ANTHONY ROSS 7E4332587
ABN Not available
Address HALL CHADWICK, LEVEL 14, 45 WILLIAM STREET,
MELBOURNE, VIC, 3000
Appointment Date 09-Mar-2012

Officer Name BLAIR ALEXANDER PLEASH 7E4333665
ABN Not available
Address HALL CHADWICK, 'ST MARTINS TOWER' LEVEL 29, 31
MARKET STREET, SYDNEY, NSW, 2000
Appointment Date 09-Mar-2012

Officer Name RICHARD ALBARRAN 7E4333665
ABN Not available
Address HALL CHADWICK, 'ST MARTINS TOWER' LEVEL 29, 31
MARKET STREET, SYDNEY, NSW, 2000
Appointment Date 09-Mar-2012

Officer Name DAVID ANTHONY ROSS 7E4333665
ABN Not available
Address HALL CHADWICK, LEVEL 14, 45 WILLIAM STREET,
MELBOURNE, VIC, 3000
Appointment Date 09-Mar-2012

Ceased/Former Administrator of a Company Under Administration

Officer Name BLAIR ALEXANDER PLEASH 7E4255640
ABN Not available
Address HALL CHADWICK, 'ST MARTINS TOWER' LEVEL 29, 31
MARKET STREET, SYDNEY, NSW, 2000
Appointment Date 03-Feb-2012
Cease Date 09-Mar-2012

Officer Name	RICHARD ALBARRAN	7E4255640
ABN	Not available	
Address	HALL CHADWICK, 'ST MARTINS TOWER' LEVEL 29, 31 MARKET STREET, SYDNEY, NSW, 2000	
Appointment Date	03-Feb-2012	
Cease Date	09-Mar-2012	

Officer Name	DAVID ANTHONY ROSS	7E4255640
ABN	Not available	
Address	HALL CHADWICK, LEVEL 14, 45 WILLIAM STREET, MELBOURNE, VIC, 3000	
Appointment Date	03-Feb-2012	
Cease Date	09-Mar-2012	

Current Issued Capital

Type	Current	5E2296124
Class	ORD ORDINARY SHARES	
Number of Shares/Interests issued	2	
Total amount paid/taken to be paid	\$4.00	
Total amount due and payable	\$0.00	

Note: For each class of shares issued by a proprietary company, ASIC records the details of the twenty members of the class (based on shareholdings). The details of any other members holding the same number of shares as the twentieth ranked member will also be recorded by ASIC on the database. Where available, historical records show that a member has ceased to be ranked amongst the twenty members. This may, but does not necessarily mean, that they have ceased to be a member of the company.

Current Members

Class	ORD	7E2812939
No. Held	2	
Beneficially Owned	YES	Fully paid YES
Name	WIRRINA CORPORATION PTY LTD	
ACN	131 742 151	
ABN	89 131 742 151	
Address	67 THOMAS DRIVE, CHEVRON ISLAND, QLD, 4217	
Joint Holding	NO	

Ceased/Former Members

Class	ORD	5E2296124
No. Held	2	
Beneficially Owned	NO	Fully paid YES
Name	EQUITITRUST LIMITED	
ACN	061 383 944	
ABN	74 061 383 944	
Address	67 THOMAS DRIVE, CHEVRON ISLAND, QLD, 4217	

Joint Holding

NO

Documents Relating to External Administration and/or Appointment

This extract may not list all documents relating to this status. State and territory records should be searched.

Received	Form Type	Processed	No. Pages	Effective	
03-Apr-2012 524Z	524 PRESENTATION OF ACCOUNTS & STATEMENT PRESENTATION OF FINAL ACCOUNTS OF ADMINISTRATOR	03-Apr-2012	11	09-Mar-2012	7E4375630
23-Mar-2012 5011B	5011 COPY OF MINUTES OF MEETING OF MEMBERS, CREDITORS, CONTRIBUTORIES OR COMMITTEE OF INSPECTION UNDER S.436E OR S.439A	23-Mar-2012	15	09-Mar-2012	7E4354930
14-Mar-2012 505J	505 NOTIFICATION OF APPOINTMENT OF LIQUIDATOR (CREDITORS' VOLUNTARY WINDING UP)	14-Mar-2012	2	09-Mar-2012	7E4333665
13-Mar-2012 505Y	505 NOTIFICATION OF RESIGNATION OR REMOVAL OF ADMINISTRATOR OF COMPANY UNDER ADMINISTRATION UNDER S.436E(4), 449B OR 449C	13-Mar-2012	2	09-Mar-2012	7E4332600
13-Mar-2012 509DA	509D NOTICE UNDER S.446A OF SPECIAL RESOLUTION TO WIND UP COMPANY RESOLVED THAT COMPANY BE WOUND UP UNDER 439C(C)	13-Mar-2012	2	09-Mar-2012	7E4332587
24-Feb-2012 5011B	5011 COPY OF MINUTES OF MEETING OF MEMBERS, CREDITORS, CONTRIBUTORIES OR COMMITTEE OF INSPECTION UNDER S.436E OR S.439A	24-Feb-2012	15	15-Feb-2012	7E4297564
03-Feb-2012 505U	505 NOTIFICATION OF APPT OF ADMINISTRATOR UNDER S.436A, 436B, 436C, 436E(4), 449B, 449C(1), 449C(4) OR 449(6)	03-Feb-2012	2	03-Feb-2012	7E4255640

Document Details

Received	Form Type	Processed	No. Pages	Effective	
27-Jul-2011 484E	484 Change to Company Details Appointment or Cessation of A Company Officeholder	27-Jul-2011	2	27-Jul-2011	7E3842117
29-Jun-2010 484B	484 Change to Company Details Change of Registered Address	29-Jun-2010	2	29-Jun-2010	7E2997782
14-Apr-2010 484N	484 Change to Company Details Changes to (Members) Share Holdings	14-Apr-2010	2	14-Apr-2010	7E2812939
23-Mar-2010 205A	205 Notification of Resolution Changing Company Name	23-Mar-2010	3	22-Mar-2010	7E2783222

*** End of Extract ***

"DW-20"

ASIC & Business Names
ORGANISATIONAL SEARCH ON LANDSOLVE PTY LTD

Historical Extract

This information was extracted from ASIC database on 19 September 2012 at 10:26AM

This extract contains information derived from the Australian Securities and Investment Commission's (ASIC) database under section 1274A of the Corporations Act 2001. Please advise ASIC of any error or omission which you may identify.

141 867 870	LANDSOLVE PTY LTD	DOCUMENT NO.
ABN	141 867 870 46 141 867 870	
Registered in	QLD	
Date Registered	05-Feb-2010	
Review Date	05-Feb-2013	

Current Organisation Details

Name	LANDSOLVE PTY LTD	027805512
Name Start	08-Dec-2011	
Status	REGISTERED	
Type	AUSTRALIAN PROPRIETARY COMPANY	
Class	LIMITED BY SHARES	
Subclass	PROPRIETARY COMPANY	
Disclosing Entity	NO	

Ceased/Former Organisation Details

Details Start	12-Nov-2010	027031976
Details End	07-Dec-2011	
Name	LANDSOLVE LIMITED	
Name Start	12-Nov-2010	
Status	REGISTERED	
Type	AUSTRALIAN PUBLIC COMPANY	
Class	LIMITED BY SHARES	
Subclass	UNLISTED PUBLIC COMPANY	
Disclosing Entity	NO	

Details Start	05-Feb-2010	5E2296121
Details End	11-Nov-2010	
Name	LANDSOLVE PTY LTD	
Name Start	05-Feb-2010	
Status	REGISTERED	
Type	AUSTRALIAN PROPRIETARY COMPANY	
Class	LIMITED BY SHARES	

Subclass PROPRIETARY COMPANY
Disclosing Entity NO

Current Registered Office

Address LEVEL 1, 65-67 THOMAS DRIVE, SURFERS PARADISE, QLD, 7E2997870
4217
Start Date 06-Jul-2010

Ceased/Former Registered Office

Address 67 THOMAS DRIVE, CHEVRON ISLAND, QLD, 4217 5E2296121
Start Date 05-Feb-2010
End Date 05-Jul-2010

Current Principal Place of Business

Address 67 THOMAS DRIVE, CHEVRON ISLAND, QLD, 4217 5E2296121
Start Date 05-Feb-2010

Current Director

Officer Name STACEY BLYTHE MCIVOR 7E3167242
ABN Not available
Birth Details 02-Mar-1971 SYDNEY NSW
Address 1 SOUTHERN CROSS DRIVE, CRONIN ISLAND, QLD, 4217
Appointment Date 03-Sep-2010

Officer Name MARK MCIVOR 7E4034445
ABN Not available
Birth Details 27-Mar-1956 DALBY QLD
Address 1 SOUTHERN CROSS DRIVE, CHEVRON ISLAND, QLD, 4217
Appointment Date 17-Oct-2011

Ceased/Former Director

Officer Name DAVID JOHN KENNEDY 7E3842068
ABN Not available
Birth Details 24-Dec-1969 BRISBANE QLD
Address 3 SIR BRUCE SMALL BOULEVARD, BENOWA, QLD, 4217
Appointment Date 05-Feb-2010
Cease Date 17-Oct-2011

Officer Name MARK MCIVOR 5E2296121
ABN Not available
Birth Details 27-Mar-1956 DALBY QLD
Address 1 SOUTHERN CROSS DRIVE, CHEVRON ISLAND, QLD, 4217
Appointment Date 05-Feb-2010
Cease Date 30-Jun-2011

Current Secretary

Officer Name	MARK MCIVOR	7E4034445
ABN	Not available	
Birth Details	27-Mar-1956 DALBY QLD	
Address	1 SOUTHERN CROSS DRIVE, CHEVRON ISLAND, QLD, 4217	
Appointment Date	17-Oct-2011	

Ceased/Former Secretary

Officer Name	DAVID JOHN KENNEDY	7E3842068
ABN	Not available	
Birth Details	24-Dec-1969 BRISBANE QLD	
Address	3 SIR BRUCE SMALL BOULEVARD, BENOWA, QLD, 4217	
Appointment Date	30-Jun-2011	
Cease Date	17-Oct-2011	

Officer Name	SIDNEY SUPER	5E2296121
ABN	Not available	
Birth Details	29-Jan-1956 SOUTH AFRICA	
Address	'48 DEVILLE APARTMENTS', 3645 MAIN BEACH PARADE, MAIN BEACH, QLD, 4217	
Appointment Date	05-Feb-2010	
Cease Date	30-Jun-2011	

Current Issued Capital

Type	Current	027805513
Class	ORD	
	ORDINARY SHARES	
Number of Shares/Interests issued	2	
Total amount paid/taken to be paid	\$2.00	
Total amount due and payable	\$0.00	

Note: For each class of shares issued by a proprietary company, ASIC records the details of the twenty members of the class (based on shareholdings). The details of any other members holding the same number of shares as the twentieth ranked member will also be recorded by ASIC on the database. Where available, historical records show that a member has ceased to be ranked amongst the twenty members. This may, but does not necessarily mean, that they have ceased to be a member of the company.

Current Members

Class	ORD	027805513
No. Held	2	
Beneficially Owned	YES	Fully paid YES
Name	EQUITITRUST LIMITED	
ACN	061 383 944	
ABN	74 061 383 944	
Address	PO BOX 8111, GOLD COAST MC, QLD, 9726	

Joint Holding NO

Document Details

Received	Form Type	Processed	No. Pages	Effective	
21-Oct-2011 484E	484 Change to Company Details Appointment or Cessation of A Company Officeholder	21-Oct-2011	2	21-Oct-2011	7E4034529
21-Oct-2011 484E	484 Change to Company Details Appointment or Cessation of A Company Officeholder	21-Oct-2011	2	21-Oct-2011	7E4034492
21-Oct-2011 484E	484 Change to Company Details Appointment or Cessation of A Company Officeholder	21-Oct-2011	2	21-Oct-2011	7E4034445
27-Sep-2011 484 484O 484N	484 Change to Company Details Changes to Share Structure Changes to (Members) Share Holdings	09-Dec-2011	4	27-Sep-2011	027805513
27-Sep-2011 205B	205 Notification of Resolution Converting to a Proprietary Company	31-Oct-2011	2	23-Aug-2011	027805512
19-Sep-2011 206B	206 Application For Change of Company Status Conversion Of Company From Public to Pty	27-Sep-2011	4	19-Sep-2011	027805172
27-Jul-2011 484A1	484 Change to Company Details Change Officeholder Name Or Address	27-Jul-2011	2	27-Jul-2011	7E3842068
27-Jul-2011 484A1	484 Change to Company Details Change Officeholder Name Or Address	27-Jul-2011	2	27-Jul-2011	7E3842055
27-Jul-2011 484E	484 Change to Company Details Appointment or Cessation of A Company Officeholder	27-Jul-2011	2	27-Jul-2011	7E3842038
30-Sep-2010 218	218 Constitution of Company	01-Oct-2010	41	30-Sep-2010	027128351
14-Sep-2010 206C	206 Application For Change of Company Status Conversion Of Company From Pty to Public	14-Sep-2010	2	14-Sep-2010	027028203
14-Sep-2010 205 205C 205J	205 Notification of Resolution Converting to a Public Company Altering The Constitution	01-Oct-2010	2	03-Sep-2010	027031976
13-Sep-2010	484	13-Sep-2010	2	13-Sep-2010	7E3167242

484E Change to Company Details Appointment or Cessation of A
Company Officeholder

29-Jun-2010 484 29-Jun-2010 2 29-Jun-2010 7E2997870
484B Change to Company Details Change of Registered Address

05-Feb-2010 201 05-Feb-2010 3 05-Feb-2010 5E2296121
201C Application For Registration as a Proprietary Company

Section 146A of the *Corporations Act 2001* states '**A contact address is the address to which communications and notices are sent from ASIC to the company.**'

Address PO BOX 8111, GOLD COAST MC, QLD, 9726

Start Date 29-Oct-2010

*** End of Extract ***

"DW-21"

Summary of Receipts and Payments for the Period from
21 November 2011 to 31 August 2012

Receipts

Interest Income		12,664.82
Transfer from pre-appointment bank account		653,867.63
Loan Recoveries:		
Corymbia Corporation Pty Ltd	1,452.21	
Corymbia Estates Pty Ltd	4,316.62	
Gamp Developments Pty Ltd	481,996.99	
Hardy RA, Elysian Marketing	367,821.57	
Hollyander Pty Ltd	344,457.88	
Kristine Newton	2,665,906.97	
Rosea Pty Ltd	246,666.65	
Seaside Cove Developments Pty Ltd	1,772,295.45	
Taylor, AG & SK	207,584.01	
Toowoomba (Foundry Shopping Centre) Pty Ltd	333,493.65	
Tweed Central Pty Ltd	2,292,968.85	
Western Land Corporation	160.00	
Mountbell Pty Ltd	517,706.06	
Resort Corporation Australia (No 2) Pty Ltd	816,868.46	
Valencia Grove Pty Ltd	16,204.63	10,069,900.00
Total Receipts		10,736,432.45

Payments

Bank Charges		847.92
Consultant fees		297.00
Distressed Loan funding:		
Boothers Pty Ltd	19,823.90	
Checkling Pty Ltd	191,252.67	
Corymbia Corporation Pty Ltd	301,806.18	
Corymbia Estates Pty Ltd	49,439.65	
CTP Pty Ltd	21,572.88	
East Coast Pty Ltd	65,253.18	
Gamp Developments Pty Ltd	105,025.45	
Glenrowan Land Pty Ltd	4,215.00	
Gonfanon Pty Ltd	26,904.17	
Kele Property Group (Port Macquarie) Pty Ltd	10,212.14	
Kristine Newton	4,546.18	
Morvale Land Pty Ltd	50,992.19	
Mountbell Pty Ltd	56,661.09	
Resort Corporation Australia (No 2) Pty Ltd (In Liq)	114,737.15	
Toowoomba (Foundry Shopping Centre) Pty Ltd	357,067.46	
Tweed Central Pty Ltd	443,184.53	
Valencia Grove Pty Ltd	134,487.79	
Western Land Corporation	99,735.28	
Windsor Turf Pty Ltd	159,172.21	

Wirrina Cove - Resort & Conference Centre	834,647.99	3,050,737.09
Document Printing & Production		5,863.86
GST & PAYG Remittance		43,909.00
Insurance		26,565.50
Internet Hosting & Access		1,284.80
IT expenses		67,258.88
Legal Fees		501,364.68
Office Rental - Bond held in trust		8,308.65
Office Rental charge		51,170.29
Petty cash		700.00
Purchase of office equipment		6,600.86
Reimbursement of expenses - Equititrust Limited		
Pre-appointment (prior to 21 November 2011)	653,867.63	
Post-appointment (subsequent to 21 November 2011)	305,682.62	959,550.25
Secured Creditor distribution		
Commonwealth Bank of Australia	54,409.25	
National Australia Bank	4,978,882.38	5,033,291.63
Superannuation		14,336.24
Telephone & Fax		1,210.00
Wages & Salaries (and associated reimbursements)		226,994.92
Total Payments		10,000,291.57
Closing Cash at Bank		736,140.88