

#### 4. REPAYMENT

- 4.1 The Borrower will pay to the Lender the total amount outstanding of the Money Secured on the date stipulated in Item 5 or such other day as agreed in writing by and between the parties hereto.
- 4.2 Interest under this Agreement shall be calculated on the Money Secured or on so much thereof as remains outstanding and upon any judgment or order in which the liability of the Borrower under this Agreement may become merged at the Higher Rate in accordance with the provisions of this clause. Such interest shall be:
- (a) computed from the day on which the Lender makes the first advance on account of the Money Secured;
  - (b) calculated and charged on the daily outstanding balances to the Borrower's account with the first such payment of interest being payable on the date set out in Item 8 on account of the Money Secured with subsequent payments being due and payable on the days referred to in Item 8 whilst the Money Secured or part thereof remains outstanding; and
  - (c) in the event of default in payment such interest shall be added to the Money Secured and thereafter such capitalised interest shall bear interest at the Higher Rate determined in accordance with this clause.
- 4.3 Provided that:
- (a) the Borrower shall on every day on which interest is payable under this agreement pay to the Lender interest on the monies secured or so much thereof as shall from time to time remain unpaid under this Agreement at the lower rate; and
  - (b) all the terms, covenants and conditions contained in and implied by any Security are duly observed and performed;
- then the Lender shall accept payment of the interest calculated and charged at the Lower Rate for every such instalment of interest payable under this Agreement.
- 4.4 During the term the Lender may conduct regular annual reviews of the rate of interest payable under this deed (the first review to be conducted on the twelve month anniversary of the date of this deed and annually thereafter) and in instances where there has been an upward movement of the Reserve Bank Cash, the Lender may on 30 days written notice to the Borrower, elect to increase the rate of interest payable under this deed by the same percentage by which the Reserve Bank Cash Rate has increased.
- 4.5 If the Lender shall at any time obtain judgment for all or any of the Money Secured such judgment shall until satisfied bear interest at the Higher Rate.
- 4.6 The Borrower shall repay to the Lender interest instalments as specified in Item 8. Such payments shall be made through the DDR System or as otherwise stipulated by the Lender from time to time by notice in writing to the Borrower.
- 4.7 The Borrower shall establish and maintain for so long as there exists any outstanding Money Secured a DDR Authority and execute and deliver to the Lender such documentation as the Lender reasonably requires from time to time authorising payment under the DDR System to such bank and bank account as nominated by the Lender from time to time.
- 4.8 The Borrower may at any time on giving to the Lender seven days written notice, repay the whole or any part of the Money Secured outstanding at the expiry of such notice provided that the Borrower's right to make such repayment shall be conditional upon payment by the Borrower to the Lender of the following amount(s) in addition to any other moneys payable under this Agreement a sum equivalent to:
- (a) If such notice shall expire within 3 months from the date on which the Loan Amount (or part thereof) is advanced under this Agreement, 3 months interest on the amount repaid calculated at the Higher Rate of interest less any interest paid in accordance with clause 4.6 hereof.
  - (c) Provided always that if an Event of Default is subsisting at the time of repayment then the Lender (in addition to all other amounts which it would be entitled to recover) will be entitled to receive payment of an amount equivalent to one months additional interest on the amount proposed to be repaid calculated at the Higher Rate.
  - (d) In the case of a development/construction loan, the Lender confirms that (provided there is no existing default at the time) it will allow principal reductions resulting from sales within the development to take place without the requirement for payment of the amount set out in Clause 4.8(a) above.
- 4.9 The Borrower agrees with the Lender that it may not be permitted to voluntarily make greater repayments, instalments or further payments save as expressly permitted or required by this Agreement but subject always to clause 4.8.
- 4.10 All payments of money required to be made under this Agreement shall, unless otherwise expressly provided, be payable (subject to clause 1.3) upon demand at a place and in a manner reasonably required by the Lender.

## 5. SECURITY

5.1 The obligations of the Lender under this Agreement are subject to and conditional upon the Borrower and/or the Security Provider:

- (a) providing the Security specified in Item 9 in such form and containing such provisions as are satisfactory to the Lender;
- (b) maintaining the Security for so long as any Money Secured is outstanding; and
- (c) as and when required by the Lender, causing to be entered into and executed in favour of the Lender, any such securities, instruments, deeds and/or agreements in writing as the Lender shall require and may immediately after the execution of such additional security deliver to the Lender such documents together with all such other instruments and do or cause to be done such further acts or things as may be necessary for the additional security to be duly registered in such registry or registries as the Lender shall require. The document or documents referred to herein shall be prepared by the solicitors for the Lender and shall contain all such covenants terms conditions and provisos as the Lender may require.

5.2 The Borrower acknowledges that the Security is charged with payment of the Money Secured.

5.3 All of the covenants conditions terms stipulations and provisos contained in the Security to be observed performed and fulfilled by the Borrower and / or the Security Provider and all the rights powers and remedies conferred upon the Lender under the Security shall with necessary changes be read into and form part of this Agreement in the same manner as if the same were fully set forth herein and vice versa.

5.4 (a) If at any time the Lender determines that the Facility to Security Ratio has been exceeded then the Lender may by notice in writing to the Borrower require the Borrower, within seven days of the date of service of such notice either (at the option of the Lender):

- (i) to reduce the Money Secured by paying to the Lender such amount as the Lender determines is required to restore the Facility to Security Ratio; or
- (ii) to provide further or additional security to the Lender's satisfaction ("the further security") of such a value as would restore the Facility to Security Ratio.

(b) the Borrower covenants and agrees with the Lender that:

- (i) for the purpose of determining the value of the Principal Security, the Borrower will permit the Lender or any person authorised by the Lender to enter upon any property, the subject of the Principal Security at all reasonable times or upon two day's notice to inspect the state and condition of the property for the purpose of valuing or revaluing the same; and
- (ii) the Lender shall be entitled to revalue the property, the subject of the Principal Security, annually at the expense of the Borrower during the term of the facility.

(c) pending compliance by the Borrower with the terms of any notice pursuant to clause 5.4(a), the Lender shall not be required to make any further advances to the Borrower. In the event that the Borrower does not fully comply with the terms of any such notice then:

- (i) the Borrower shall have committed an Event of Default under this Agreement; and
- (ii) the Lender shall be entitled to exercise the discretions, powers, rights and remedies conferred on the Lender by this Agreement and/or the Security.

5.5 The Borrower and the Lender may by mutual agreement from time to time vary the Security for this facility by releasing all or any of the Security in whole or in part and the taking of such further Security or the variation of any of the terms and conditions of this Agreement as may be agreed upon by the parties.

## 6. CONTINUING SECURITY

6.1 This Agreement shall be a continuing and running security notwithstanding any settlement of account or any other matter or thing whatsoever and shall remain in full force and effect until the Lender shall be under no further obligation whatsoever to advance moneys under the Security and all moneys payable by the Borrower and/or the Security Provider under the Security have been paid or recovered in full and the Lender has executed a full release hereof.

## 7. EVENTS OF DEFAULT

7.1 The Borrower shall at the option of the Lender be immediately in default without the necessity for any notice or demand upon the occurrence of any of the following events of default:

- (a) the Borrower and/or the Security Provider fails or neglects to pay on the due date for payment any part of the Money Secured, or any interest, or other moneys payable at the time and in the manner provided by this Agreement or under any Security; or

- (b) the Borrower and/or the Security Provider fails or neglects to observe or perform any of the covenants conditions or agreements contained in this Agreement and the Security; or
- (c) where the Borrower and/or the Security Provider is an individual, any Borrower and/or the Security Provider:
- (i) becomes of unsound mind or a person who is liable to be dealt with in any way under the law relating to mental health;
  - (ii) commits an act of bankruptcy or assigns his/her estate for the benefit of creditors;
  - (iii) is presented with a petition for bankruptcy or sequestration of his/her respective estates;
  - (iv) convenes a meeting, or proposes, to enter into any arrangement or composition for the benefit of his/her creditors;
  - (v) has a trustee in bankruptcy appointed over any of his/her property;
  - (vi) dies or becomes incapable of managing his/her own affairs; or
  - (vii) becomes bankrupt or enters into a composition, assignment or arrangement with creditors; or
- (d) where the Borrower and/or the Security Provider is a company:
- (i) an administrator, controller, liquidator, provisional liquidator or an inspector of that company is appointed;
  - (ii) if an application or petition is presented (and is not withdrawn, struck out or dismissed within seven (7) days of it being filed) or any order shall be made or any effective resolution shall be passed for the winding up or dissolution of that company;
  - (iii) an application shall be made to the Court under Section 411 of the Corporations Act 2001;
  - (iv) any arrangement or compromise shall be approved under Part 5.1 of the Corporations Act 2001;
  - (v) an event described in section 461 of the Corporations Act 2001 occurs; or
  - (vi) that company applies for, resolves to or is deregistered or struck off; or
- (e) a receiver and/or manager of any of the real or personal property of the Borrower and/or the Security Provider shall be appointed; or
- (f) any judgment which is obtained against the Borrower and/or the Security Provider is outstanding for more than fourteen days; or
- (g) any execution or distress is enforced or levied against any of the real or personal property of the Borrower and/or the Security Provider; or
- (h) the Borrower and/or the Security Provider ceases to carry on business or a substantial part of its business; or
- (i) the Borrower and/or the Security Provider is unable to pay its debts (including any wages and taxes in respect of its employees, group tax, superannuation levies and other taxes and charges) as and when they fall due for payment or becomes insolvent; or
- (j) the Borrower and/or the Security Provider in the reasonable opinion of the Lender suffers anything whereby the property of the Borrower and/or the Security Provider either real or personal may deteriorate or diminish or may become deteriorated or diminished whether wholly or partly in title estate value or quantity; or
- (k) the Borrower and/or the Security Provider shall mortgage, pledge, charge or otherwise encumber or sell or dispose of, or attempt or contract to sell or dispose of any of its land or property or assets without the previous consent in writing of the Lender; or
- (l) the Borrower and/or the Security Provider erects, causes or permits to be erected any building or other structure upon any land mortgaged in favour of the Lender and forming part of any Security without first obtaining the written consent of the Lender; or
- (m) default is made under any agreements other than the Security which are given by the Borrower and/or the Security Provider in their personal capacity or in their capacity as a trustee, or a partner of any partnership with or without any other person in favour of the Lender; or
- (n) in the case of the Borrower and/or the Security Provider being an incorporated body other than a company subject to the Corporations Act an administrator is appointed in respect of the Borrower and/or the Security Provider or any of the property of the Borrower and/or the Security Provider or proceedings or other steps are taken by the Borrower and/or the Security Provider or any other person for the winding up or dissolution or suspension of the Borrower and/or the Security Provider involving arrangements with creditors of the Borrower and/or the Security Provider; or
- (o) if the Borrower and/or the Security Provider breaches any undertaking at any time given to the Lender or its legal advisers or if any condition imposed by the Lender in agreeing to any matter (including any waiver) is not complied with or fulfilled or if any warranty or representation by the Borrower and/or the Security Provider to the Lender prior to or subsequent to the date hereof is untrue or false; or
- (p) if a change occurs in a circumstance, which is warranted or taken to be warranted under this Agreement to exist in the business assets or financial condition of the Borrower and/or the Security Provider as the case may be which, in the reasonable opinion of the Lender, may have a material adverse effect on the ability of the Borrower and/or the Security Provider to observe or perform any of its obligations under this Agreement or any Security or on the rights of the Lender under any Security; or
- (q) if any other event occurs or circumstances arise which, in the reasonable opinion of the Lender, is likely to materially or adversely effect the ability of the Borrower and/or the Security Provider to observe and

- perform all or any of its obligations under this Agreement or otherwise to comply with the terms of this Agreement or any Security; or
- (r) if the Borrower and/or the Security Provider is a trustee, whether or not the fact is notified to the Lender, the Borrower ceases for any reason without the prior written consent of the Lender to be the sole trustee of any trust of which it is trustee or without the prior written consent of the Lender pays distributes or applies or advances any capital of such a trust or lends any amounts to any beneficiary of the trust fund of such trust or purchase units from any unit holder of such trust fund or breaches any terms of the trust deed of such trust; or
  - (s) any other person liable for the payment of any part of the Money Secured to the Lender shall do or suffer any of the above; or
  - (t) any Security becomes enforceable or is enforced; or
  - (u) the Borrower and/or any Security Provider enters into or resolves to enter into a scheme, arrangement or composition with, or assignment for the benefit of its creditors generally or any class of its creditors; or
  - (v) if at any time all or any material part of any provision of any Security is determined or ceases to have effect otherwise than as permitted by the Securities or is, or becomes void, voidable, illegal, invalid or unenforceable or of limited force and effect or the performance of any such provision becomes illegal or any Security Provider alleges or claims that any of the matters contained in this clause have occurred; or
  - (w) Any indebtedness of the Borrower or any Security Provider whether owing to the Lender or any other person becomes due and payable or capable of being declared due and payable prior to its stated maturity or the Borrower or any Security Provider fails for whatever reason to pay any indebtedness when due or within any applicable grace period or any mortgage, pledge, lien, charge, encumbrance or any security, preferential or trust interest or arrangement of any kind granted by the Borrower or any Security Provider is enforced or becomes capable of being enforced;
  - (x) if at any time the obligations secured by the Securities do not rank ahead of all other obligations of the Borrower and the Security Providers (other than which under statute have priority on a winding up, liquidation, dissolution or similar process); or
  - (y) if any breach, default, amendment, termination, extension, surrender or alteration of any kind occurs in relation to any lease or tenancy agreement relating to the Property;
  - (z) there is a change in control, shareholding or the directors of the Borrower or any Security Provider without the prior written consent of the Lender; or
  - (aa) the Borrower without the prior written consent of the Lender grants any options, sells, agrees to sell, transfers, assigns, parts with possession, leases, agrees to lease, licences or assigns, supplements, varies, terminates, cancels or surrenders any interest it has in the Property; or
  - (bb) "the Cost to Complete the Development" as defined in Clause 3 exceeds the balance of the undrawn loan facility.

**AND** a determination by the Lender that any of these events has occurred shall be final and binding on the Borrower. The Borrower shall promptly inform the Lender in writing upon the happening of any of the events described in this clause.

## 8. RIGHTS UPON DEFAULT

- 8.1 At any time after the occurrence of an Event of Default the Lender may in the manner and at the times the Lender in its absolute discretion deems appropriate but without any obligation to do so:
- (a) demand and require immediate repayment of the whole of the Money Secured and recover same from the Borrower and/or the Security Provider notwithstanding that the date for repayment thereof had not arrived;
  - (b) exercise any powers rights or privileges conferred by law, this Agreement, the Security and/or any other collateral document or securities;
  - (c) perform any one or more of the Borrower's obligations under this Agreement or the Security Provider's obligations under the Security; and/or
  - (d) apply any moneys received by the Lender in exercising its rights under this Agreement or for any other reason in and towards full or partial payment of any outstanding Money Secured.

The Lender may exercise its rights under this clause notwithstanding any omission neglect delay or waiver of the right to exercise such option and without liability for loss.

- 8.2 Any restriction or requirements for notice and/or the effluxion of time relating to the exercise of the Lender's rights and default which is stipulated or required by any statute is hereby negated in so far as is lawful.

## 9. COSTS AND EXPENSES

- 9.1 The Borrower will upon the Lender's demand pay to the Lender or as directed by the Lender all costs expenses and other amounts payable incurred or paid by the Lender in respect of this Agreement and/or the Security. These costs shall include:

- (a) The Lender's and/or Responsible Entity's non-refundable up front fees and outlays incidental to the providing of this loan facility;
- (b) legal costs on a full indemnity basis or on a solicitor and own client basis, whichever is the greater;
- (c) costs resulting from or on account of any default by the Borrower and/or the Security Provider or any Event of Default;
- (d) the cost of obtaining any advice reasonably required by the Lender from time to time;
- (e) the costs of the Lender registering or causing to be registered any Security (or a copy thereof) with such government body or registrar as the Lender reasonably requires;
- (f) The Lender's costs, fees and expenses charged as a result of any failure by the Borrower or the Security Provider to comply with the terms of the Security;
- (g) costs resulting from the exercise or purported or attempted exercise or of any of the Lender's rights or powers under this Agreement and/or the Security;
- (h) any stamp duty loan duty or other duty or financial impost including duties and taxes on receipts or payments and any fines or penalties arising directly or indirectly; and
- (i) a default management fee payable where the Lender exercises a right referred to in clause 8.1, comprising 5% of the Money Secured unless the Lender determines in its absolute discretion that a lesser fee is appropriate,

in respect of the Security or any transaction contemplated thereby.

- 9.2 The Borrower will pay to the Lender upon demand all other fees, charges, costs and expenses (whether novel or not) charged or chargeable by the Lender according to its usual practice from time to time in respect of its financial products and administration of its loan portfolios and as advised from time to time by the Lender to the Borrower.

#### 10. BORROWER'S COVENANTS AND WARRANTIES

- 10.1 The Borrower will pay all moneys payable and observe and perform fulfil and keep all the covenants conditions agreements stipulations and conditions to be observed performed fulfilled and kept by the Borrower under the Security.

- 10.2 The Borrower shall, at the request at any time and from time to time by the Lender but at the cost of the Borrower, deliver to the Lender a certified copy of a valuation in a form acceptable to the Lender prepared by a valuer approved by the Lender and addressed in favour of the Lender as to the value of any land or property subject to any Security or any part thereof as specified by the Lender as at the date of such valuation.

- 10.3 The Borrower shall permit the Lender during reasonable hours and at any time and from time to time upon the giving of reasonable notice by the Lender to the Borrower (having regard to the notice provisions in the Lease) to enter upon the Property and/or to enter upon any land on which is located any property the subject of any Security to:

- (a) inspect the condition of the land and/or the property;
- (b) determine whether the terms of the Security are being complied with;
- (c) inspect and take copies of records relating to the Borrower and/or any Security Provider or any property or business the subject of any Security; and
- (d) exercise any other rights conferred on the Lender by the common law, equity, this Agreement, the Security or any Statute.

- 10.4 The Lender is authorised to debit the account(s) of the Borrower with all or part of the Money Secured.

- 10.5 The Borrower hereby **WARRANTS AND REPRESENTS** to the Lender as follows:-

- (a) it has power to enter into and observe its obligations under this Agreement and each and every Security to which it is a party;
- (b) it has in full force and effect all the authorisations necessary to enter into this Agreement and each and every Security to which it is a party, observe its obligations under them and to allow them to be enforced;
- (c) its obligations under this Agreement and each and every Security to which it is a party are valid and binding and are enforceable against it in accordance with their terms;
- (d) this Agreement and each and every Security to which it is a party and the transactions under them do not contravene its constituent documents or any law, regulations or official directive or any of its obligations or undertakings to which any of its assets are bound or cause a limitation on its powers or the powers of its directors (if a corporation) to be exceeded; and
- (e) no Event of Default or event which with the giving of notice, the lapse of time or the fulfilment of any condition would be likely to become an Event of Default, continues unremedied.

Each of the warranties and representations contained in Clause 10.5 shall be repeated on each day whilst any of the Money Secured remains outstanding with reference to the facts and circumstances then subsisting, as if made on each such day.

**11. NO WAIVER**

Notwithstanding any provision contained in this Agreement or any rule of law or equity to the contrary, the granting of any time or any other indulgence by the Lender to the Security Provider or Guarantor in relation to any existing or future default under any Security or this Deed shall not be deemed a sanction or waiver of any continuing or recurring breach nor shall the Lender's right to exercise its rights under the Security or this Deed at any subsequent time be effected or diminished by the grant of time or any other indulgence.

**12. NO SET-OFF**

12.1 All payments under this Agreement shall :

- (a) be paid at such place and to such person as notified in writing by the Lender to the Borrower, and in the absence of such notification to the Lender at the address of the Lender specified in this Agreement; and
- (b) be paid free of any deduction or set-off whatsoever.

12.2 A receipt for any money paid under the Security of the Lender or by any manager, acting manager, solicitor, clerk or any other person acting on behalf of the Lender shall be a sufficient discharge of the obligation to pay such money and from seeing to the application of that money.

**13. NOTICES AND CONSENTS**

13.1 In addition to any other method of service provided in any Security or the Property Law Act (or such equivalent legislation in the State set out in Item 11) any notice, consent or demand given in relation to this Agreement shall be in writing in order to be valid and shall be deemed to have been duly served if it is:

- (a) by being delivered personally or by being left at or posted by pre-paid post to the address specified in the Schedule hereto for the relevant party, or
- (b) sent by facsimile to the facsimile number specified in the Schedule hereto for the relevant party, or
- (c) if delivered personally or left at the address specified in the schedule at the time of delivery,

and shall be deemed to have been served:

- (d) in the case of posting, on the next business day after posting, or
- (e) in the case of the facsimile on receipt of a transmission report confirming the successful transmission.

13.2 Any notice, consent or demand given by the Lender may be given or made in writing signed by an officer of or solicitor for the Lender and such writing may in addition to the methods of service contained in paragraph 13.1 be delivered personally to the Borrower or left at or upon the usual or last known place of abode or business of the Borrower.

13.3 The Borrower or the Lender may from time to time by notice in writing given in accordance with this Agreement nominate a new address and/or facsimile number for the purposes of clause 13.1, and such new address or facsimile notice shall apply from the date of service of such notice.

13.4 If the Borrower is more than one person service of a Notice, Consent or Demand on any one such person shall be deemed to be service upon all such persons irrespective of whether that Notice or Demand is or is not received by the intended recipients.

**14. CERTIFICATE**

14.1 A certificate in writing signed by an officer of or solicitor for the Lender certifying the amount payable by the Borrower or stating any other act, matters or thing relating to this Agreement or the Security shall in the absence of manifest error be conclusive evidence of the matters stated therein.

**15. GOVERNING LAW**

15.1 This Agreement shall be governed and construed in accordance with the laws of the State referred to in Item 11 (herein called "the State").

15.2 The Borrower irrevocably submits to and accepts generally and unconditionally the non exclusive jurisdiction of the Courts of the capital city of the State, and the Appellate Courts of the State with respect to any legal action or proceedings which may be brought in any way relating to this Agreement.

## 16. COLLATERAL AGREEMENT

16.1 The parties hereto agree:

- (a) this Agreement is collateral to the Securities for stamp duty purposes;
- (b) the Money Secured owing under this Agreement is secured by the Security;
- (c) the Security shall be read and construed and be enforceable as if the covenants, conditions and provisions of this Agreement, with necessary changes, are read into and form part of the Security; and
- (d) a default under any of the Security will constitute a default of this Agreement;

and vice versa.

16.2 To the extent that there is an inconsistency between the provisions of this Agreement and the provisions of any Security (in that there are different or conflicting obligations or requirements in relation to the same subject matter) the provisions of this Agreement will prevail.

## 17. FINANCIAL RECORDS

17.1 The Borrower agrees at its own cost to provide to the Lender on request any financial information, reports or records that the Lender may require at any time and from time to time.

17.2 If the Borrower is a company, incorporated body, partnership or trust, the Borrower shall within ninety days from the close of each financial year while this Agreement and any Security shall continue in force, furnish the Lender with such copies of its balance sheets and profit and loss accounts as prepared by its accountants in accordance with the requirements of all relevant statutes and generally accepted accounting principles (and audited if required by the Lender at its absolute discretion) and any special reports as the Lender may request from time to time.

## 18. MARSHALLING

18.1 The Lender shall be under no obligation to marshal in favour of the Borrower any Security whatsoever held by the Lender or any of the funds or assets that the Lender may be entitled to receive or have a claim upon and the Lender may at its absolute discretion vary exchange renew modify release refuse to complete or to enforce or to assign any judgments specialties guarantees or other securities or instruments negotiable or otherwise held by the Lender and whether satisfied by payment or not without affecting or discharging the liability of the Borrower hereunder.

## 19. TRUST

19.1 If the Borrower is entering into this Agreement, borrowing any of the Loan Amount or is giving or purporting to give Security over any property in its capacity of trustee of any trust (hereinafter called "the Trust") then whether or not the Lender received notice of the Trust, the Borrower covenants with the Lender as follows:

- (e) the provisions of the Security shall extend not only to the property of which the Borrower is the beneficial owner but all property of whatsoever nature and kind and wheresoever situate both present and future of the Trust **AND FURTHER** shall extend to all rights of indemnity which the Borrower as trustee now or hereafter may have against the Trust and the trust fund;
- (f) the Borrower has full and complete power and authority pursuant to the Trust to enter into the Security over the trust property and the provisions of the Trust do not purport to exclude or take away the right of indemnity of the trustee against the Trust or the trust fund, and the Borrower will not release such right of indemnity or commit any breach of trust or be a party to any other action which might prejudice such right of indemnity;
- (g) notwithstanding anything in any deed of trust or settlement or other document containing the terms of the Trust the Borrower shall be and at all times remain personally liable to the Lender for the performance of all covenants on the part of the Borrower herein contained;
- (h) the execution of these presents is and shall be deemed to be for the benefit of both the Trust and/or one or more of the beneficiaries thereof;
- (i) during the currency of this Agreement or of any Security the Borrower will not without the consent in writing of the Lender cause permit or suffer to happen any of the following events:
  - (viii) the removal replacement or retirement of the Borrower as sole trustee of the Trust;
  - (ix) any alteration to or variation of the terms of the Trust;
  - (x) any advancement or distribution of capital of the Trust;
  - (xi) any resettlement of the trust property; or
  - (xii) (should the Trust be a unit trust) any transfer of any units of the Trust.

19.2 The Borrower further covenants with the Lender that in the event that the Borrower shall be guilty of any breach of trust in respect of the Trust or shall cease to be the sole trustee of the Trust or otherwise suffer removal replacement or retirement as trustee of the Trust or in the event that there should be any breach of the covenants

contained in clause 19.1 hereof then immediately upon any such events the Borrower will be deemed to have committed an Event of Default under this Agreement and the Money Secured shall at the option of the Lender (notwithstanding anything herein contained) immediately become due and payable and all the rights powers and privileges of the Lender exercisable on default of the Borrower or otherwise shall immediately become enforceable without the necessity for any demand or notice (and notwithstanding any delay or previous waiver of the provisions of this clause by the Lender).

## 20. ADVANCES AND RE-ADVANCES

At any time and from time to time the Lender may at its absolute discretion, and at the request of the Borrower advance and/or re-advance the Loan Amount or part thereof provided that in no case shall the moneys so advanced or re-advanced exceed the Loan Amount and the Borrower and/or Security Provider shall not be in breach or default under this Agreement or any Security. Prior to doing so, the parties hereto will agree upon:

- (a) the date (if any) by which the moneys so advanced or re-advanced must be repaid; and
- (b) the terms and conditions upon which the moneys are to be so advanced or re-advanced; and
- (c) any fees to be paid to the Lender in consideration of it advancing or re-advancing such moneys.

## 21. ASSIGNMENT

21.1 The Lender may assign or otherwise dispose of or deal with its rights under this Agreement and/or the Security. The Lender may disclose to a potential assignee or any other person who is considering or entering into contractual relations with the Lender in connection with this Agreement and/or the Security all information about the Borrower, any related document and any related party to any Security and the transactions contemplated thereby as the Lender considers appropriate.

21.2 The Borrower shall not, without the Lender's prior written consent, assign or otherwise dispose of or attempt to deal with its rights this Agreement or any Security.

## 22. CONSUMER CREDIT LEGISLATION NOT APPLICABLE

22.1 Notwithstanding any provision to the contrary this Agreement shall be construed so as not to secure payment of any moneys or the performance of any obligations by any Security Provider under or in respect of any contract or mortgage to which the Consumer Credit Legislation applies.

22.2 The Borrower warrants to the Lender that the Loan Amount which is to be provided to the Borrower by the Lender is to be used wholly or predominantly for business or investment purposes.

## 23. SEVERABILITY

23.1 Should any provision of this Agreement prove to be prohibited or unenforceable in any jurisdiction then, as to that jurisdiction, it shall be ineffective to the extent only of such prohibition or unenforceability without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such provisions in any other jurisdiction.

## 24. POWER OF ATTORNEY

### 24.1 Appointment of Attorney

The Borrower irrevocably appoints the Lender its attorney with the right:

- (a) at any time to:
  - (i) do everything which in the attorney's reasonable opinion is necessary or expedient to enable the exercise of any right of the Lender in relation to this Agreement and the Security;
  - (ii) complete this Agreement and any Security provided by the Borrower; and
  - (iii) appoint substitutes and otherwise delegate its powers (including this power of delegation); and
- (b) after any Event of Default has occurred to do everything that the Borrower may lawfully authorise an agent to do in relation to this Agreement and under any Security.

### 24.2 General

- (a) Any attorney may exercise its rights notwithstanding that the exercise of the right constitutes a conflict of interest or duty;
- (b) The Borrower will from time to time and at all times ratify any exercise of a right by an attorney;
- (c) This power of attorney is granted to secure compliance by the Borrower with its obligations to the Lender under this Agreement and the Security and any proprietary interest of the Lender under any Security;



- (d) The Borrower indemnifies and will keep indemnified any attorney against any liability, loss, cost, expense or damage arising from the lawful exercise of any right by the attorney under this power of attorney; and
- (e) This power of attorney is granted for valuable consideration (the receipt of which is hereby acknowledged), as and by way of security for the payment of the Money Secured, the Borrower's obligations under this Agreement and any Security and is deemed irrevocable.

## 25. INDEMNITY

- 25.1 The Borrower hereby indemnifies the Lender and shall keep the Lender indemnified from and against any expense, loss, loss of profit, damage or liability which the Lender may suffer or incur as a consequence of any prepayment, the occurrence of any Event of Default or otherwise in connection with this Agreement, the Security and/or any other collateral documents or securities.
- 25.2 Without prejudice to the generality of clause 25.1, clause 25.1 shall extend to any loss (including loss of profit) premium, penalty or expense which may be incurred in terminating or varying contractual arrangements entered into by the Lender or in repaying deposits obtained or maintained as security or in redeploying or reinvesting the moneys repaid and is in addition to any other monies payable under clause 3.8.
- 25.3 The Borrower acknowledges that the amount of loss and loss of profit may be determined by reference to a pool of funds or other matters as distinct from a specific borrowing by or a specific contract of the Lender made to fund the advance(s) under this Agreement.
- 25.4 Each indemnity in this Agreement is a continuing obligation, separate and independent from the other obligations of the Borrower and survives termination of this Agreement. It is not necessary for the Lender to incur expenses or make payment before enforcing a right of indemnity conferred by this Agreement.

## 26. GENERAL

- 26.1 Nothing hereby contained shall merge, extinguish, discharge, postpone, lessen or otherwise prejudicially affect any other Security held from time to time by the Lender or any right of remedy conferred on the Lender, nor shall any other Security held by the Lender in any way prejudicially affect the powers and provisions contained or implied in this Agreement.
- 26.2 This Agreement and the Security embody the entire agreement between the parties in relation to the advance under this Agreement and supersedes all prior negotiations, agreements, arrangements and understanding with respect to such advance. In particular, the Borrower and the Lender agree that this Agreement and the Security supersede any letter of offer or loan facility proposal relating to the advance and in the event of any inconsistency between the terms and conditions of this Agreement and Security and any letter of offer or loan facility proposal then, the terms of this Agreement and the Security shall prevail and in the further event of any inconsistency between the terms and conditions of this Agreement on one hand and any Security on the other then the terms of this Agreement shall prevail.
- 26.3 The Borrower acknowledges that it has had an opportunity of taking independent legal and financial advice from either the Borrower's own legal adviser and/or accountant with respect to this Agreement, the Security and the Borrower confirms and agrees that it does not execute this Agreement, or the Security as a result of or by reason of any promise, representation, statement or information of any kind or nature given or offered to the Borrower by or on behalf of the Lender, the Lender's legal advisers or any other person, other than as expressly set out in this Agreement.
- 26.4 The Lender may in its absolute discretion pay such commission, fees or other remuneration, to any adviser, broker, agent or other person as the Lender sees fit in relation to any advance under this Agreement and the Borrower consents and agrees to same. The Borrower acknowledges and agrees that any adviser, broker, agent or other person who introduced the Borrower to the Lender or the Lender's legal advisers are not and were not at any stage an agent for the Lender and do not have any authority to bind the Lender or to vary the terms of the proposed loan facility.
- 26.5 If any Security Provider should provide, permit or become aware of an encumbrance of any type which affects the Security or the property the subject of the Security, the Borrower shall ensure that the Security Provider obtains a priority agreement between the Lender and the beneficiary of such encumbrance on terms and conditions satisfactory to the Lender in its absolute discretion. The obligation contained in this clause shall apply notwithstanding that the Lender may have notice of such encumbrance.

## 27. APPLICATION OF MONEY

- 27.1 The Lender shall have an absolute discretion (without the need to communicate its election to anyone) to apply at any time any payment received by it in reduction of such part of the Money Secured as it shall elect. Any surplus money received by the Lender shall not bear interest, and the Lender's liability to account for the surplus money may be discharged in full by:

- (a) the Lender depositing it to the credit of an account in the name of the Borrower in any bank the Lender thinks fit;
- (b) the Lender crediting it to an account in its books in the name of the person to whom it is payable; or
- (c) by the Lender paying it into court.

27.2 In applying any moneys toward satisfaction of the Money Secured, the Borrower shall be credited only with so much of those moneys as are actually received by the Lender and such credit is to date from the time of such receipt. This provision shall apply notwithstanding that in exercising any power of sale under the Security, the Lender may have transferred any property the subject of the Security (in whole or in part) and taken any form of encumbrance to secure the unpaid balance of purchase money. If the Lender takes any mortgage, promissory note, bill of exchange or other security in payment of or to secure the payment of any purchase moneys on sale of any chattels secured by the Security by the Lender, no amount representative of such security shall be credited in or towards payment of the Money Secured until all moneys payable under or the proceeds from such security is received by the Lender in cash.

27.3 If the Lender receives money in connection with this Agreement when part of the Money Secured is contingently owing or falls within paragraph (f) of the definition of "Money Secured", then the Lender may deposit in any financial institution thought fit by the Lender an amount not exceeding that part in an interest-bearing deposit account on terms which the Lender thinks fit with any person until that part becomes actually payable or no longer falls within the definition of "Money Secured". At that time the Lender may retain for its own account the amount which is then actually payable to it. The balance is to be paid in accordance with clause 27.1.

## 28. GOODS AND SERVICES TAX

Without limitation to any other obligations under this agreement, the borrower will pay on demand the cost of any Goods and Services Tax (GST) incurred in relation to any supply under this agreement and the Lender may increase the amount of any payments due under the agreement to include the payment of such GST use.

## 29. LIMIT OF LIABILITY – PERMANENT TRUSTEE AUSTRALIA LIMITED ACN 008 412 913

- a. Permanent Trustee Australia Limited ACN 008 412 913 ("Permanent") enters into this agreement and each other Security, and the Borrower acknowledges it is aware that Permanent enters into this agreement and each other Security, only in its capacity as Custodian of the LM Mortgage Income Fund ARSN 089 343 288 (Trust), pursuant to a custody agreement between Permanent and LM INVESTMENT MANAGEMENT LIMITED ACN 077 208 461 dated 4 February 1999 ("Custody Agreement") and in no other capacity and the Borrower is aware of the limited scope of the Permanent's obligations and powers under that Custody Agreement;
- b. A liability arising under or in connection with this agreement is limited to and can be enforced against the Custodian only to the extent to which it can be satisfied out of property of the Trust out of which the Custodian is actually indemnified for the liability. This limitation of the Custodian's liability applies despite any other provision of this agreement and extends to all liabilities and obligations of the Custodian in any way connected with any representation, warranty, conduct, omission, deed or transaction related to this agreement.
- c. The parties other than Permanent may not sue Permanent personally or seek the appointment of a liquidator, administrator, receiver or similar person to Permanent or prove in any liquidation, administration or arrangement of or affecting Permanent.
- d. The provisions of this clause 29 do not apply to any obligation or liability of Permanent to the extent that it is not satisfied because under the Trust's trust deed, the Custody Agreement, or by operation of law there is a reduction in the extent of Permanent's indemnification out of the assets of that Trust, as a result of Permanent's fraud, negligence or wilful default.
- e. Despite any other provision in this agreement, if any obligation otherwise imposed upon Permanent under this agreement is, in Permanent's opinion, inconsistent with, or beyond the scope of Permanent's obligations or powers under the Custody Agreement, that obligation, to the extent of that inconsistency or to the extent that it is beyond the scope of Permanent's obligations or powers under the Custody Agreement, must be performed by LM Investment Management Limited ACN 077 208 461 in its capacity as Responsible Entity of the Trust.
- f. Any failure by Permanent to perform an obligation which it determines is either inconsistent with or beyond its powers and obligations under the Custody Agreement will not amount to a breach of or default under this document.

- g. Permanent's determination as to whether an obligation otherwise imposed upon it under this document is inconsistent with or beyond the scope of its obligations and powers under the Custody Agreement is final and binding on all parties.
- h. No attorney, agent, receiver or receiver and manager appointed in accordance with this agreement or otherwise has authority to act on behalf of Permanent in a way which exposes Permanent to any personal liability and no act or omission of any such person will be considered fraud, negligence or wilful default of Permanent for the purpose of clause 29 (d).
- i. Permanent is not obliged to do or refrain from doing anything under this agreement (including incur any liability) unless Permanent's liability is limited in the manner satisfactory to Permanent in its absolute discretion.
- j. A failure by Permanent to comply with or a breach by Permanent of any of its obligations under this agreement will not be considered to be fraud, negligence or wilful default by Permanent if the relevant failure or breach:
  - i. arose as a result of a breach by a person other than Permanent where the performance of the action (the non-performance of which gave rise to such breach) is a precondition to Permanent performing the said obligation; or
  - ii. was in accordance with a lawful court order or direction or otherwise required by law.
- k. All of the terms, clauses and conditions of this agreement are subject to this clause 29.

**30. LIMIT OF LIABILITY – LM INVESTMENT MANAGEMENT LIMITED ACN 077 208 461**

- (a) LM Investment Management Limited ACN 077 208 461 ("the Responsible Entity") enters into this agreement and each other Security (if any), and the Borrower acknowledges it is aware that the Responsible Entity enters into this agreement and each other Security (if any), only in its capacity as responsible entity of the Trust, pursuant to the Constitution of the Trust ("the Constitution") and in no other capacity and the Borrower is aware of the limited scope of the Responsible Entity's obligations and powers under such Trust;
- (b) A liability arising under or in connection with this agreement is limited to and can be enforced against the Responsible Entity only to the extent to which it can be satisfied out of property of the Trust out of which the Responsible Entity is actually indemnified for the liability. This limitation of the Responsible Entity's liability applies despite any other provision of this agreement and extends to all liabilities and obligations of the Responsible Entity in any way connected with any representation, warranty, conduct, omission, deed or transaction related to this agreement.
- (c) The parties other than the Responsible Entity may not sue the Responsible Entity personally or seek the appointment of a liquidator, administrator, receiver or similar person to the Responsible Entity or prove in any liquidation, administration or arrangement of or affecting the Responsible Entity.
- (d) The provisions of this clause 30 do not apply to any obligation or liability of the Responsible Entity to the extent that it is not satisfied because under the Trust's Constitution or other constitution documents, or by operation of law there is a reduction in the extent of the Responsible Entity's indemnification out of the assets of that Trust, as a result of the Responsible Entity's fraud, negligence or wilful default.
- (e) Any failure by the Responsible Entity to perform an obligation which it determines is either inconsistent with or beyond its powers and obligations under the Constitution will not amount to a breach of or default under this document.
- (f) The Responsible Entity's determination as to whether an obligation otherwise imposed upon it under this document is inconsistent with or beyond the scope of its obligations and powers under the Constitution is final and binding on all parties.
- (g) No attorney, agent, receiver or receiver and manager appointed in accordance with this agreement or otherwise has authority to act on behalf of the Responsible Entity in a way which exposes the Responsible Entity to any personal liability and no act or omission of any such person will be considered fraud, negligence or wilful default of the Responsible Entity for the purpose of clause 30(d).
- (h) The Responsible Entity is not obliged to do or refrain from doing anything under this agreement (including incur any liability) unless the Responsible Entity's liability is limited in the manner satisfactory to the Responsible Entity in its absolute discretion.

- (i) A failure by the Responsible Entity to comply with or a breach by the Responsible Entity of any of its obligations under this agreement will not be considered to be fraud, negligence or wilful default by the Responsible Entity if the relevant failure or breach:
  - a. arose as a result of a breach by a person other than the Responsible Entity where the performance of the action (the non-performance of which gave rise to such breach) is a precondition to the Responsible Entity performing the said obligation; or
  - b. was in accordance with a lawful court order or direction or otherwise required by law.
- (j) All of the terms, clauses and conditions of this agreement are subject to this clause 30.

### 31. RESPONSIBLE ENTITY TO ACT FOR LENDER

- a. The Borrower hereby acknowledges that the Responsible Entity shall on behalf of the Lender exercise all of the rights, powers, consents, controls and approvals pursuant to or under each Security and all actions taken by the Responsible Entity shall be deemed to have been authorised by the Lender without any Security Provider or any other person dealing with the Responsible Entity being concerned to enquire as to the authority of the Responsible Entity to act on behalf of the Lender in respect of any Security or any matter or thing arising in relation thereto.
- b. For the purposes of each Security:
  - (i) all payments to be made by a Security Provider under any Security shall be made to the Responsible Entity on behalf of and for the account of the Lender;
  - (ii) all demands upon a Security Provider shall be made by the Responsible Entity;
  - (iii) all documents, notices, consents or approvals to be given to or by a Security Provider under any Security shall be given to or by the Responsible Entity;
  - (iv) all rights conferred upon the Lender under any Security shall be exercisable by the Responsible Entity;
  - (v) all communications in relation to a Security or any transaction contemplated by a Security shall be directed by any Security Provider to the Responsible Entity on behalf of the Lender;
  - (vi) a receipt issued by the Responsible Entity shall as against any Security Provider constitute a good and valid discharge on behalf of the Lender to any person dealing with the Lender.

### 32. SPECIAL COVENANTS AND CONDITIONS

The special covenants and conditions (if any) contained in Item 14 form part of this Agreement.



- (b) First registered Mortgage No. 709716884 by Seasilver Hotels Pty Limited ACN 116 758 279 as the mortgagor and the Lender as the Mortgagee over property situated at "Holiday Inn" Suites, Gold Coast Highway, Surfers Paradise QLD 4217 being all that land described as Lots 902 – 915, 1601 and 1616 – 1623 on Survey Plan 186322.
- (c) Deed of Guarantee and Indemnity dated 23<sup>rd</sup> June 2006 delivered by the Guarantor in favour of the Lender.
- (d) Deed of Variation of Fixed and Floating Charge No 1317825 intended to be executed on the same date as this Agreement by Brambleton Pty Ltd ACN 118 835 742 as mortgagor in favour of the Lender as mortgagee over all the property, assets and undertaking of Brambleton Pty Ltd ACN 118 835 742 of whatsoever nature and kind and wheresoever situated, present and future
- (e) Deed of Variation of Fixed and Floating Charge No. 1317828 intended to be executed on the same date as this Agreement by Seasilver Hotels Pty Limited ACN 116 758 279 as mortgagor in favour of the Lender as mortgagee over all the property, assets and undertaking of Seasilver Hotels Pty Limited ACN 116 758 279 limited to its interest in the Holiday Inn Lots.

**Item 10 Principal Security:**

The Holiday Inn Lots

**Item 11 Governing Law:** Queensland

**Item 12 Guarantor:**

Seasilver Hotels Pty Limited ACN 116 758 279

C/- Gould Ralph Pty Ltd, 'AAP Centre' Level 42, 259 George Street, Sydney NSW 2000

Raptis Group Limited ACN 010 472 858

C/- Gould Ralph Pty Ltd, 'AAP Centre' Level 42, 259 George Street, Sydney NSW 2000

Colryan Pty Limited ACN 111 966 726

C/- Gould Ralph Pty Ltd, 'AAP Centre' Level 42, 259 George Street, Sydney NSW 2000

**Item 13 Facility to Security Ratio:**

75% from time to time at the discretion of the Lender

**Item 14 Special Covenants:**

**14.1 RETAINED INTEREST**

The Lender will retain one months interest on moneys advanced in an interest bearing account managed by the Lender on behalf of the Borrower. Provided the Borrower is not in default under the security documentation, the retained amount including accrued interest will be credited against the last Interest instalment under the facility and or the payout figure as the Lender shall determine. The Borrower hereby authorises the Lender to open the investment account and undertakes that it will, when requested, execute such documentation including an investment authority and/or PDS and supply any information including tax file numbers necessary to establish the account.

If the Lender deems there is a default under the Security then the Lender may, in its absolute discretion at any time, appropriate the retained amount towards satisfaction of a default. In that event the Borrower must replenish the retained interest account within fourteen (14) days of it being requested in writing to do so.

#### 14.2 DEVELOPMENT SALES

Subject at all times to the Facility to Security Ratio being satisfactory to the Lender, if the Borrower enters into a Contract for the sale of any or all of the lots either comprised in or to be created within the Principal Security ("Lot") THEN the Lender shall at the request of the Borrower and provided that at the time of receiving such request the Borrower shall not be in default under this Agreement or any Security And upon receipt of the amount advised to the Borrower by the Lender in respect of each relevant Lot so contracted for sale, execute and deliver to the Borrower (at the cost and expense of the Borrower, including a non-refundable release fee for each lot sold) a partial release of any Security with respect to each relevant Lot, releasing the relevant title relating to such Lot sold with respect to which the minimum release payment as advised to the Borrower by the Lender has been received by the Lender.

The minimum release payment will be an amount equivalent to the greater of:

- i) 75% of the net contract sale price for each relevant Lot sold; and
- ii) 75% of the then market value of each relevant Lot sold as determined by the Lender's approved Valuer.

The Lender in its sole discretion may agree to accept a lower minimum release payment on sales.

The expression "net contract sale price" means the total sale price (including any pre-paid deposit but excluding any Goods and Services Tax included in the sale price set out in the contract) payable by a purchaser to the Borrower under each contract for the sale of any Lot less allowable adjustments under the contract for rates, body corporate levies (not including contributions) and land tax and deductions from the contract sale price for the Borrower's legal costs of sale, and standard real estate agents selling commission (as determined by the relevant Act in the State or Territory set out in Item 11). At the time of such payment by the Borrower to the Lender, the Borrower must tender to the Lender a certificate from the Solicitor for the Borrower certifying as to the calculation of the net contract sale price for each lot sold.

In the event of any inconsistency between the provisions of the Special Covenants contained in this Item 14 and the other provisions of this Agreement and/or the Security then, the provisions contained in this Item 14 shall prevail.

#### 14.3 LOAN AGREEMENT DATED 23 JUNE 2006

Each party to this Agreement acknowledges and agrees that:

- (1) with effect on and from the date of this Agreement, this Agreement replaces the Loan Agreement entered into between the Lender, the Responsible Entity and the Borrower dated 23 June 2006 ("Prior Loan Agreement");
- (2) each Security and each other document in any way associated or connected with the loan facility provided pursuant to the Prior Loan Agreement continues in full force and effect to the extent that it has been varied by this Agreement;

- (3) each Security given in support of obligations on the Borrower or a Guarantor arising out of the Prior Loan Agreement will continue in full force and effect and secure the obligations arising out of this Agreement.



**EXECUTED as a Deed**

**EXECUTED by Brambleton Pty Ltd**  
**ACN 118 835 742** in accordance with  
section 127 of the Corporations Act  
2001 (Cth):

.....  
Director/Secretary - Signature  
**MALCOLM CORY**

.....  
Print full name

.....  
Director - Signature

**IAN JOHN MORRISON**

.....  
Print full name

**EXECUTED by Seasilver Hotels Pty**  
**Limited ACN 116 758 279** in  
accordance with section 127 of the  
Corporations Act 2001 (Cth):

.....  
Director/Secretary - Signature  
**MALCOLM CORY**

.....  
Print full name

.....  
Director - Signature

**IAN JOHN MORRISON**

.....  
Print full name

**EXECUTED by Raptis Group**  
**Limited ACN 010 472 858** in  
accordance with section 127 of the  
Corporations Act 2001 (Cth):

.....  
Director/Secretary - Signature  
**MALCOLM CORY**

.....  
Print full name

.....  
Director - Signature

**IAN JOHN MORRISON**

.....  
Print full name

**EXECUTED by Colryan Pty Limited**  
**ACN 111 966 726** in accordance with  
section 127 of the Corporations Act  
2001 (Cth):

.....  
Director/Secretary - Signature  
**MALCOLM CORY**

.....  
Print full name

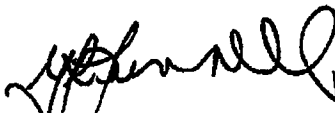
.....  
Director - Signature


**IAN JOHN MORRISON**

.....  
Print full name

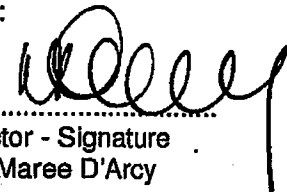
PERMANENT TRUSTEE )  
AUSTRALIA LIMITED ACN 008 412 )  
913 by its Attorneys who state that )  
they have no notice of revocation of )  
the Power of Attorney dated 2 June )  
1993, whereby they execute this deed )  
document or instrument.

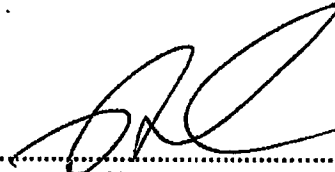
Power of Attorney  
No L6645417

  
.....  
Group A Attorney      Geoffrey Funnell

  
.....  
Group B Attorney      Susan Davis

EXECUTED by LM INVESTMENT )  
MANAGEMENT LIMITED ACN 077 )  
208 461 in accordance with section )  
127 of the Corporations Act 2001 )  
(Cth): )

  
.....  
Director - Signature  
Lisa Maree D'Arcy

  
.....  
Director - Signature  
Peter Charles Drake

**FMIF LOANS - RECOVERY COSTS TO 30 June 2013**

Borrower	Simon Tickner		Tony Beer		Matt Ayre		Trevor F		Fiona Draney		Cam Kohring		Ann McCallum		Zoran Mitosevic		Shelley Chalmers		Donna Alexander		Michael Parker		Sean Haydock		Monthly charge at hourly rate	Development management fee	No fees re DM	Sales and Marketing fee	No fees re S&S	Total fee for loan	Travel expenses & other costs	Total costs for loans	NON RECOVERABLE	Borrower													
	hours	Charge	Hours	Charge	Hours	Charge	Hours	Charge	Hours	Charge	Hours	Charge	Hours	Charge	Hours	Charge	Hours	Charge	Hours	Charge	Hours	Charge	Hours	Charge																							
Hourly rate		350	#	#	#	315	315	315	315	315	315	315	315	315	315	285	315	315	315	315	315	315	70	315										Hourly rate													
Admin General / non billable	0						21	6615	0	29	9135	66.5	20948	0	0	34.8	9918	66.7	21010.5	0	0	0	0	0	0	0	0	0	0	0	0	0	67,628	67,628	Admin General / non billable												
AIS Pty Ltd don't bill until MSA IS SIGNED	7.5	3000						15.5	4882.5	18.2	5733	3.7	1165.5	3	945	8.2	2583	0	0.05	14.25	2.8	882	3.5	1102.5	0	0	0	0	0	0	0	20,308	20,308	\$ 20,307.75	AIS Pty Ltd / FMIF												
AIS Pty Ltd MPF/Aalto								0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	AIS Pty Ltd MPF/Aalto											
Bellpac	0							0	0	0	5.7	1795.5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2,457	2,457	\$ 2,457.00	Bellpac												
Brambleton Pty Ltd	0.5	200						0	0	0	2.3	724.5	11.5	3622.5	0	0	2.55	726.75	2.5	787.5	2.5	787.5	0	0	0	0	0	0	0	0	0	6,849	6,849	\$ 6,848.75	Brambleton Pty Ltd												
(Bushland Beach) LMIM aff LM Managed Perf Fund DONT BILL UNTIL MSA IS	0.5	200						11	3465	3.7	1165.5	1.5	472.5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	8,595	8,595	\$ 6,594.50	(Bushland Beach) LMIM aff LM Managed Perf Fund												
Bridgewater Lake Estate Ltd	3.5	1400						2.9	913.5	2.7	850.5	0	0	1	315	0	13.7	3890.25	3.6	1134	0	0	0	0	0	0	0	0	0	0	10,803	14,500	25,303	\$ 25,302.75	Bridgewater Lake Estate Ltd												
Carrington Management Pty Ltd (Caboolture)	4	1600						0	0	6.1	1921.5	0	0	1	315	0	1.5	427.5	2.2	693	0	0	0	0	0	0	0	0	0	0	0	5,209	5,209	\$ 5,209.00	Carrington Management Pty Ltd (Caboolture)												
Coulter Developments	0							0	0	0.4	126	5	1575	0	0	0	1.05	299.25	0.8	252	0	0	0	0	0	0	0	0	0	0	0	677	4,250	4,927	\$ 4,927.25	Coulter Developments											
Cameo Estates P/L	0							3	945	2.4	756	0.5	157.5	0	0	0	6.25	1781.25	1.4	441	0	0	0	0	0	0	0	0	0	0	0	4,081	4,081	\$ 4,080.75	Cameo Estates P/L												
Eden Apartments Pty Ltd	0							0	0	2.1	661.5	0	0	0	0	0	1.95	555.75	0.4	126	0	0	0	0	0	0	0	0	0	0	0	1,343	5,292	6,635	\$ 6,634.92	Eden Apartments Pty Ltd											
Glendenning Developments Pty Ltd	0							0	0	0.3	94.5	1	315	0	0	0	1	285	0.7	220.5	0	0	0	0	0	0	0	0	0	0	0	630	630	\$ 630.00	Glendenning Developments Pty Ltd												
Green Square Property Developments	3	1200						0	0	4.5	1417.5	1.3	409.5	3	945	0	0	0	0.4	126	3.5	1102.5	0	0	0	0	0	0	0	0	0	5,201	5,201	\$ 5,200.60	Green Square Property Developments												
Greystanes Projects Pty Ltd DM fee removed as asset is now to be sold	5.5	2200						8	2520	5.1	1606.5	0	0	0.2	63	0	9.05	2579.25	1	315	0	0	0	0	0	0	0	0	0	0	10,323	10,323	\$ 10,323.25	Greystanes Projects Pty Ltd													
Kingopen P/L	5	2000						25	787.5	2	630	2.5	787.5	0	0.5	157.5	0	2.25	641.25	4	1260	0	0	0	0	0	0	0	0	0	0	5,478	9,150	14,628	\$ 14,626.25	Kingopen P/L											
Lot 111 Pty Ltd.	2.5	1000						5.7	1795.5	1.1	346.5	7	2205	0	0	0	0	0	0.4	126	0	0	0	0	0	0	0	0	0	0	0	5,473	5,473	\$ 5,473.00	Lot 111 Pty Ltd.												
Madrers Properties Pty Ltd	0							0	0	1.2	378	4	1260	0	0	0	2.15	612.75	0.4	126	0	0	0	0	0	0	0	0	0	0	0	1,117	1,833	2,950	\$ 2,950.08	Madrers Properties Pty Ltd											
Northshore Bayview St Pty Ltd	1	400						0	0	1.6	504	26.5	8347.5	0	0	0	13	3690.75	4	1260	0	0	0	0	0	0	0	0	0	0	0	12,295	9,808	22,100	\$ 22,100.33	Northshore Bayview St Pty Ltd											
Ovst Pty Ltd	4	1600						0	0	4	1260	0	0	3.5	1102.5	0	9.85	2807.25	9.1	2866.5	0	0	0	0	0	0	0	0	0	0	0	9,636	9,636	\$ 9,636.25	Ovst Pty Ltd												
Redland Bay Leisure Life (Petrac)	4	1600						7.5	2362.5	472.5	1	315	0	1.9	598.5	0	11.8	3348.75	2	630	0	0	0	0	0	0	0	0	0	0	0	10,405	38,565	48,970	\$ 48,970.08	Redland Bay Leisure Life (Petrac)											
Redland Bay Leisure Life development (Petra)	0							0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	Redland Bay Leisure Life development (Petra)											
Source Student Lodge Pty Ltd	0							0	0	1.8	567	0	0	0	0	0	0	0	0.4	126	0	0	0	0	0	0	0	0	0	0	0	693	693	\$ 693.00	Source Student Lodge Pty Ltd												
Source Developments No 1 Pty Ltd	1.5	600						0	0	0.5	157.5	2.5	787.5	0	0	0	8.15	2322.75	1.3	409.5	0	0	0	0	0	0	0	0	0	0	0	5,117	10,417	5,333	20,867	\$ 20,867.25	Source Developments No 1 Pty Ltd										
St Crispin's Property Pty Ltd	2	800						3.9	1228.5	6	1890	13.5	4262.5	0	0	0	10.3	2921.25	0.4	126	0	0	0	0	0	0	0	0	0	0	0	12,006	12,006	\$ 12,005.75	St Crispin's Property Pty Ltd												
Tall Trees Tanah Merah (Living Concepts) Pty Ltd (UPD) Includes TT Rochedale (ie no debt but security remains as X-Coll to TTM)	0							33	10395	1.2	378	0	0	0	0	0	0	0	3.1	976.5	0.5	157.5	0	0	0	0	0	0	0	0	0	0	11,907	11,907	\$ 11,907.00	Tall Trees Tanah Merah (Living Concepts) Pty Ltd (UPD) Includes TT Rochedale (ie no debt but security remains as X-Coll to TTM)											
Tall Trees Big picture	0							0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	Tall Trees Big picture											
Townsville Commercial Pty Ltd IOR	0							0	0	1.5	472.5	0	0	0	0	0	0.3	85.5	0.4	126	0	0	0	0	0	0	0	0	0	0	0	0	684	684	\$ 684.00	Townsville Commercial Pty Ltd IOR											
Young Land Corporation (Yeppoon)	0.5	200						35	11025	0	0.7	220.5	0	0	0	0	1.35	384.75	2.3	724.5	0	0	0	0	0	0	0	0	0	0	0	1,530	6,631	10,161	\$ 10,160.67	Young Land Corporation (Yeppoon)											
U-Own Storage (Southbank) Pty Ltd	0							0	0	1.1	346.5	4.5	1417.5	0	0	0	3.45	983.25	0.4	126	0	0	0	0	0	0	0	0	0	0	0	1,519	1,250	2,769	\$ 2,768.75	U-Own Storage (Southbank) Pty Ltd											
<b>TOTAL</b>	<b>45</b>	<b>18000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>118</b>	<b>37170</b>	<b>85.8</b>	<b>27027</b>	<b>84.9</b>	<b>26743.5</b>	<b>148</b>	<b>46820</b>	<b>16.3</b>	<b>5134.5</b>	<b>0</b>	<b>0</b>	<b>134</b>	<b>38275.5</b>	<b>112.9</b>	<b>35563.5</b>	<b>14</b>	<b>4410</b>	<b>0</b>	<b>0</b>	<b>14.8</b>	<b>4662</b>	<b>0</b>	<b>0</b>	<b>150</b>	<b>10500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>219,959</b>	<b>81,262</b>	<b>0</b>	<b>27,764</b>	<b>0</b>	<b>328,985</b>	<b>\$ -</b>	<b>\$ 221,172.68</b>	<b>107,812</b>	<b>TOTAL</b>

Less adjustment for fees charged on Bushland and AIS loans for April and May (MSA agreement still not signed)

AIS	\$	8,568.75
Bushland	\$	8,898.75
<b>TOTAL JUNE</b>	<b>\$</b>	<b>203,705.08</b>

# Loan Statement

Date:26/02/2016

Page 1 / 2

Account Number

MIF0000109

Brambleton Pty Ltd A.C.N. 118 835 742

Borrower ID	B138722
Statement Begins	1/04/2013
Statement Ends	31/07/2013
Interest Rate	14.50
Max Approved Amount	0.00
Loan Balance	39,537,131.54
Commencement Date	19/06/2006
Expiry Date	1/12/2010

## Loan Summary

Brought Forward Balance			37,784,191
Draw	42,586.25		37,826,78
Reduction		-150,000.00	37,676,78
Interest	1,860,346.78		39,537,13
Closing Balance as per 31/07/2013			39,537,13

# Loan Statement

Date:26/02/2016

Page 2 / 2

			Account Number		
			MIF0000109		
Date	Trans #	Transaction Description	Debits	Credits	Bala
1/04/2013		Brought Forward Balance			37,784,191
18/04/2013	004845	Applied Interest	336,936.91		38,121,131
18/04/2013	004846	Applied Interest	128,356.92		38,249,491
19/04/2013	004722	Loan Recovery Costs For period 1.4.13 to 19.4.13, Invoice no 3039	6,273.00		38,255,761
30/04/2013	004784	Loan Recovery Costs For period 20.4.13 to 30.4.13, Invoice No 3063	1,354.50		38,257,111
18/05/2013	004964	Applied Interest	330,157.70		38,587,271
18/05/2013	004965	Applied Interest	125,774.36		38,713,051
18/05/2013	005077	Loan recovery costs For period 1.5.13 to 17.5.13, invoice No 3099	7,614.75		38,720,661
18/05/2013	005080	Interest Adjustment to correct Review of interest charged Nov 11 to Feb 12 after discovery that loans module does not recognise loan reductions when calculating monthly interest.		-4,544.12	38,716,121
31/05/2013	005130	Loan Recovery Costs For period 18.5.13 to 31.5.13, Invoice No 3121	4,606.50		38,720,721
18/06/2013	005174	Applied Interest	345,286.81		39,066,011
18/06/2013	005175	Applied Interest	131,537.83		39,197,551
30/06/2013	005255	Loan Draw	6,848.75		39,204,401
12/07/2013	005276	Loan Recovery Costs for month of June 2013 Loan reduction Tfer from Controller account - surplus funds		-150,000.00	39,054,401
18/07/2013	005300	Applied Interest	338,056.82		39,392,451
18/07/2013	005301	Applied Interest	128,783.55		39,521,241
25/07/2013	005361	Loan recovery costs For period 1.7.13 to 25.7.13	12,675.75		39,533,911
31/07/2013	005397	Loan recovery costs For period 26.7.13 to 31.7.13 - Invoice No 3197	3,213.00		39,537,131

Loan M: MIF000108  
Super Grant Total  
Name: Bundles Pty Ltd A.C.N. 118 835 742  
Transaction Type: Draw  
Sub Type: LRC  
Date physical: 12/07/2013  
Date financial: 30/06/2013  
Voucher: LA002777  
Transaction Id: 00285  
Currency: AUD  
Amount currency: 5,848.75  
Amount: 6,848.75  
Loan Description: Loan Draw  
Total Loan Recovery Costs for month of June 2013  
Status: Posted  
Product: MIF  
Cost centre: 00010  
Purpose: 00010  
Original Suspended Date  
Journal Transaction Id  
Posting

# LM Administration Pty Ltd (Administrators Appointed) ("LMA")

## Tax Invoice

ABN 62 558 147 220

Date: 31 May 2013

To: The Trust Company (PTAL) Limited  
As custodian for LM First Mortgage Income Fund  
Level 1, 38 Cavill Avenue  
SURFERS PARADISE QLD 4217

Invoice No: 8973Inv003

Reference: LMA – Loan Management Fees March 2013 to May 2013

Date	Description	Amount \$
31/05/13	Loan Management Fees March 2013	209,953.67
	Loan Management Fees April 2013	252,793.12
	Loan Management Fees May 2013	251,310.20
	(Less – income received in advance by LMA from LM FMIF prior to appointment of Voluntary Administrators on 19 March 2013)	(509,747.84)
	<b>Total Invoice</b>	

Sale Amount: 204,309.15  
GST: 20,430.92

Total Inc GST: 224,740.07  
Total Paid: 224,740.07

**Balance Due: 0.00**

Please pay to following account:

Account Name: LM Administration Pty Ltd (Administrators Appointed)  
BSB: 064 000  
Account Number: 13405835  
Payment Reference: 8973Inv003

Note: This invoice replaces previously issued invoices by LM Investment Management Ltd (Administrators Appointed) 1106, 1108, 1109, 1118.

# LM Administration Pty Ltd (Administrators Appointed) ("LMA")

## Tax Invoice

ABN 62 558 147 220

Date: 30 June 2013

To: The Trust Company (PTAL) Limited  
As custodian for LM First Mortgage Income Fund  
Level 1, 38 Cavill Avenue  
SURFERS PARADISE QLD 4217

Invoice No: 8973Inv004

Reference: LMA – Loan Management Fees June 2013

Date	Description	Amount \$
30/06/13	Loan Management Fees June 2013 – schedule attached	194,933.09

Sale Amount: 194,933.09

GST: 19,493.31

Total Inc GST: 214,426.40

Total Paid: 0.00

**Balance Due: 214,426.40**

Please pay to following account:

Account Name: LM Administration Pty Ltd (Administrators Appointed)

BSB: 064 000

Account Number: 13405835

Payment Reference: 8973Inv003



# LM Administration Pty Ltd (Administrators Appointed) ("LMA")

## Tax Invoice

ABN 62 558 147 220

Date: 25 July 2013

To: The Trust Company (PTAL) Limited  
As custodian for LM First Mortgage Income Fund ("LM FMIF")  
Level 1, 38 Cavill Avenue  
SURFERS PARADISE QLD 4217

Invoice No: 8973Inv005

Reference: LMA – Loan Management Fees 1 – 25 July 2013

Date	Description	Amount \$
25/07/13	Loan Management Fees 1 – 25 July 2013 schedule attached	
	For loan management services provided on LM FMIF by LMA as per Management Services Agreements held with The Trust Company (PTAL) Limited and LM Investment Management Ltd.	231,623.52
	Credit Simon Tickner overcharge June 2013 invoice	(2,250.00)
		<u>229,373.52</u>

Sale Amount: 229,373.52  
GST: 22,937.35

Total Inc GST: 252,310.87  
Total Paid: 0.00

**Balance Due: 252,310.87**

Please pay to following account:

Account Name: LM Administration Pty Ltd (Administrators Appointed)  
BSB: 064 000  
Account Number: 13405835  
Payment Reference: 8973Inv005

**Account Transaction Detailed Listing: 8973 - LM Administration Pty Ltd (Administrators Appointed)**  
**Selected Account(s): All Dates**

**LM ADMINISTRATION PTY LTD (ADMINISTRATORS APPOINTE**

Date	Ref	Payee (Payor) - Account	GST	Net	GST	Receipts	Payments	Balance	TransID
19/03/13		* Denotes accrual transaction Opening Balance						0.00	
26/03/13		LM Investment Management Loan from LMIM		(1,053,283.39)		1,053,283.39		1,053,283.39	430846
27/03/13		Employees - Wages Staff Donation (Trading) PAYG Withheld (Trading) Superannuation Withheld (Trading) Wages & Salaries (Trading) Superannuation (Trading)		(85.00) (36,027.00) (12,193.06) 135,771.76 12,193.06			(99,659.76)	953,623.63	430975
27/03/13		ST Business Trust Subcontractors (Trading)	NCG	4,716.35	471.64		(5,187.99)	948,435.64	430977
27/03/13		LMIM Loan from LMIM		528,283.39			(528,283.39)	420,152.25	431061
28/03/13	29	FTI Consulting Loan Account (FTI) (Trading)		120,000.00			(120,000.00)	300,152.25	430976
01/04/13		CBA charge Bank Charges		0.20			(0.20)	300,152.05	430975
03/04/13	EFT	FTI Consulting Telephone & Fax (Trading)	NCF	7,500.00	0.00		(7,500.00)	292,652.05	430891
03/04/13	EFT	ST Business Trust Subcontractors (Trading)	NCG	4,716.35	471.64		(5,187.99)	287,464.06	430892
03/04/13		Staff Expenses Staff Expenses (Trading)		5,650.20			(5,650.20)	281,813.86	430896
03/04/13		Employees - Wages Staff Donation (Trading) PAYG Withheld (Trading) Superannuation Withheld (Trading) Wages & Salaries (Trading) Superannuation (Trading)		(85.00) (33,171.00) (11,413.31) 127,045.41 11,413.31			(93,789.41)	188,024.45	430976
05/04/13	EFT	Drake Pty Ltd Sundry Expenses (Trading)		5,871.58			(5,871.58)	182,152.87	430955
09/04/13		Suncorp Bank Opening Balance		(14,316.60)		14,316.60		196,469.47	430955
09/04/13		Kerry J Glubb ITF Hudson J Glubb Staff Donation (Trading)		(85.00)		85.00		196,554.47	431321
09/04/13	EFT	Kerry J Glubb ITF Hudson J Glubb Staff Donation (Trading)		85.00			(85.00)	196,469.47	430955
09/04/13		Commonwealth Bank Bank Charges		2.50			(2.50)	196,466.97	431322
10/04/13	EFT	AK & WG Beer Staff Expenses (Trading)		195.29			(195.29)	196,271.68	430981
10/04/13	EFT	Tracey Windley Staff Expenses (Trading)		306.72			(306.72)	195,964.96	430982
10/04/13	EFT	David Nunn Staff Expenses (Trading)		2,998.15			(2,998.15)	192,966.81	430983
10/04/13	EFT	ST BUSINESS TRUST Subcontractors (Trading)	NCG	4,716.35	471.64		(5,187.99)	187,778.82	430996
10/04/13		Employee - Wages Staff Donation (Trading) PAYG Withheld (Trading) Superannuation Withheld (Trading) Wages & Salaries (Trading) Superannuation (Trading)		(59.00) (30,940.00) (10,577.09) 117,834.69 10,577.09			(86,835.69)	100,943.13	431056
12/04/13		FTI Consulting Loan Account (FTI) (Trading)		(11,742.06)		11,742.06		112,685.19	431035

**LM ADMINISTRATION PTY LTD (ADMINISTRATORS APPOINTE**

Date	Ref	Payee (Payor) - Account	GST	Net	GST	Receipts	Payments	Balance	TransID
		* Denotes accrual transaction							
12/04/13	EFT	Bree Howe					(691.69)	111,993.50	431002
		Staff Donation (Trading)		(5.00)					
		PAYG Withheld (Trading)		(111.00)					
		Superannuation Withheld (Trading)		(72.69)					
		Wages & Salaries (Trading)		807.69					
		Superannuation (Trading)		72.69					
12/04/13	EFT	Karin Ringas					(615.31)	111,378.19	431003
		Staff Donation (Trading)		(2.00)					
		PAYG Withheld (Trading)		(75.00)					
		Superannuation Withheld (Trading)		(62.31)					
		Wages & Salaries (Trading)		692.31					
		Superannuation (Trading)		62.31					
15/04/13		Telstra Corporation				5.00		111,383.19	431023
		Refunds (Trading)		(5.00)					
15/04/13	EFT	Simon Bottle					(2,744.98)	108,638.21	430980
		Staff Expenses (Trading)		2,744.98					
15/04/13	EFT	Joseph Samuel					(6,927.51)	101,710.70	430982
		Staff Expenses (Trading)		6,927.51					
15/04/13	EFT	P Burt					(319.76)	101,390.94	430983
		Staff Expenses (Trading)		319.76					
15/04/13	EFT	Martin Vernier					(6,560.25)	94,830.69	430984
		Staff Expenses (Trading)		6,560.25					
15/04/13	EFT	Sarah Williams					(3,423.47)	91,407.22	430987
		Staff Expenses (Trading)		3,423.47					
15/04/13	EFT	Melanie Gomez					(216.45)	91,190.77	430988
		Staff Expenses (Trading)		216.45					
15/04/13	EFT	James Young					(990.00)	90,200.77	430989
		Staff Expenses (Trading)		990.00					
16/04/13		LM Investment Managment				100,000.00		190,200.77	431295
		Loan from LMIM		(64,000.00)					
		Loan from LMIM (Advance to		(36,000.00)					
16/04/13	EFT	Sean Haydock					(100.02)	190,100.75	431013
		Staff Expenses (Trading)		100.02					
16/04/13	EFT	Jason McGeachin					(113.60)	189,987.15	431014
		Staff Expenses (Trading)		113.60					
17/04/13	EFT	James Unterweger					(2,000.00)	187,987.15	431005
		Advance to Employees (Trading)		2,000.00					
17/04/13	EFT	Tracey Grant					(2,000.00)	185,987.15	431006
		Advance to Employees (Trading)		2,000.00					
17/04/13	EFT	Bree Howe					(2,000.00)	183,987.15	431007
		Advance to Employees (Trading)		2,000.00					
17/04/13	EFT	Alison Miller					(2,000.00)	181,987.15	431008
		Advance to Employees (Trading)		2,000.00					
18/04/13	EFT	Iseek Communications Pty Ltd	NCG	11,045.00	1,104.50		(12,149.50)	169,837.65	431028
		IT Costs (Trading)							
18/04/13	EFT	Paradise Security Australia Pty Ltd	NCG	281.82	28.18		(310.00)	169,527.65	431031
		Security (Trading)							
18/04/13	EFT	Zip Heaters (Aust) Pty Ltd	NCG	243.20	24.32		(267.52)	169,260.13	431032
		Repairs & Maintenance (Trading)							
18/04/13	EFT	Impressions Finance Pty Ltd	NCG	7,875.00	787.50		(8,662.50)	160,597.63	431033
		Hire & Leasing (Trading)							
18/04/13	EFT	St George Finance Limited	NCF	3,313.18	0.00		(3,313.18)	157,284.45	431034
		Hire & Leasing (Trading)							
18/04/13	EFT	Esanda Finance	NCF	1,193.46	0.00		(1,193.46)	156,090.99	431035
		Hire & Leasing (Trading)							
18/04/13	EFT	ST Business Trust	NCG	4,716.35	471.64		(5,187.99)	150,903.00	431043
		Subcontractors (Trading)							
18/04/13	EFT	Marija Mladenovic					(2,000.00)	148,903.00	431044
		Advance to Employees (Trading)		2,000.00					

**LM ADMINISTRATION PTY LTD (ADMINISTRATORS APPOINTE**

Date	Ref	Payee (Payor) - Account	GST	Net	GST	Receipts	Payments	Balance	TransID
		* Denotes accrual transaction							
18/04/13	EFT	Caela Moss Advance to Employees (Trading)		2,000.00			(2,000.00)	146,903.00	431045
18/04/13	EFT	Employees - Wages Staff Donation (Trading) PAYG Withheld (Trading) Superannuation Withheld (Trading) Superannuation (Trading) Wages & Salaries (Trading)		(39.00) (27,190.00) (8,955.38) 8,955.38 101,454.49			(74,225.49)	72,677.51	431054
19/04/13		Commonwealth Bank Bank Charges		2.50			(2.50)	72,675.01	431325
22/04/13	EFT	Amber Koeman Staff Expenses (Trading)		322.65			(322.65)	72,352.36	431087
22/04/13	EFT	Sean Haydock Staff Expenses (Trading)		1,174.65			(1,174.65)	71,177.71	431083
23/04/13		LM Investment Management Loan from LMIM		(150,000.00)		150,000.00		221,177.71	431296
24/04/13	10	Intrust Super Superannuation Paid (Received)		363.46			(363.46)	220,814.25	431096
24/04/13	11	JC and JP Burt Super Fund Superannuation Paid (Received)		331.86			(331.86)	220,482.39	431097
24/04/13	12	Macquarie Super Manager Superannuation Paid (Received)		267.57			(267.57)	220,214.82	431098
24/04/13	13	Netwealth Super Superannuation Paid (Received)		539.88			(539.88)	219,674.94	431099
24/04/13	1	AMP Custom Super Superannuation Paid (Received)		682.24			(682.24)	218,992.70	431087
24/04/13	14	Officers Superannuation Fund Superannuation Paid (Received)		173.08			(173.08)	218,819.62	431100
24/04/13	15	One Path Master Super Fund Superannuation Paid (Received)		804.14			(804.14)	218,015.48	431101
24/04/13	16	Orknie Pty Ltd McCallum Superannuation Paid (Received)		428.72			(428.72)	217,586.76	431102
24/04/13	17	QIEC Super Superannuation Paid (Received)		242.30			(242.30)	217,344.46	431104
24/04/13	18	Parker Family Superfund Superannuation Paid (Received)		415.38			(415.38)	216,929.08	431103
24/04/13	19	RC FM Mulder atf Mulder Super Superannuation Paid (Received)		714.54			(714.54)	216,214.54	431105
24/04/13	20	Spectrum Super Superannuation Paid (Received)		173.08			(173.08)	216,041.46	431107
24/04/13	21	Rest Superannuation Superannuation Paid (Received)		517.82			(517.82)	215,523.64	431106
24/04/13	22	STA Super Superannuation Paid (Received)		1,039.44			(1,039.44)	214,484.20	431108
24/04/13	23	Sunsuper Superannuation Paid (Received)		3,885.65			(3,885.65)	210,598.55	431109
24/04/13	2	Asgard Super Fund Superannuation Paid (Received)		9,038.18			(9,038.18)	201,560.37	431086
24/04/13	24	The Trustee for the Ballard Family Superannuation Paid (Received)		346.16			(346.16)	201,214.21	431110
24/04/13	25	Unisuper Superannuation Paid (Received)		346.16			(346.16)	200,868.05	431111
24/04/13	26	Van der Hoven Super Family Fund Superannuation Paid (Received)		835.70			(835.70)	200,032.35	431112
24/04/13	27	Westlands Superannuation Funds Superannuation Paid (Received)		571.64			(571.64)	199,460.71	431113
24/04/13	3	AXA Australia Superannuation Paid (Received)		294.22			(294.22)	199,166.49	431089

**LM ADMINISTRATION PTY LTD (ADMINISTRATORS APPOINTE**

Date	Ref	Payee (Payor) - Account	GST	Net	GST	Receipts	Payments	Balance	TransID
		* Denotes accrual transaction							
24/04/13	4	BT Business Super Superannuation Paid (Received)		209.60			(209.60)	198,956.89	431090
24/04/13	5	BT Super for Life Superannuation Paid (Received)		304.70			(304.70)	198,652.19	431091
24/04/13	6	Colonial First State Superannuation Paid (Received)		346.47			(346.47)	198,305.72	431092
24/04/13	7	Care Super Superannuation Paid (Received)		936.82			(936.82)	197,368.90	431093
24/04/13	8	Colonial First State First Choice Superannuation Paid (Received)		190.38			(190.38)	197,178.52	431094
24/04/13	9	Colonial First State First Choice Superannuation Paid (Received)		317.58			(317.58)	196,860.94	431095
24/04/13	EFT	Kerry J Glubb ITF Hudson J Glubb Staff Donation (Trading)		39.00			(275.00)	196,585.94	431055
		Staff Donation (Trading)		85.00					
		Staff Donation (Trading)		85.00					
		Staff Donation (Trading)		66.00					
24/04/13	EFT	ST Business Trust Subcontractors (Trading)	NCG	4,716.35	471.64		(5,187.99)	191,397.95	431115
24/04/13		Employees Wages					(71,532.31)	119,865.64	431122
		Staff Donation (Trading)		(32.00)					
		PAYG Withheld (Trading)		(26,670.00)					
		Superannuation Withheld (Trading)		(8,795.08)					
		Superannuation (Trading)		8,795.08					
		Wages & Salaries (Trading)		98,234.31					
29/04/13	28	Commissioner of Taxation Office GST Paid (Received)		(1,318.00)			(69,498.00)	50,367.64	431121
		PAYG Paid (Received) (Trading)		70,816.00					
29/04/13	EFT	Sean Haydock Staff Expenses (Trading)		99.19			(99.19)	50,268.45	431156
30/04/13	LMM_300	Suncorp Metway Ltd Opening Balance		(1.14)		1.14		50,269.59	431155
30/04/13	29	Department of Transport and Main Motor Vehicle Expenses (Trading)	NCF	383.35	0.00		(383.35)	49,886.24	431167
01/05/13		Commonwealth Bank Interest Income		(2.72)		2.72		49,888.96	431325
01/05/13	EFT	Denise Hollidge Advance to Employees (Trading)		2,000.00			(2,000.00)	47,888.96	431165
01/05/13	EFT	Bronwyn J Kingston Advance to Employees (Trading)		2,000.00			(2,000.00)	45,888.96	431170
01/05/13	EFT	A Mavris & M Bingham Advance to Employees (Trading)		2,000.00			(2,000.00)	43,888.96	431172
01/05/13	EFT	Jasyiyah Abdul Kadir Advance to Employees (Trading)		2,000.00			(2,000.00)	41,888.96	431172
01/05/13	EFT	D Pillay Advance to Employees (Trading)		2,000.00			(2,000.00)	39,888.96	431175
01/05/13	EFT	Lee Raymond Roebig Advance to Employees (Trading)		2,000.00			(2,000.00)	37,888.96	431176
01/05/13	EFT	T L Wheatley Advance to Employees (Trading)		2,000.00			(2,000.00)	35,888.96	431177
01/05/13	EFT	ST Business Trust Subcontractors (Trading)	NCG	4,716.35	471.64		(5,187.99)	30,700.97	431180
01/05/13		Commonwealth Bank of Australia - Bank Charges		5.00			(5.00)	30,695.97	431462
01/05/13		Commonwealth Bank of Australia - Bank Charges		6.35			(6.35)	30,689.62	431465
02/05/13		LM Investment Mangement Loan from LMIM		(100,000.00)		126,123.30		156,812.92	431331
		Loan from LMIM		(26,123.30)					

**LM ADMINISTRATION PTY LTD (ADMINISTRATORS APPOINTE**

Date	Ref	Payee (Payor) - Account	GST	Net	GST	Receipts	Payments	Balance	TransID
		* Denotes accrual transaction							
02/05/13	EFT	Australian Securities and ASIC charges		87.00			(87.00)	156,725.92	431250
02/05/13		Employee Wages					(67,831.68)	88,894.24	431260
		Staff Donation (Trading)		(32.00)					
		PAYG Withheld (Trading)		(25,331.00)					
		Superannuation Withheld (Trading)		(8,265.69)					
		Superannuation (Trading)		8,265.69					
		Wages & Salaries (Trading)		93,194.68					
03/05/13	EFT	Leung Chung Kwan Debbie					(411.13)	88,483.11	431050
		Staff Expenses (Trading)		411.13					
03/05/13	EFT	Web Design Magic Pty Ltd	NCG	1,661.00	166.10		(1,827.10)	86,656.01	431260
		IT Costs (Trading)							
03/05/13	EFT	Kerry J Glubb ITF Hudson J Glubb					(32.00)	86,624.01	431280
		Staff Donation (Trading)		32.00					
03/05/13	EFT	Kerry J Glubb ITF Hudson J Glubb					(32.00)	86,592.01	431291
		Staff Donation (Trading)		32.00					
03/05/13	n/a	Michael Norman Glover					(26,123.30)	60,468.71	434290
		Staff Expenses (Trading)		26,123.30					
06/05/13	EFT	RM and CR Barton					(2,000.00)	58,468.71	431300
		Advance to Employees (Trading)		2,000.00					
06/05/13	EFT	Allina Leal					(2,000.00)	56,468.71	431300
		Advance to Employees (Trading)		2,000.00					
06/05/13	EFT	ST Business Trust					(471.15)	55,997.56	431307
		Staff Expenses (Trading)		471.15					
07/05/13	EFT	James Andrew Young					(2,752.50)	53,245.06	431300
		Staff Expenses (Trading)		2,752.50					
07/05/13	EFT	OSR EPS Tax Remitting Account					(2,669.41)	50,575.65	431330
		Payroll NSW		2,669.41					
08/05/13		LM Investment Management				25,000.00		75,575.65	431390
		Loan from LMIM		(25,000.00)					
08/05/13		LM Administration Pty Ltd				1,070.46		76,646.11	431470
		Refunds (Trading)		(1,070.46)					
08/05/13	EFT	ST Business Trust	NCG	4,716.35	471.64		(5,187.99)	71,458.12	431340
		Subcontractors (Trading)							
08/05/13	EFT	JC & JP Burt					(2,000.00)	69,458.12	431340
		Advance to Employees (Trading)		2,000.00					
08/05/13	EFT	Joseph Thomas Camm					(2,000.00)	67,458.12	431340
		Advance to Employees (Trading)		2,000.00					
08/05/13	EFT	Mandy C Gardner					(2,000.00)	65,458.12	431340
		Advance to Employees (Trading)		2,000.00					
08/05/13	EFT	Employee Wages					(63,861.44)	1,596.68	431351
		Staff Donation (Trading)		(32.00)					
		PAYG Withheld (Trading)		(24,199.00)					
		Superannuation Withheld (Trading)		(7,846.65)					
		Superannuation Control (Trading)		7,846.65					
		Wages & Salaries (Trading)		88,092.44					
08/05/13	EFT	Kerry J Glubb ITF Hudson J Glubb					(32.00)	1,564.68	431350
		Staff Donation (Trading)		32.00					
13/05/13	30	Department of transport and Main	NCG	423.73	42.37		(466.10)	1,098.58	431411
		Motor Vehicle Expenses (Trading)							
14/05/13	EFT	Amber Koeman					(175.94)	922.64	431410
		Staff Expenses (Trading)		175.94					
15/05/13		LM Investment Management				40,000.00		40,922.64	431470
		Loan from LMIM		(40,000.00)					
15/05/13		LM Investment Management				148,193.00		189,115.64	431480
		Loan from LMIM		(148,193.00)					
15/05/13	EFT	ST Business Trust	NCG	4,716.35	471.64		(5,187.99)	183,927.65	431430
		Subcontractors (Trading)							

**LM ADMINISTRATION PTY LTD (ADMINISTRATORS APPOINTE**

Date	Ref	Payee (Payor) - Account	GST	Net	GST	Receipts	Payments	Balance	TransID
		* Denotes accrual transaction							
15/05/13	EFT	Employee Wages					(58,946.29)	124,981.36	431445
		Staff Donation (Trading)		(27.00)					
		PAYG Withheld (Trading)		(22,732.00)					
		Superannuation Withheld (Trading)		(7,339.90)					
		Superannuation Control (Trading)		7,339.90					
		Wages & Salaries (Trading)		81,705.29					
15/05/13	EFT	Kerry J Glubb ITF Hudson J Glubb					(27.00)	124,954.36	431445
		Staff Donation (Trading)		27.00					
16/05/13	EFT	Robbie Robbie & Associates Pty Ltd	NCG	35,637.34	3,563.73		(39,201.07)	85,753.29	431365
		Rent & Rates (Trading)							
16/05/13	EFT	LMA Trust Account					(5.00)	85,748.29	431417
		Bank Charges		5.00					
20/05/13	EFT	Chris Beaumont					(805.50)	84,942.79	432156
		Staff Expenses (Trading)		805.50					
21/05/13		LM Investment Management				200,000.00		284,942.79	432175
		Loan from LMIM		(200,000.00)					
21/05/13	31	Deputy Commissioner of Taxation					(142,698.00)	142,244.79	432165
		PAYG Paid (Received) (Trading)		142,698.00					
22/05/13	EFT	Impressions Finance Pty Ltd	NCG	7,875.00	787.50		(8,662.50)	133,582.29	431366
		Hire & Leasing (Trading)							
22/05/13	EFT	Esanda Finance	NCF	1,193.46	0.00		(1,193.46)	132,388.83	431372
		Hire & Leasing (Trading)							
22/05/13	EFT	Iseek Communications Pty Ltd	NCG	8,855.00	885.50		(9,740.50)	122,648.33	431375
		IT Costs (Trading)							
22/05/13	EFT	Rockfast International Pty Ltd	NCG	1,500.00	150.00		(1,650.00)	120,998.33	431377
		IT Costs (Trading)							
22/05/13	EFT	Web Design Magic Pty Ltd	NCG	2,011.93	201.19		(2,213.12)	118,785.21	431375
		IT Costs (Trading)							
22/05/13	EFT	TNT Express Australia	NCG	281.53	28.18		(420.43)	118,364.78	431380
		Freight Outwards (Trading)							
		Freight Outwards (Trading)	NCF	110.72	0.00				
22/05/13	EFT	Total Supply Solutions Professional	NCG	84.45	8.45		(92.90)	118,271.88	431381
		Sundry Expenses (Trading)							
22/05/13	EFT	Paradise Security Australia Pty Ltd	NCG	307.73	30.77		(338.50)	117,933.38	431382
		Security (Trading)							
22/05/13	EFT	Care Group Pty Ltd	NCG	240.00	24.00		(264.00)	117,669.38	431430
		Repairs & Maintenance (Trading)							
22/05/13	EFT	PKF (Gold Coast) Pty Ltd	NCG	1,000.00	100.00		(1,100.00)	116,569.38	431432
		Accounting Expenses (Trading)							
22/05/13	EFT	ST Business Trust	NCG	3,773.08	377.31		(4,150.39)	112,418.99	432173
		Subcontractors (Trading)							
22/05/13	EFT	Employee Wages					(56,475.52)	55,943.47	432177
		Staff Donation (Trading)		(27.00)					
		PAYG Withheld (Trading)		(21,695.00)					
		Superannuation Withheld (Trading)		(7,008.14)					
		Wages & Salaries (Trading)		78,197.52					
		Superannuation (Trading)		7,008.14					
23/05/13	32	Suncorp Metway	NCG	111.82	11.18		(123.00)	55,820.47	432221
		Sundry Expenses (Trading)							
23/05/13	EFT	LMA - Employee - Trust Account					(10.00)	55,810.47	431481
		Bank Charges		10.00					
23/05/13	EFT	Kerry J Glubb ITF Hudson J Glubb					(27.00)	55,783.47	432180
		Staff Donatton (Trading)		27.00					
24/05/13		Refund Received				350.77		56,134.24	433555
		Refunds (Trading)		(350.77)					
27/05/13	30	Department of Transport and Main	NCG	(423.73)	(42.37)	466.10		56,600.34	433031
		Motor Vehicle Expenses (Trading)							
27/05/13	EFT	Corporate Traveller QLD107	NCG	508.35	50.84		(559.19)	56,041.15	431376
		Travel Expenses (Trading)							

**LM ADMINISTRATION PTY LTD (ADMINISTRATORS APPOINTE**

Date	Ref	Payee (Payor) - Account	GST	Net	GST	Receipts	Payments	Balance	TransID
27/05/13	EFT	* Denotes accrual transaction Menke Mercia Albrecht PAYG Withheld (Trading) Superannuation Withheld (Trading) Wages & Salaries (Trading) Superannuation (Trading)		(73.00) (52.43) 684.57 52.43			(611.57)	55,429.58	433013
28/05/13	25	Unisuper Superannuation Paid (Received)		(346.16)		346.16		55,775.74	433050
28/05/13		FTI Consulting Loan Account (FTI) (Trading)		(928.91)		928.91		56,704.65	433231
29/05/13	LMIM	LM Investment Management Loan from LMIM		(97,000.00)		97,000.00		153,704.65	433192
29/05/13	33	Qsuper Superannuation Paid (Received)		346.16			(346.16)	153,358.49	433190
29/05/13	EFT	David Nunn Staff Expenses (Trading)	NCG	521.95	52.19		(574.14)	152,784.35	433032
29/05/13	EFT	ST Business Trust Subcontractors (Trading)	NCG	4,716.35	471.64		(5,187.99)	147,596.36	433191
29/05/13	EFT	Employee - wages PAYG Withheld (Trading) Superannuation Withheld (Trading) Staff Donation (Trading) Wages & Salaries (Trading) Superannuation (Trading)		(22,959.00) (7,256.77) (27.00) 81,176.95 7,256.77			(58,190.95)	89,405.41	433203
29/05/13	EFT	Kerry J Glubb ITF Hudson J Glubb Staff Donation (Trading)		27.00			(27.00)	89,378.41	433204
29/05/13	EFT	Action Insurance Brokers Pty Ltd Insurance Stamp Duty (Trading)	NCG	391.57 19.28	39.15		(450.00)	88,928.41	433221
30/05/13	EFT	Worldwide Online Printing Printing & Stationery (Trading)	NCG	167.06	16.71		(183.77)	88,744.64	433219
31/05/13	32	Suncorp Metway Ltd Sundry Expenses (Trading)	NCG	(111.82)	(11.18)	123.00		88,867.64	433462
01/06/13		Commonwealth Bank of Australia - Interest Income		(0.03)		0.03		88,867.67	433531
01/06/13		Commonwealth Bank of Australia - Bank Charges		14.40			(14.40)	88,853.27	433529
01/06/13		Commonwealth Bank of Australia - Bank Charges		5.00			(5.00)	88,848.27	433530
03/06/13	EFT	LM Administration GST/PAY GST/PAYG Holding A/cc - LM		15.00			(15.00)	88,833.27	433315
05/06/13	LMIM	LM Investment Management Loan from LMIM		(66,000.00)		66,000.00		154,833.27	433488
05/06/13	EFT	CAPITAL FINANCE AUSTRALIA Hire & Leasing (Trading) Hire & Leasing (Trading)	NCF NCF	5,173.16 6,599.44	0.00 0.00		(11,772.60)	143,060.67	433467
05/06/13	EFT	WorkCover Queensland Insurance (Trading) Stamp Duty (Trading)	NCG	2,896.41 159.30	289.64		(3,345.35)	139,715.32	433468
05/06/13	EFT	OSR EPS Tax Remitting Account Payroll NSW		41.06			(41.06)	139,674.26	433470
05/06/13	EFT	ST Business Trust Subcontractors (Trading)	NCG	4,716.35	471.64		(5,187.99)	134,486.27	433471
05/06/13	EFT	Robbie Robbie & Associates Pty Ltd Refunds (Trading) Rent & Rates (Trading)	NCG NCG	(3,588.34) 17,776.16	(358.83) 1,777.62		(15,606.61)	118,879.66	433472
05/06/13	EFT	Robbie Robbie & Associates Pty Ltd Rent & Rates (Trading)	NCG	25,882.50	2,588.25		(28,470.75)	90,408.91	433473



**LM ADMINISTRATION PTY LTD (ADMINISTRATORS APPOINTE**

Date	Ref	Payee (Payor) - Account	GST	Net	GST	Receipts	Payments	Balance	TransID
		* Denotes accrual transaction							
06/06/13	EFT	Employee Wages					(53,521.71)	36,887.20	433486
		PAYG Withheld (Trading)		(20,172.00)					
		Superannuation Withheld (Trading)		(6,707.24)					
		Staff Donation (Trading)		(22.00)					
		Wages & Salaries (Trading)		73,715.71					
		Superannuation Control (Trading)		6,707.24					
06/06/13	EFT	Kerry J Glubb ITF Hudson J Glubb					(22.00)	36,865.20	433486
		Staff Donation (Trading)		22.00					
07/06/13	EFT	Employee Wages					(7,243.82)	29,621.38	433490
		PAYG Withheld (Trading)		(4,038.00)					
		Superannuation Withheld (Trading)		(900.77)					
		Wages & Salaries (Trading)		11,281.82					
		Superannuation (Trading)		900.77					
11/06/13		LM Investment Management				96,000.00		125,621.38	433554
		Loan from LMIM		(96,000.00)					
11/06/13	EFT	Rockfast International (Payroll	NCG	1,084.21	108.42		(1,192.63)	124,428.75	433463
		IT Costs (Trading)							
12/06/13	EFT	TNT Express Australia	NCG	67.84	6.79		(129.63)	124,299.12	433475
		Freight Outwards (Trading)	NCG	50.00	5.00				
		Freight Outwards (Trading)							
12/06/13	EFT	National Security	NCG	1,424.00	142.40		(1,566.40)	122,732.72	433477
		Security (Trading)							
12/06/13	EFT	Kyocera Mita Aust	NCG	1,309.10	130.91		(1,440.01)	121,292.71	433480
		Printing & Stationery (Trading)							
12/06/13	EFT	Staples Australia Pty Ltd	NCG	450.04	45.00		(495.04)	120,797.67	433483
		Printing & Stationery (Trading)							
12/06/13	EFT	Venes Water Supply					(132.00)	120,665.67	433487
		Suppliers (Trading)		132.00					
12/06/13	EFT	ST Business Trust	NCG	4,716.35	471.64		(5,187.99)	115,477.68	433543
		Subcontractors (Trading)							
12/06/13	EFT	Employee - wages					(44,640.76)	70,836.92	433552
		PAYG Withheld (Trading)		(17,447.00)					
		Superannuation Withheld (Trading)		(5,488.09)					
		Staff Donation (Trading)		(20.00)					
		Wages & Salaries (Trading)		62,107.76					
		Superannuation (Trading)		5,488.09					
12/06/13	EFT	Kerry J Glubb ITF Hudson J Glubb					(20.00)	70,816.92	433553
		Staff Donation (Trading)		20.00					
12/06/13	EFT	Esanda Finance	NCF	1,193.46	0.00		(1,193.46)	69,623.46	433560
		Hire & Leasing (Trading)							
13/06/13	34	Queensland Motorways	NCG	80.37	8.04		(88.41)	69,535.05	433551
		Sundry Expenses (Trading)							
13/06/13	EFT	Macquarie Telecom Pty Ltd	NCG	26,943.93	2,808.89		(29,752.82)	39,782.23	433665
		Telephone & Fax (Trading)							
14/06/13		Asgard				222.30		40,004.53	433596
		Refunds (Trading)		(222.30)					
14/06/13	35	Asgard Super Fund					(222.30)	39,782.23	433603
		Superannuation Paid (Received)		222.30					
14/06/13	EFT	Michael and Tiffany Parker					(264.45)	39,517.78	433720
		Staff Expenses (Trading)		264.45					
14/06/13	EFT	Web Design Magic Pty Ltd	NCG	2,003.43	200.34		(2,203.77)	37,314.01	433771
		IT Costs (Trading)							
17/06/13		LM Investment Management				222,000.00		259,314.01	433966
		Loan from LMIM		(222,000.00)					
17/06/13		LM Investment Management	NCG	(204,309.15)	(20,430.92)	224,740.07		484,054.08	434291
		Loan Management Fee (Trading)							
17/06/13		LM Investment Management					(224,740.07)	259,314.01	434292
		Loan from LMIM		224,740.07					
18/06/13	36	Deputy Commissioner of Taxation					(91,658.00)	167,656.01	433791
		PAYG Paid (Received) (Trading)		91,658.00					

**LM ADMINISTRATION PTY LTD (ADMINISTRATORS APPOINTE**

Date	Ref	Payee (Payor) - Account	GST	Net	GST	Receipts	Payments	Balance	TransID
		* Denotes accrual transaction							
18/06/13	EFT	Paradise Security Australia Pty Ltd Security (Trading)	NCG	581.55	58.15		(639.70)	167,016.31	433476
18/06/13	EFT	Office of State Revenue Collection Payroll QLD		44,624.83			(44,624.83)	122,391.48	433785
19/06/13	EFT	ST Business Trust Subcontractors (Trading)	NCG	4,716.35	471.64		(5,187.99)	117,203.49	433966
19/06/13	EFT	Employee - wages PAYG Withheld (Trading) Staff Donation (Trading) Superannuation Withheld (Trading) Wages & Salaries (Trading) Superannuation (Trading)		(16,610.00) (18.00) (5,172.98) 58,851.28 5,172.98			(42,223.28)	74,980.21	433970
20/06/13	34	Queensland Motorways Sundry Expenses (Trading)	NCG	(80.37)	(8.04)	88.41		75,068.62	433995
24/06/13		LM Investment Management Ltd Loan from LMIM		(112,584.00)		112,584.00		187,652.62	434057
24/06/13	372357	Investment Services Capital Distribution - trading		(407.44)		407.44		188,060.06	434375
24/06/13	EFT	Kerry J Glubb ITF Hudson J Glubb Staff Donation (Trading)		18.00			(18.00)	188,042.06	434015
24/06/13	EFT	Impressions Finance Pty Ltd Hire & Leasing (Trading)	NCG	7,875.00	787.50		(8,662.50)	179,379.56	434051
24/06/13	EFT	Robbie Robbie & Associates Pty Ltd Rent & Rates (Trading)	NCG	29,671.90	2,967.19		(32,639.09)	146,740.47	434052
25/06/13		Felicity Williams Refunds (Trading)		(1,000.00)		1,000.00		147,740.47	434412
25/06/13	EFT	CAPITAL FINANCE AUSTRALIA Hire & Leasing (Trading)	NCF	5,439.24	0.00		(5,439.24)	142,301.23	434060
26/06/13	372357	LM Investment Management Refunds (Trading)		(8.21)		8.21		142,309.44	434285
26/06/13	100147	LM Investment Management Refunds (Trading)		(30.02)		30.02		142,339.46	434286
26/06/13		LM Investment Management Refunds (Trading)		(1,634.04)		1,634.04		143,973.50	434287
26/06/13		LM Investment Management Refunds (Trading)		(12,737.54)		12,737.54		156,711.04	434288
26/06/13	EFT	LM Administration GST/PAYG GST/PAYG Holding A/cc - LM		50.00			(50.00)	156,661.04	434005
26/06/13	EFT	Carolyn Hodge Subcontractors (Trading)	NCG	3,375.00	337.50		(3,712.50)	152,948.54	434092
26/06/13	EFT	ST Business Trust Subcontractors (Trading)	NCG	4,716.35	471.64		(5,187.99)	147,760.55	434152
26/06/13	EFT	Employee Wages PAYG Withheld (Trading) Superannuation Withheld (Trading) Staff Donation (Trading) Wages & Salaries (Trading) Superannuation (Trading)		(15,039.00) (4,714.65) (14.00) 53,253.02 4,714.65			(38,200.02)	109,560.53	434162
26/06/13	EFT	Kerry J Glubb ITF Hudson J Glubb Staff Donation (Trading)		14.00			(14.00)	109,546.53	434165
26/06/13		LM Administration Pty Ltd LMA - Employee - Trust Account		50.00			(50.00)	109,496.53	434380
27/06/13		LM Investment Management Commission (Trading)	NCG	(122.45)	(12.25)	134.70		109,631.23	434456
27/06/13		LM Administration Pty Ltd GST/PAYG Holding A/cc - LM		(50.21)		50.21		109,681.44	434595
27/06/13	EFT	WHSO Consultants Workplace health and Safety	NCG	300.00	30.00		(330.00)	109,351.44	434172
27/06/13	EFT	Paradise Security Australia Pty Ltd Security (Trading)	NCG	266.41	26.64		(293.05)	109,058.39	434172

**LM ADMINISTRATION PTY LTD (ADMINISTRATORS APPOINTE**

Date	Ref	Payee (Payor) - Account	GST	Net	GST	Receipts	Payments	Balance	TransID
		* Denotes accrual transaction							
27/06/13	EFT	Xerox Business Centre IT Costs (Trading)	NCG	1,000.00	100.00		(1,100.00)	107,958.39	434175
27/06/13	EFT	TNT Express Australia Freight Outwards (Trading)	NCG	369.01	36.90		(405.91)	107,552.48	434176
27/06/13	EFT	Macquarie Telecom Pty Ltd Telephone & Fax (Trading)	NCG	9,960.99	966.86		(10,927.85)	96,624.63	434177
27/06/13	EFT	Staples Australia Pty Ltd Printing & Stationery (Trading)	NCG	503.83	45.35		(549.18)	96,075.45	434182
27/06/13	EFT	Iseek Communications Pty Ltd IT Costs (Trading)	NCG	8,275.00	827.50		(9,102.50)	86,972.95	434193
27/06/13	EFT	Amber Koeman Staff Expenses (Trading)		55.23			(55.23)	86,917.72	434253
28/06/13		Felicity Williams Refunds (Trading)		(1,000.00)		1,000.00		87,917.72	434413
28/06/13		Tall Trees Tanah Merah Pty Ltd Fund Reimbursement (Trading)		(452.58)		452.58		88,370.30	434464
28/06/13		Bridgewater Lake Estate Ltd Fund Reimbursement (Trading)	NCG	(51.62)	(5.16)	56.78		88,427.08	434465
28/06/13		Redland Bay leisure Life Pty Ltd Fund Reimbursement (Trading) Fund Reimbursement (Trading)	NCG	(966.14) (452.58)	(96.61)	1,515.33		89,942.41	434467
28/06/13		Keppel Views Pty Ltd Fund Reimbursement (Trading)	NCG	(231.78)	(23.18)	254.96		90,197.37	434468
28/06/13		Madrers Properties Pty Ltd Fund Reimbursement (Trading)	NCG	(43.19)	(4.32)	47.51		90,244.88	434469
28/06/13		Greystanes Projects Pty Ltd Fund Reimbursement (Trading)	NCG	(45.14)	(4.51)	49.65		90,294.53	434471
28/06/13		OVST Pty Ltd Fund Reimbursement (Trading)		(452.58)		452.58		90,747.11	434472
28/06/13		Source Developments No 1 Pty Ltd Fund Reimbursement (Trading) Fund Reimbursement (Trading)	NCG	(43.19) (452.58)	(4.32)	500.09		91,247.20	434473
28/06/13		Northshore bayview Street Pty Ltd Fund Reimbursement (Trading) Fund Reimbursement (Trading)	NCG	(1,185.89) (54.76)	(118.59)	1,359.24		92,606.44	434475
28/06/13		St Crispins Property Ltd Fund Reimbursement (Trading)	NCG	(104.69)	(10.47)	115.16		92,721.60	434478
30/06/13		LM Investment Management Resource Fee Received Ops	NCG	(1,497,418.39)	(149,741.84)	1,647,160.23		1,739,881.83	434518
30/06/13		LM Investment Management Loan from LMIM		1,647,160.23			(1,647,160.23)	92,721.60	434520
01/07/13		Felicity Williams Refunds (Trading)		(1,000.00)		1,000.00		93,721.60	434414
01/07/13		Commonwealth Bank - Credit Interest Income		(1.36)		1.36		93,722.96	435565
01/07/13	EFT	James Andrew Young Staff Expenses (Trading)	NCF	70,000.00	0.00		(70,000.00)	23,722.96	434256
01/07/13	EFT	Carolyn Hodge Subcontractors (Trading)	NCG	3,300.00	330.00		(3,630.00)	20,092.96	434343
01/07/13		Commonwealth Bank - Account Bank Charges (Trading)	NCF	5.00	0.00		(5.00)	20,087.96	435566
01/07/13		Commonwealth Bank - Transaction Bank Charges (Trading)	NCF	7.70	0.00		(7.70)	20,080.26	435567
02/07/13		LM Investment Management Loan from LMIM		(40,494.00)		40,494.00		60,574.26	434388
02/07/13	EFT	Esanda Finance Hire & Leasing (Trading)	NCF	1,193.46	0.00		(1,193.46)	59,380.80	434383
03/07/13	35	Asgard Super Fund Superannuation Paid (Received)		(222.30)		222.30		59,603.10	434416

03/03/2016 4:02 PM

Page

10

**LM ADMINISTRATION PTY LTD (ADMINISTRATORS APPOINTE**

Date	Ref	Payee (Payor) - Account	GST	Net	GST	Receipts	Payments	Balance	TransID
03/07/13		* Denotes accrual transaction LM Investment Management Fund Reimbursement (Trading)	NCG	(915.79)	(91.57)	1,007.36		60,610.46	434456
03/07/13	8973_inv	LM Capalaba Pty Ltd Fund Reimbursement (Trading)	NCF	(452.58)	0.00	1,264.65		61,875.11	434486
		Fund Reimbursement (Trading)	NCG	(738.25)	(73.82)				
03/07/13	8973_inv	457-459 Lygon St Pty Ltd Fund Reimbursement (Trading)	NCF	(309.82)	0.00	505.11		62,380.22	434486
		Fund Reimbursement (Trading)	NCG	(177.54)	(17.75)				
03/07/13	EFT	Employee - Wages PAYG Withheld (Trading)		(13,804.00)			(35,155.55)	27,224.67	434417
		Staff Donation (Trading)		(14.00)					
		Superannuation Withheld (Trading)		(4,414.94)					
		Wages & Salaries (Trading)		48,973.55					
		Superannuation (Trading)		4,414.94					
03/07/13	EFT	ST Business Trust Subcontractors (Trading)	NCG	4,716.35	471.64		(5,187.99)	22,036.68	434418
03/07/13	EFT	Blue Broking Pty Ltd Insurance (Trading)	NCG	670.00	67.00		(788.15)	21,248.53	434427
		Stamp Duty (Trading)		51.15					
03/07/13	EFT	Macquarie Telecom Pty Ltd Telephone & Fax (Trading)	NCG	4,576.61	401.03		(4,977.64)	16,270.89	434427
07/07/13	38	Please Pay Cash Petty Cash Reimbursement		489.65			(489.65)	15,781.24	434727
08/07/13		LM FMIF Loan Management Fee (Trading)	NCG	(194,933.09)	(19,493.31)	214,426.40		230,207.64	434567
08/07/13	37	Sunsuper Superannuation Paid (Received)		222.30			(222.30)	229,985.34	434336
08/07/13	EFT	Michele Ballard Subcontractors (Trading)	NCF	2,125.00	0.00		(2,125.00)	227,860.34	434466
09/07/13		LM Investment Management Resource Fee Received Ops	NCG	(36,812.73)	(3,681.27)	40,494.00		268,354.34	434546
09/07/13	EFT	Francene Mulder Staff Expenses (Trading)	NCG	119.18	11.92		(131.10)	268,223.24	434496
09/07/13	EFT	Kerry J Glubb ITF Hudson J Glubb Staff Donation (Trading)		14.00			(14.00)	268,209.24	434496
10/07/13	EFT	ST Business Trust Subcontractors (Trading)	NCG	4,716.35	471.64		(5,187.99)	263,021.25	434576
10/07/13	EFT	Employee Wages Staff Donation (Trading)		(14.00)			(34,395.20)	228,626.05	434586
		PAYG Withheld (Trading)		(13,330.00)					
		Superannuation Withheld (Trading)		(4,396.78)					
		Wages & Salaries (Trading)		47,739.20					
		Superannuation (Trading)		4,396.78					
10/07/13	EFT	Kerry J Glubb ITF Hudson J Glubb Staff Donation (Trading)		14.00			(14.00)	228,612.05	434586
10/07/13		LM Investment Management Loan from LMIM		40,494.00			(40,494.00)	188,118.05	434546
11/07/13	EFT	Carolyn Hodge Subcontractors (Trading)	NCG	2,700.00	270.00		(2,970.00)	185,148.05	434596
12/07/13		LM Investment Management Resource Fee Received Ops	NCG	(90,909.09)	(9,090.91)	100,000.00		285,148.05	434556
12/07/13	EFT	Grace Records Management Record Storage and freight	NCG	4,521.23	452.13		(4,973.36)	280,174.69	434496
12/07/13	EFT	Staples Australia Pty Ltd Printing & Stationery (Trading)	NCG	248.68	24.41		(273.09)	279,901.60	434496
12/07/13	EFT	Xerox Business Centre IT Costs (Trading)	NCG	840.00	84.00		(924.00)	278,977.60	434496
12/07/13	EFT	TNT Express Australia Freight Outwards (Trading)	NCG	63.70	6.37		(70.07)	278,907.53	434496
12/07/13	EFT	Macquarie Telecom Pty Ltd Telephone & Fax (Trading)	NCG	2,084.29	208.52		(2,292.81)	276,614.72	434586

**LM ADMINISTRATION PTY LTD (ADMINISTRATORS APPOINTE**

Date	Ref	Payee (Payor) - Account	GST	Net	GST	Receipts	Payments	Balance	TransID
		* Denotes accrual transaction							
12/07/13	EFT	Blue Broking Pty Ltd Insurance	NCG	19,649.62	1,964.96		(23,235.67)	253,379.05	434617
		Stamp Duty (Trading)		1,621.09					
12/07/13	EFT	Eryn Vannucci Subcontractors (Trading)	NCG	819.00	81.90		(900.90)	252,478.15	434629
15/07/13		Felicity Williams Refunds (Trading)		(787.04)		787.04		253,265.19	434716
15/07/13	EFT	Office of State Revenue Collection Payroll QLD		23,687.53			(23,687.53)	229,577.66	434678
15/07/13	EFT	Michelle Ballard Subcontractors (Trading)	NCF	625.00	0.00		(625.00)	228,952.66	434697
16/07/13	EFT	Ozfire Protection Services Workplace health and Safety	NCG	210.00	21.00		(231.00)	228,721.66	434717
16/07/13		Commonwealth Bank - Reject Bank Charges (Trading)		2.50			(2.50)	228,719.16	435568
17/07/13	EFT	Carolyn Hodge Subcontractors (Trading)	NCG	3,000.00	300.00		(3,300.00)	225,419.16	434734
17/07/13	EFT	ST Business Trust Subcontractors (Trading)	NCG	4,716.35	471.64		(5,187.99)	220,231.17	434737
17/07/13	EFT	Employee - Wages PAYG Withheld (Trading)		(12,717.00)			(33,292.04)	186,939.13	434740
		Staff Donation (Trading)		(14.00)					
		Superannuation Withheld (Trading)		(4,224.18)					
		Wages & Salaries (Trading)		46,023.04					
		Superannuation (Trading)		4,224.18					
17/07/13	EFT	Kerry J Glubb ITF Hudson J Glubb Staff Donation (Trading)		14.00			(14.00)	186,925.13	434741
18/07/13	EFT	Staples Australia Pty Ltd Printing & Stationery (Trading)	NCG	120.85	12.09		(132.94)	186,792.19	434717
18/07/13	EFT	Venes Water Supply Suppliers (Trading)	NCF	60.00	0.00		(60.00)	186,732.19	434719
18/07/13	EFT	Grace Records Management Record Storage and freight	NCG	1,299.85	129.99		(1,429.84)	185,302.35	434720
18/07/13	EFT	Shred-X Pty Ltd Document Destruction (Trading)	NCG	688.49	68.85		(757.34)	184,545.01	434721
18/07/13	EFT	Web Design Magic Pty Ltd IT Costs (Trading)	NCG	1,998.90	199.89		(2,198.79)	182,346.22	434722
18/07/13	EFT	TNT Express Australia Freight Outwards (Trading)	NCG	87.84	8.79		(96.63)	182,249.59	434723
18/07/13	EFT	ACML Superchoice Clearing A/c Superannuation Paid (Received)		65,329.59			(65,329.59)	116,920.00	434745
18/07/13	EFT	Asgard Superannuation A/c Div 2 Superannuation Paid (Received)		34,783.82			(34,783.82)	82,136.18	434746
23/07/13		Mrs K J Phillips & Mr N M Phillips Petty Cash Reimbursement		(341.10)		341.10		82,477.28	434839
23/07/13	39	Deputy Commissioner of Taxation PAYG Paid (Received) (Trading)		73,306.00			(215,744.00)	(133,266.72)	435048
		GST Paid (Received)		142,438.00					
23/07/13	EFT	Iseek Communications Pty Ltd IT Costs (Trading)	NCG	8,275.00	827.50		(9,102.50)	(142,369.22)	434801
23/07/13	EFT	Carolyn Hodge Subcontractors (Trading)	NCG	2,550.00	255.00		(2,805.00)	(145,174.22)	434911
24/07/13		LM Investment Management Resource Fee Received Ops	NCG	(200,000.00)	(20,000.00)	220,000.00		74,825.78	435045
24/07/13	EFT	Macquarie Equipment Rentals Hire & Leasing (Trading)	NCG	2,138.64	213.86		(2,352.50)	72,473.28	435050
24/07/13	EFT	Worldwide Printing Solutions Printing & Stationery (Trading)	NCG	1,107.68	110.77		(1,218.45)	71,254.83	435062

**LM ADMINISTRATION PTY LTD (ADMINISTRATORS APPOINTE**

Date	Ref	Payee (Payor) - Account	GST	Net	GST	Receipts	Payments	Balance	TransID
		* Denotes accrual transaction							
24/07/13	EFT	Rockfast International Pty Ltd IT Costs (Trading)	NCG	550.00	55.00		(605.00)	70,649.83	435067
24/07/13	EFT	ST Business Trust Subcontractors (Trading)	NCG	4,716.35	471.64		(5,187.99)	65,461.84	435072
24/07/13	EFT	Employee Wages PAYG Withheld (Trading) Staff Donation (Trading) Superannuation Withheld (Trading) Wages & Salaries (Trading) Superannuation (Trading)		(12,428.00) (14.00) (4,125.21) 44,730.90 4,125.21			(32,288.90)	33,172.94	435073
24/07/13	EFT	Kerry J Glubb ITF Hudson J Glubb Staff Donation (Trading)		14.00			(14.00)	33,158.94	435074
25/07/13	EFT	Lloyds Auctioneers & Valuers Pty Valuation Fees (Trading)	NCG	2,100.00	210.00		(2,310.00)	30,848.94	435101
29/07/13	EFT	Michelle Ballard Subcontractors (Trading)	NCF	2,250.00	0.00		(2,250.00)	28,598.94	435153
30/07/13		LM Investment Management Resource Fee Received Ops	NCG	(36,641.46)	(3,664.15)	40,305.61		68,904.55	435165
30/07/13	40	Telstra Corporation Limited Telephone & Fax (Trading)	NCG	29,403.18	2,940.32		(32,343.50)	36,561.05	435167
01/08/13		Commonwealth Bank of Australia - Interest Income	INP	(0.52)	0.00	0.52		36,561.57	539553
01/08/13	41	Telstra Corporation Limited Telephone & Fax (Trading)	NCG	1,128.43	112.84		(1,241.27)	35,320.30	435518
01/08/13		Commonwealth Bank of Australia - Bank Charges (Trading)	INP	5.00	0.00		(5.00)	35,315.30	539554
01/08/13		Commonwealth Bank of Australia - Bank Charges (Trading)	INP	4.00	0.00		(4.00)	35,311.30	539555
02/08/13		LMIM as re of the LM Australian Resource Fees Received WIP	NCG	(45,501.22)	(4,550.12)	50,051.34		85,362.64	435645
02/08/13	EFT	CAPITAL FINANCE AUSTRALIA Hire & Leasing (Trading) Hire & Leasing (Trading)	NCG NCG	1,857.34 2,369.42	185.73 236.94		(4,649.43)	80,713.21	435535
05/08/13	42	Deputy Commissioner of Taxation PAYG Paid (Received) (Trading)		52,279.00			(52,279.00)	28,434.21	435536
07/08/13		LM Investment Management Ltd Resource Fee Received Ops Loan from LMIM	NCG	(50,176.36) (19,806.00)	(5,017.64)	75,000.00		103,434.21	435612
07/08/13	EFT	Office of State Revenue Collection Payroll QLD		6,716.83			(6,716.83)	96,717.38	435615
08/08/13		Workcover QLD Refunds (Trading)	NCF	(9.18)	0.00	9.18		96,726.56	435673
08/08/13		AGIS Pty Ltd Refunds (Trading)	NCF	(1,027.39)	0.00	1,027.39		97,753.95	435674
08/08/13	EFT	Web Design Magic Pty Ltd IT Costs (Trading)	NCG	543.54	54.35		(597.89)	97,156.06	435594
08/08/13	EFT	Staples Australia Pty Ltd Printing & Stationery (Trading)	NCG	315.67	31.11		(346.78)	96,809.28	435596
08/08/13	EFT	M.Gentry & S.Chalmers Staff Expenses (Trading)	NCG	28.91	2.89		(31.80)	96,777.48	435624
09/08/13	EFT	Robbie Robbie & Associates Pty Ltd Rent & Rates (Trading) Electricity	NCG NCG	22,810.16 4,551.97	2,281.02 455.20		(30,098.35)	66,679.13	435587
09/08/13	EFT	TNT Express Australia Freight Outwards (Trading)	NCG	271.96	27.20		(299.16)	66,379.97	435588
09/08/13	EFT	Xerox Business Centre IT Costs (Trading)	NCG	287.50	28.75		(316.25)	66,063.72	435592
09/08/13	EFT	Gold Coast Service Centre Motor Vehicle Expenses (Trading)	NCG	70.00	7.00		(77.00)	65,986.72	435593

**LM ADMINISTRATION PTY LTD (ADMINISTRATORS APPOINTE**

Date	Ref	Payee (Payor) - Account	GST	Net	GST	Receipts	Payments	Balance	TransID
		* Denotes accrual transaction							
09/08/13	EFT	Paradise Security Australia Pty Ltd Security (Trading)	NCG	60.62	6.06		(66.68)	65,920.04	435595
09/08/13	EFT	Venes Water Supply Suppliers (Trading)	NCF	60.00	0.00		(60.00)	65,860.04	435597
09/08/13	EFT	Russells Law Legal Fees	NCG	2,159.09	215.89		(2,374.98)	63,485.06	435621
13/08/13	EFT	Circle on Cavill News Agency Newspapers and Magazines	NCG	89.09	8.91		(98.00)	63,387.06	435686
14/08/13		LMIM as RE of the LM Australian Resource Fees Received WIP	NCG	(10,038.21)	(1,003.82)	11,042.03		74,429.09	435983
20/08/13	EFT	Shred-X Pty Ltd Document Destruction (Trading)	NCG	147.60	14.77		(162.37)	74,266.72	436006
26/08/13	EFT	TNT Express Australia Freight Outwards (Trading)	NCG	50.00	5.00		(55.00)	74,211.72	436077
27/08/13	EFT	ACML Superchoice Clearing A/c Superannuation Paid (Received)		10,669.54			(10,669.54)	63,542.18	436092
27/08/13	EFT	Asgard Superannuation A/c Div 2 Superannuation Paid (Received)		6,491.57			(6,491.57)	57,050.61	436093
01/09/13		Commonwealth Bank of Australia - Interest Income	INP	(2.25)	0.00	2.25		57,052.86	542447
01/09/13		Commonwealth Bank of Australia - Bank Charges (Trading)	NCF	5.00	0.00		(5.00)	57,047.86	542448
01/09/13		Commonwealth Bank of Australia - Bank Charges (Trading)	NCF	2.45	0.00		(2.45)	57,045.41	542449
04/09/13	43	Colonial First State Super Superannuation Paid (Received)		464.40			(464.40)	56,581.01	539136
04/09/13	EFT	Grace Records Management Record Storage and freight	NCG	1,501.76	150.16		(1,651.92)	54,929.09	539180
05/09/13	Asgard	Asgard Superannuation A/c Div 2 Refunds (Trading)		(464.60)		464.60		55,393.69	539127
10/09/13	EFT	Office of State Revenue Collection Payroll QLD		1,649.92			(1,649.92)	53,743.77	436371
19/09/13	EFT	IFSRA No 1 Account Revocation Levy (Trading)		2,033.63			(2,033.63)	51,710.14	435630
25/09/13		Macquarie Telecom Pty Ltd Refunds (Trading)	NCF	(5,568.26)	0.00	5,568.26		57,278.40	541280
30/09/13	EFT	Robina Cleaning Services Cleaning (Trading)	GST	1,605.00	160.50		(1,765.50)	55,512.90	541044
01/10/13		Commonwealth Bank- Interest Interest Income	INP	(1.96)	0.00	1.96		55,514.86	544035
01/10/13	n/a	Commonwealth Bank- Account Fee Bank Charges	NCF	5.00	0.00		(5.00)	55,509.86	544033
01/10/13	n/a	Commonwealth Bank- Transaction Bank Charges	NCF	2.25	0.00		(2.25)	55,507.61	544034
03/10/13	Blue	Blue Broking Pty Ltd Refunds (Trading)	NCG	(1,866.66)	(186.67)	2,631.67		58,139.28	541847
		Stamp Duty (Trading)		(192.50)					
		Refunds (Trading)	NCG	(320.70)	(32.07)				
		Stamp Duty (Trading)		(33.07)					
15/10/13	8973_Inv	457-459 Lygon St Pty Ltd Fund Reimbursement (Trading)	NCG	(264.45)	0.00	264.45		58,403.73	543173
18/10/13	8973_Inv	Source Developments No. 1 Pty Ltd Fund Reimbursement (Trading)	NCG	(398.61)	0.00	398.61		58,802.34	543167
18/10/13	8973_Inv	Northshore Bayview Street Pty Ltd Fund Reimbursement (Trading)	NCG	(279.66)	0.00	279.66		59,082.00	543169
18/10/13	8973_Inv	Tall Trees Tanah Merah Pty Ltd Fund Reimbursement (Trading)	NCG	(328.69)	0.00	328.69		59,410.69	543170
18/10/13	8973_Inv	Redland Bay Leisure Life Pty Ltd Fund Reimbursement (Trading)	NCG	(328.69)	0.00	328.69		59,739.38	543171

**LM ADMINISTRATION PTY LTD (ADMINISTRATORS APPOINTE**

Date	Ref	Payee (Payor) - Account	GST	Net	GST	Receipts	Payments	Balance	TransID
		* Denotes accrual transaction							
18/10/13	8973_Inv	OVST Pty Ltd Fund Reimbursement (Trading)	NCG	(328.69)	0.00	328.69		60,068.07	543172
24/10/13	8973_Inv	LM Capalaba Pty Ltd Fund Reimbursement (Trading)	NCG	(375.30)	0.00	375.30		60,443.37	543626
24/10/13	44	Deputy Commissioner of Taxation GST Paid (Received)		51,558.00			(51,558.00)	8,885.37	543215
31/10/13	EFT	OSR EPS Tax Remitting Account Payroll NSW		541.87			(541.87)	8,343.50	543705
01/11/13	n/a	Commonwealth Bank of Australia - Interest Income	INP	(0.21)	0.00	0.21		8,343.71	546192
01/11/13	n/a	Commonwealth Bank of Australia - Bank Charges (Trading)	NCF	5.00	0.00		(5.00)	8,338.71	546192
01/11/13	n/a	Commonwealth Bank of Australia - Bank Charges (Trading)	NCF	2.15	0.00		(2.15)	8,336.56	546195
14/11/13	45	Telstra Telephone & Fax (Trading)	NCG	1,055.03	105.50		(1,160.53)	7,176.03	544615
26/11/13		LM Managed Performance Fund Loan Recovery Costs (Trading)	NCG	(9,801.44)	(980.14)	10,781.58		17,957.61	545532
01/12/13	n/a	Commonwealth Bank of Australia - Interest Income	INP	(0.18)	0.00	0.18		17,957.79	550116
01/12/13	n/a	Commonwealth Bank of Australia - Bank Charges (Trading)	NCF	5.00	0.00		(5.00)	17,952.79	550116
01/12/13	n/a	Commonwealth Bank of Australia - Bank Charges (Trading)	NCF	0.75	0.00		(0.75)	17,952.04	550117
01/01/14	n/a	Commonwealth Bank of Australia - Interest Income	INP	(0.59)	0.00	0.59		17,952.63	553591
01/01/14	N/A	Commonwealth Bank of Australia - Bank Charges (Trading)	NCF	5.00	0.00		(5.00)	17,947.63	553592
24/01/14	EFT	Aizer Plumbing Solutions Pty Ltd Plumbing and Electrical (Trading)	NCG	347.04	34.70		(381.74)	17,565.89	539750
01/02/14	n/a	Commonwealth Bank of Australia - Interest Income	INP	(0.58)	0.00	0.58		17,566.47	555982
01/02/14		Commonwealth Bank of Australia - Bank Charges (Trading)	NCF	5.00	0.00		(5.00)	17,561.47	555981
14/02/14	FEG	FEG Cash on Hand		(52,600.06)		52,600.06		70,161.53	555136
14/02/14		LM Investment Management Loan from LMIM (Advance to		52,600.06			(52,600.06)	17,561.47	555136
01/03/14	n/a	Commonwealth of Australia - Interest Income	INP	(0.52)	0.00	0.52		17,561.99	560126
01/03/14	n/a	Commonwealth Bank of Australia - Bank Charges (Trading)	NCF	5.00	0.00		(5.00)	17,556.99	560126
05/03/14	n/a	LM Administration Pty Ltd LMA - Employee - Trust Account		(6.27)		6.27		17,563.26	556756
01/04/14	n/a	Commonwealth Bank of Australia - Interest Income	INP	(0.58)	0.00	0.58		17,563.84	561176
01/04/14	n/a	Commonwealth Bank of Australia - Bank Charges (Trading)	NCF	5.00	0.00		(5.00)	17,558.84	561180
01/04/14	n/a	Commonwealth Bank of Australia - Bank Charges (Trading)	NCF	0.95	0.00		(0.95)	17,557.89	561181
01/05/14	n/a	Commonwealth Bank of Australia - Interest Income	INP	(0.56)	0.00	0.56		17,558.45	564032
01/05/14	n/a	Commonwealth Bank of Australia - Bank Charges (Trading)	NCF	5.00	0.00		(5.00)	17,553.45	564032
01/06/14	n/a	Commonwealth Bank - Interest Interest Income	INP	(0.58)	0.00	0.58		17,554.03	566976
01/06/14	n/a	Commonwealth Bank - Account Bank Charges (Trading)	NCF	5.00	0.00		(5.00)	17,549.03	566977



**LM ADMINISTRATION PTY LTD (ADMINISTRATORS APPOINTEE**

Date	Ref	Payee (Payor) - Account	GST	Net	GST	Receipts	Payments	Balance	Transf
19/06/14		* Denotes accrual transaction LM Investment Management Resource Fee Received Ops Loan from LMIM Loan from LMIM (Advance to	NCG	(240,000.00) 19,806.00 6,155.69	(24,000.00)	238,038.31		255,587.34	564592
19/06/14	Cat 2	LM Australian Income Fund/LM Resource Fees Received WIP	NCG	(1,587.28)	(158.73)	1,746.01		257,333.35	564612
19/06/14		LM Australian Income Fund/LM Resource Fees Received WIP	NCG	(650.34)	(65.03)	715.37		258,048.72	564613
27/06/14	EFT	FTI Consulting Appointee Disbursements * Appointee Fees *	NCG NCG	26,933.88 182,431.60	2,693.39 18,243.16		(230,302.03)	27,746.69	565222
01/07/14		Commonwealth Bank Interest Income	NCF	(0.56)	0.00	0.56		27,747.25	569064
01/07/14		Commonwealth Bank Bank Charges	NCF	5.00	0.00		(5.00)	27,742.25	569065
01/08/14		Commonwealth Bank Interest Income	NCF	(1.01)	0.00	1.01		27,743.26	570566
01/08/14		Commonwealth Bank Bank Charges	NCF	5.00	0.00		(5.00)	27,738.26	570569
01/09/14	n/a	Commonwealth Bank - Interest Interest Income	INP	(1.01)	0.00	1.01		27,739.27	572035
01/09/14	n/a	Commonwealth Bank - Account Bank Charges (Trading)	NCF	5.00	0.00		(5.00)	27,734.27	572032
30/09/14	LMA	LM Investment Management Cash on Hand		(2,000.00)		2,000.00		29,734.27	572318
01/10/14		Commonwealth Bank Interest Income	NCF	(0.98)	0.00	0.98		29,735.25	575681
01/10/14		Commonwealth Bank Bank Charges	NCF	5.20	0.00		(5.20)	29,730.05	575682
28/10/14		Transfer from KM Transfer of Funds from KM		(13,210.80)		13,210.80		42,940.85	575395
01/11/14	n/a	Commonwealth Bank - Interest Interest Income	INP	(1.09)	0.00	1.09		42,941.94	576722
01/11/14	n/a	Commonwealth Bank - Account Bank Charges (Trading)	NCF	5.00	0.00		(5.00)	42,936.94	576725
01/11/14	n/a	Commonwealth Bank - Transaction Bank Charges (Trading)	NCF	0.20	0.00		(0.20)	42,936.74	576722
01/12/14	n/a	Commonwealth Bank - Interest Interest Income	INP	(1.60)	0.00	1.60		42,938.34	578513
01/12/14	n/a	Commonwealth Bank - Account Bank Charges (Trading)	NCF	5.00	0.00		(5.00)	42,933.34	578514
01/01/15	n/a	Commonwealth Bank - Interest Interest Income	INP	(1.65)	0.00	1.65		42,934.99	580122
01/01/15	n/a	Commonwealth Bank - Account Bank Charges (Trading)	NCF	5.00	0.00		(5.00)	42,929.99	580124
01/02/15	n/a	Commonwealth Bank - Interest Interest Income	INP	(1.65)	0.00	1.65		42,931.64	582202
01/02/15	n/a	Commonwealth Bank - Account Bank Charges (Trading)	NCF	5.00	0.00		(5.00)	42,926.64	582204
01/03/15	n/a	Commonwealth Bank - Interest Interest Income	INP	(1.49)	0.00	1.49		42,928.13	584236
01/03/15	n/a	Commonwealth Bank - Account Bank Charges (Trading)	NCF	5.00	0.00		(5.00)	42,923.13	584237
01/04/15	n/a	Commonwealth Bank - Interest Interest Income	INP	(1.65)	0.00	1.65		42,924.78	584825
01/04/15	n/a	Commonwealth Bank - Account Bank Charges (Trading)	NCF	5.00	0.00		(5.00)	42,919.78	584826
01/05/15	n/a	Commonwealth Bank - Interest Interest Income	INP	(1.60)	0.00	1.60		42,921.38	586781



**Account Transaction Detailed Listing: 8973 - LM Administration Pty Ltd (Administrators Appointed)**

**Selected Account(s): From: 19/03/2013 To: 29/02/2016**

**Accounts Receivable LOAN MANAGEMENT FEE (TRADING)**

Date	Ref	Payee (Payor) - Account	Debit	Credit	Balance
19/03/13		Opening Balance			0.00
31/05/2013	8973inv003	Loan Management Fee (Trading)	224,740.10		224,740.10
17/06/2013	8974 loan account	LM FMIF (LMIM Loan Account)		224,740.10	0.00
30/06/2013	8973inv004	Loan Management Fee (Trading)	214,426.50		214,426.50
8/07/2013	EFT	LM FMIF		214,426.50	0.00
25/07/2013	8973inv005	Loan Management Fee (Trading)	252,310.87		252,310.87
<b>Totals:</b>			<b>691,477.47</b>	<b>439,166.60</b>	

SUPREME COURT OF QUEENSLAND

REGISTRY: Brisbane  
NUMBER: 3383 of 2013

Applicants: RAYMOND EDWARD BRUCE AND VICKI PATRICIA BRUCE

AND

First Respondent: LM INVESTMENT MANAGEMENT LIMITED  
(IN LIQUIDATION) ACN 077 208 461 IN ITS CAPACITY  
AS RESPONSIBLE ENTITY OF THE LM FIRST MORTGAGE  
INCOME FUND

AND

Second Respondent: THE MEMBERS OF THE LM FIRST MORTGAGE  
INCOME FUND ARSN 089 343 288

AND

Third Respondent: ROGER SHOTTON

AND

Intervener: AUSTRALIAN SECURITIES & INVESTMENTS COMMISSION

AFFIDAVIT OF DAVID WHYTE


I, DAVID WHYTE of Level 6, 10 Eagle Street, Brisbane in the State of Queensland, Official Liquidator, state on oath:-

1. I am an Official Liquidator and a Partner of the firm BDO. I am an affiliate member of the Institute of Chartered Accountants of Australia and an associate member of the Australian

---

Page 1

Signed: 

Witnessed by: 

---

AFFIDAVIT:  
Form 46, R.431

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

Filed on behalf of the Applicant, Mr David Whyte

Restructuring, Insolvency and Turnaround Association (ARITA) (formerly known as the Insolvency Practitioners Association of Australia).

2. By Order of this Honourable Court made on 8 August 2013, I was appointed:
  - (a) pursuant to section 601NF(1) of the *Corporations Act 2001* (Cth) (the Act) to take responsibility for ensuring that the LM First Mortgage Income Fund ARSN 089 343 288 (the FMIF) is wound up in accordance with its constitution; and
  - (b) pursuant to sections 601NF(2) of the Act, as the receiver of the property of the FMIF.
3. Now produced and shown to me and marked "DW-1" is a copy of the reasons for judgement of the Honourable Justice Dalton delivered in this proceeding on 8 August 2013. Justice Dalton directed the parties to bring in minutes of order to reflect the reasons for judgement. Now produced and shown to me and marked "DW-2" is a copy of the Orders made by Justice Dalton dated 21 August 2013 (the Orders)
4. I now make an application for the approval of my remuneration for acting as person responsible for ensuring that the FMIF is wound up in accordance with its constitution for the period 8 August 2013 to 31 March 2014 (the relevant period).
5. I set out in this affidavit the background to my appointment; details of the tasks which I and my staff have undertaken in the course of the winding up of the FMIF; and an explanation as to why these tasks were necessary.
6. Throughout this affidavit, where I refer to "my role", I am referring to my role as the person appointed under section 601NF(1) of the Act as person responsible for ensuring the FMIF is wound up in accordance with its constitution.

#### Background – Summary of the FMIF, and Insolvency Appointments

7. In the performance of my duties as the person responsible for ensuring that the FMIF is wound up in accordance with its constitution, I have had and continue to have access to books and records

---

Page 2

Signed:

\\TC\SVREXCH\Data\Radix\DN\Documents\LM\Matter\1400951\00808549-006.docx

Witnessed by:



of the FMIF. The statements made by me concerning the FMIF in this affidavit concern matters known to me on the basis of my inspection and knowledge of those books and records.

8. The FMIF was registered as a managed investment scheme on 28 September 1999. Now produced and shown to me and marked "DW-3" is a search of the records of the Australian Securities and Investments Commission (ASIC) for the FMIF. Now produced and shown to me and marked "DW-4" is a copy of the constitution of the FMIF as lodged with ASIC on 11 April 2008, together with recent amendments made to the FMIF's constitution.
9. LM Investment Management Limited (Receivers & Managers Appointed) (In Liquidation) ACN 077 208 461 (LMIM) is the responsible entity of the FMIF, and has been since its inception. Now produced and shown to me and marked "DW-5" is a search of the records of ASIC for LMIM.
10. LMIM is also the responsible entity of a number of other managed investment schemes to which I have not been appointed, including the LM Australian Income Fund, the LM Structured Products Fund, the LM Cash Performance Fund, the LM Currency Protected Australian Income Fund, the LM Institutional Currency Protected Australian Income Fund. LMIM is the trustee of the LM Australian Income Currency Protected Fund, and the former trustee of the LM Managed Performance Fund.
11. The LM Currency Protected Australian Income Fund, the LM Institutional Currency Protected Australian Income Fund and the LM Wholesale First Mortgage Income Fund are feeder funds that invested in the FMIF. Trilogy Funds Management Limited is the responsible entity of the LM Wholesale First Mortgage Income Fund.
12. The FMIF has over 4,500 members.
13. The members of the FMIF subscribed capital for investment purposes. FMIF's investment activities consisted of advancing funds to borrowers under loan agreements on the security of first registered mortgages. The assets of the FMIF consist of its rights against borrowers under these loan agreements and mortgages.

---

Page 3

Signed:

\\TCSVREXCHData\Radix\DM\Documents\LM\Matter\1400951\00808549-006.docx

Witnessed by:



14. According to the Financial Statements of the FMIF, LMIM, as responsible entity of the FMIF, was paid fees in excess of \$77 million from 1 July 2007 to 30 June 2013, including management fees, custodian fees, loan management/recovery fees, and loan origination fees.
15. In about 2003, LMIM entered into a General Services Agreement with LM Administration Pty Ltd (In Liquidation) (LMA) with respect to the FMIF. According to the audited accounts of the FMIF for the financial years ended 30 June 2011 and 30 June 2012, LMIM paid LMA \$11 million and \$9.1 million respectively for management services and \$5.4 million and \$4.8 million respectively for loan management and controllership services provided by the responsible entity on behalf of the scheme.
16. I am aware from my inspection of certain books and records of the FMIF that:
  - (a) the FMIF was closed for new investments in about March 2009; and
  - (b) redemption of units in the FMIF was suspended in October 2009, other than redemptions allowed under hardship provisions and certain payments to feeder funds.
17. On 19 March 2013, John Park and Ginette Muller were appointed voluntary administrators of LMIM.
18. LMIM held an Australian Financial Services Licence (AFSL). On or about 9 April 2013, ASIC suspended LMIM's AFSL. Now produced and shown to me and marked "DW-6" is a copy of the notice of suspension. The notice of suspension specifies, pursuant to section 915H of the Act, that the AFSL continues in effect for the purposes of the provisions of Chapter 5C and Chapter 7 other than the provisions of Parts 7.2, 7.3, 7.4 and 7.5 of the Act, regarding the provision by LMIM of financial services which are reasonably necessary for, or incidental to, the transfer to a new responsible entity, investigating or preserving the assets and affairs of, or winding up of, various funds including the FMIF.

---

Page 4

Signed:

\\TCSVREXCHData\RadixDM\Documents\LM\Matter\1400951\00808549-006.docx

Witnessed by:



19. On 11 July 2013, Deutsche Bank AG (DB), a secured creditor of the FMIF, appointed Joseph Hayes and Anthony Connelly of McGrathNicol (the DB receivers) as receivers and managers of the assets and undertakings of the FMIF.
20. On 1 August 2013, Mr Park and Ms Muller were appointed liquidators of LMIM.
21. On 8 August 2013, I was appointed, pursuant to the Orders, as the person responsible for ensuring that it is wound up in accordance with its constitution.

#### Reports to members

22. Since my appointment, I have provided regular updates to the members of the FMIF as to the winding up of the FMIF. Now produced and shown to me and marked "DW-7" is a copy of my reports to members dated 27 August 2013, 15 October 2013, 4 December 2013, and 19 February 2014. In my reports to members dated 15 October 2013, 4 December 2013, and 19 February 2014, I provided an update to members as to the amount of my remuneration and outlays incurred to date.
23. In my report to members dated 4 December 2013, I provided an updated value of the FMIF of \$80,674,000, and a revised unit value for the FMIF of 17 cents in the dollar as at 30 November 2013 not taking into account future operating costs, future interest on the DB facility, future Receivers fees, future rates and land tax, and any legal recoveries against borrowers (other than the proceeds of sale of the securities held by the FMIF), valuers or other third parties.
24. In my report to members dated 19 February 2014, I provided an estimated return to investors of between 13 and 18 cents in the dollar as at 31 January 2014, not taking into account future operating costs, future receivers' fees, future rates and land tax, and any legal recoveries against borrowers (other than the proceeds of sale of the securities held by the FMIF), valuers or other third parties. That remains my current estimate of the return to investors.

---

Page 5

Signed:

\\TC\SVREXCH\Data\Radix\DM\Documents\LAM\matter\1400951\00808549-006.docx

Witnessed by:





Assets to be realised

25. A summary of the location of, and the assets of the FMIF to be realised, and the status of those assets is as follows:

Location	Description of asset/Strategy	Status
QLD	90 strata titled hotel rooms. Sell down of units ongoing with 74 sold to date, 1 under contract, 13 with offers received and 2 remaining to be sold.	Under contract/ Offers received/ On the market
NSW	The security is comprised of 4 units within a larger purpose built commercial building. Two adjoining units are occupied by a dance and yoga studio with the other two units unoccupied. A sale of the occupied units was completed in June last year. The remaining vacant units are currently being marketed.	On the market
NSW	The development comprises of 83 strata titled office lots with 63 of these units charged to the Fund. Of the 63 units, 57 units remain for sale/lease. A sale/lease marketing campaign is ongoing.	On the market
WA	The development has been subdivided into three super lots. The first lot consists of a residential subdivision with 9 created lots and an englobo parcel of land (7.7851 ha), this was sold in January 2014. The second lot comprises of an englobo parcel of land (1.6128 ha) currently zoned as mixed use. A DA had previously been granted for 86 grouped dwellings, this is subject to a conditional offer. The third lot is currently zoned as mixed business (1.6291 ha). In addition to the above security there is also a charge over the guarantor's home.	On the market/ Offer received
NSW	Industrial development site with partly constructed (40-50%) strata titled development of warehouse/retail/office precinct. DA approval for a mixed use industrial estate of 56 units, comprising of 30 industrial units, 13 high tech units, 12 retail units and a child care facility.	On the market
QLD	The development is an eight stage project to provide 116, 3 or 4 bedroom townhouses. There is 1 remaining lot from Stage 6 which is under contract, 10 of the 14 completed lots from stage 7 are under contract with 12 lots from Stage 8 due for completion in April 2014.	On the market/ Under contract
VIC	61 strata titled units within a larger purpose built self-storage facility.	Under contract
QLD	A supported living community, comprising of 64 independent living units with the proposed development of a further 76 units. Of the current 64 units, 20 are vacant.	Preparing to market
NSW	A supported living community, with 83 completed independent living units. 28 units are currently vacant.	Preparing to market
QLD	A supported living community, with 37 completed independent living units plus balance land for further development. There are also a further 7 completed detached dwellings and a partly constructed subdivision of c.100 townhouse/small dwelling lots under community title plus residual land.	Preparing to market
QLD	72 strata titled unit resort complex with management rights. 15 units have been sold to date with 57 units remaining.	Legal action in course
QLD	Two supported living communities. One currently has 62 completed units (20 vacant) with a further 106 proposed. The other has 110 completed units, with 21 units currently vacant.	Borrower in control of asset

Page 6

Signed:

\\TCSVREXCH\Data\Radix\DM\Documents\LMMatter\1400951\00808549-006.docx

Witnessed by:



Location	Description of asset/Strategy	Status
QLD	Residential land subdivision. 3 constructed detached dwellings (1 sold, 1 under offer), 16 completed residential land lots (9 under offer), 80 lots with operational works approval and additional land (approx. 57ha) with or pending development approval.	Completed lots on the market with a strategy being finalised for the balance land.
VIC	A supported living community, with 60 completed independent living units (4 vacant, of which 3 are under contract with settlement scheduled for early April 2014) with a further 132 units proposed.	Individual units for sale/preparing to market
TAS	A supported living community, with 26 completed independent living units (3 vacant) and a further 18 proposed.	Preparing to market

I estimate that the sale of the above properties will realise between \$63.8 million and \$90.6 million.

Work done in the Winding up of the FMIF

26. In my role during the relevant period my staff and I have undertaken tasks which broadly fall within the following five categories:

- (a) Assets;
- (b) Administration;
- (c) Creditors;
- (d) Investigation; and
- (e) Trade On.

27. While my staff and I used the above categories to record time, certain items of work could have fallen within more than one of the categories, so that, for example, communicating with members of the FMIF could be recorded under either Administration or Creditors. However, each task is only recorded once, and the time for carrying out each task is only recorded once.

Signed:

\\TCSVREXCHData\Radix\DM\Documents\L\Matter\1400951\00808549-006.docx

Witnessed by:



28. In addition to the work undertaken by the Business Recovery & Insolvency (BRI) area within BDO, I have also requested assistance from my corporate finance, tax and audit areas within BDO to assist me with specialised matters.
29. The work done by the persons in each of these departments, described below, was in my assessment necessary for the winding up of the FMIF in accordance with its constitution. The work undertaken by these persons is of a specialist nature and was necessary to assist with developing the strategy for the realisation of the retirement village assets, my investigations into the tax position of the FMIF and whether or not there may be a potential legal action against the auditors of the FMIF.
30. With the exception of one member of staff, the charge out rates charged by our corporate finance, tax and audit staff is lower than BRI rates. These lower rates have been used in calculating the fees to be charged with the one member of staff at a higher rate being reduced to the BRI rate applicable to that level.

#### Corporate Finance

31. The corporate finance area have provided assistance with determining the strategy for the disposal of the retirement villages. The corporate finance staff have specialised knowledge in this sector and have assisted me with analysing the financial performance of the retirement villages and in determining the options available to further develop and/or sell the villages. Further details of the work undertaken in this respect is included in paragraphs 48 to 50.

#### Tax

32. Our tax area has acted as a tax agent for the fund to obtain the relevant documents from the ATO portal to assist in the analysis of the tax position.

---

Page 8

Signed:

WTCVREXCHData\RadixD\Documents\LJM\Matter\1400951\00808549-006.docx

Witnessed by:



Audit

- 33. Our audit area have reviewed the audited financial statements and compliance plan audit of the Fund since 2006 and provided me with a report to assist with my initial investigations into potential claims against the responsible entity, its directors and/or the auditors of the fund.
- 34. Now produced and shown to me and marked "DW-8" is a schedule of work performed by staff of the Brisbane office of BDO during the period 8 August 2013 to 31 March 2014 (the Schedule).
- 35. The Schedule shows a description of each task undertaken, the name and position of the person who performed the task, the date the task was undertaken, the length of time it took and the amount charged. A summary of the tasks undertaken, time taken and amount charged is detailed below:

Category/area	Total hours	Amount (net of GST) \$
Assets	800.80	332,920.50
Administration	205.10	87,041.00
Creditors	127.10	49,448.50
Investigations	229.80	97,659.00
Trade on	142.50	71,549.50
Total	1,505.30	638,618.50
GST		63,861.85
Total claim		702,480.35

Signed:

\\TCSVREXCHData\Radix\DM\Documents\LM\Matter\1400951\00808549-006.docx

Witnessed by:



36. The Schedule reflects the fact that I delegated to members of my staff the performance of a number of tasks and activities in the winding up in accordance with my usual practices. I delegated work so that the person responsible for particular work reflected the nature of the work. For example, throughout the winding up I have endeavoured to ensure that the least complex of the required work is done by junior members of my staff at lower charge-out rates than senior members of my staff and me.
37. From my knowledge of the work carried out in relation to the winding up and my supervision of the tasks undertaken, I am satisfied that the time recorded for each of the tasks is commensurate with what was required to be undertaken and that the records are accurate.
38. My staff and I record time on a daily basis. We enter our time in six minute units, and we enter the details of the time spent and the description of the tasks undertaken in an electronic system. My staff and I review these time entries on a periodic basis and when necessary, entries will be written off. It should be noted that, in general, our corporate finance members of staff have recorded their time in multiples of half hours rather than to the nearest six minute unit. I have discussed this with the two members of staff who have confirmed to me that this has been rounded down on each occasion and therefore there has been a marginal under-recording of time spent on the tasks. Following a detailed review of the time recorded, and for the purposes of this application a sum of \$8,642.50 plus GST has been written off. The entries reflect BDO's scale of insolvency hourly charge out rates and the consent to act. Now produced and shown to me and marked "DW-9" is a copy of the consent to act filed in this proceeding (which was provided in the form of an Affidavit that I swore on 29 April 2013) (consent to act) and "DW-10" is a copy of BDO's scale of insolvency hourly charge out rates current from 1 July 2013 (which materially reflects the content of the consent to act). The partners of BDO Business Recovery and Insolvency (Qld) are members of ARITA and follow the ARITA Statement of Best Practice – Remuneration.
39. In order to further assist the Court, I set out below an explanation as to why the tasks detailed in the Schedule were undertaken, and why these tasks were necessary for the proper administration of the winding up of the FMIF. Where I have considered it appropriate, I have also detailed a

Signed:

\\TC\SVREXCH\Data\Radix\DM\Documents\L\M\Matter\1400951\00808549-006.docx

Witnessed by:



background to the complexities and difficulties which have arisen since my appointment under section 601NF(1) of the Act. All of the tasks detailed in the Schedule were carried out pursuant to my appointment under s 601NF(1) of the Act to take responsibility for ensuring that the FMIF is wound up in accordance with its constitution. No additional work has been performed by reason of my appointment as Receiver of the property of the FMIF.

40. Some of the overarching main factors which have added to the complexity of the winding up include:

- (a) the fact that there are over 4,500 members of the FMIF and a need to communicate with and respond to questions from members;
- (b) the need to obtain and review updated valuations of the securities held by the FMIF, as LMIM had been relying upon discounted cash flows prepared by management on the feasibility of a project rather than obtaining valuations from a registered valuer;
- (c) the number of and the complexity of the properties held as security for the various loans made by the FMIF, and the need to put in place and carry out realisation strategies for each of those properties;
- (d) the legal and practical complexities associated with realising the security held by the FMIF over a significant number of retirement villages in multiple jurisdictions in Australia, the risk of personal liability being incurred under agreements proposed to be entered into with residents of the retirement villages, and the need to work with management of the various retirement villages in relation to the ongoing operation of the retirement villages;
- (e) the number and complexity of issues requiring investigation for the purposes of identifying potential claims that may be available to the FMIF, including but not limited to potential claims against the auditors of the FMIF, LMIM, the directors of LMIM, and LMA;

---

Page 11

Signed:

\\VTCSVREXCH\Data\Radix\DM\Documents\LM\Matter\1400951\00808549-006.docx

Witnessed by:



- (f) the complex inter-relationship between LMIM's affairs in its own right and LMIM's affairs as responsible entity of the FMIF, and LMA;
- (g) the complex inter-relationship between the FMIF and other funds of which LMIM is responsible entity, including a claim against the FMIF foreshadowed by KordaMentha as trustee of the LM Managed Performance Fund (the MPF);
- (h) issues as between the holders of different classes of units in the FMIF;
- (i) the need to co-operate with a number of other appointees, including the DB Receivers, the liquidators of LMIM and the liquidator of LMA;
- (j) Initial issues regarding delegation of work and access to books and records; and
- (k) Ongoing issues regarding the services agreement between the liquidator of LMA, the receivers and managers of LMIM and the liquidator of LMIM.

Assets

41. In the relevant period, my staff and I have undertaken various tasks and activities that can be described as falling within the category "assets". I canvass these tasks and activities below.

*Asset realisation strategy*

42. Prior to my appointment, the secured creditor, DB appointed the DB Receivers.
43. In order to avoid duplication of work and ultimately costs to investors, it was decided by the DB Receivers and me that the DB Receivers would concentrate on those assets already on the market or about to be placed on the market to enable DB to be paid out in full as early as possible and avoid ongoing interest charges.
44. Given that it was expected that DB would be paid out within six months of my appointment, it was decided by the DB Receivers and me that I would then concentrate on the retirement villages and

Signed:

\\TCVREXCHData\RadixDM\Documents\LM\Matter\1400951\00808549-006.docx

Witnessed by:



other assets with longer sell-down periods as these would require a more thorough review and strategies to be put in place before they could be taken to the market.

45. Unfortunately, despite DB being paid out in full in early January 2014, I am informed and believe that DB does not consider it is in a position to release its charge and retire the DB Receivers. I am informed and believe that this is due to the FMIF being put on notice by the trustee of the MPF of a potential breach of trust claim.
46. The overall strategy remains unchanged with the DB Receivers controlling the sell down of those assets either being marketed or ready to be marketed and me controlling the retirement village assets and other longer term assets.
47. As part of this process, the DB Receivers and I (and our respective staff) have had and continue to have regular discussions regarding the asset realisation strategy. My dealings with the DB Receivers concerning these matters were in my view necessary for the winding up of the FMIF in accordance with its constitution.

*Aged care facilities*

48. The FMIF advanced funds to the operators of seven retirement villages, located in various states across Australia including Queensland, New South Wales, Victoria and Tasmania. It was agreed between the DB Receivers and me that I would have carriage of the assessment of the options available and the realisation process for these retirement villages.
49. In the relevant period, my staff and I have undertaken the following tasks:
- (a) Attending each of the retirement villages/aged care facilities to view the facilities and meeting with onsite management;
  - (b) Reviewing and preparing a summary of the loan documentation for each of the seven retirement villages, including third party guarantees and security priority deed;
  - (c) Reviewing correspondence regarding demands made against the guarantors;

---

Page 13

Signed:

\\TC\SVREXCH\Data\Radix\DM\Documents\LMMatter\1400951\00808549-006.docx

Witnessed by:





- (d) Reviewing and preparing a summary of the management and marketing agreements;
- (e) Meeting with the operators of the seven retirement villages to discuss ongoing marketing and management of the sites;
- (f) Liaising with LMA staff regarding ongoing marketing requirements for the lease of individual units;
- (g) Meetings with my solicitors to discuss various matters pertaining to the ongoing operations and management of the seven retirement villages. Consider the options available for the legal structure of management of the villages and obtain legal advice on the options available;
- (h) Meetings with the DB Receivers and LMA staff to discuss various matters, including disclosure statements to residents, audits and release of monies held in trust;
- (i) Liaising with LMA staff regarding ongoing building works at some of the villages;
- (j) Preparing announcements to the village residents and complete documents for annual general meetings;
- (k) Liaising with LMA staff and the operators of the various retirement villages to collate information for the review of the villages;
- (l) Undertake a detailed financial review and analysis of the retirement villages to assist in determining the strategy for achieving the optimum return for members, including:
  - (i) Reviewing initial information provided by LM, including, but not limited to management agreements, financial reports, resident profile information, management forecasts and building contracts;
  - (ii) Liaising with LM staff and the village operators;

Signed:

\\TCSVREXCHData\Radix\DM\Documents\LM\Matter\1400951\00808549-006.docx

Witnessed by:



- (iii) Obtaining and collating the relevant information for the preparation of the financial model. This step includes an external research on valuation assumptions specific to retirement villages in Australia (for example, the discount rate, GPI, life tables, X-factor, tax rates, etc). Research facilities include Australian Bureau of Statistics, Reserve Bank of Australia, Capital IQ, and other published empirical papers;
  - (iv) Development of the cash flow profile within the financial model. The cash inflows and outflows are modelled by way of a discounted cash flow analysis;
  - (v) Development of the deferred management fee profile having regard to the information set out in the resident profile matrix;
  - (vi) Structuring the financial model to incorporate the sources of inflows with the sources of outflows relevant to a discounted cash flow analysis;
  - (vii) Incorporate additional scenarios into the financial model for testing;
  - (viii) Liaising with LM and the village operators with regards to the plausibility of the assumptions adopted in the financial model;
- (m) Preparing an options report providing a detailed analysis of each retirement village to determine the optimum realisation strategy, including:
- (i) Reviewing each valuation and meeting with the valuer to discuss the valuation and current market trends;
  - (ii) Preparing an analysis of market research including current trends;
  - (iii) Reviewing the resident agreements and current disclosure statements to determine whether they meet current statutory requirements;
  - (iv) Meetings with solicitors to discuss the resident agreements;

Signed:

\\TCSVREXCHData\RadixDM\Documents\LMMatter\1400951\00808549-006.docx

Witnessed by:



- (v) Reviewing the village operator management agreements for the multiple sites to determine if operators are meeting their requirements under the agreements;
- (vi) Reviewing the village operator marketing and sales agreements for the multiple sites to determine if operators are meeting their requirements under the agreements;
- (vii) Reviewing the marketing budgets prepared by the village operators to assess reasonableness;
- (viii) Reviewing LM and village operator data and prepare General Service Charge accounts and scheme operator accounts for the financial years ending 30 June 2012, 30 June 2013, and the year to date for the financial year ending 30 June 2014;
- (ix) Analysing the financials including key items of income and expenditure;
- (x) Analysing the various options available for example, sell as is or develop and sell including determining the level of funding required to continue to fund the villages during the sell down process;
- (n) Meeting with the DB Receivers and their staff and LMA staff to discuss the winding-up application against one of the retirement villages;
- (o) Preparing documents for the proposed appointment of an administrator;
- (p) Reviewing and preparing a summary of an ATO decision regarding GST implications for the retirement villages; and
- (q) Preparing correspondence requesting marketing submissions for the sale of five of the retirement villages.

---

Page 16

Signed:

\\TCSVEXCHData\RadixDM\Documents\LM\Matter\140095\100808549-006.docx

Witnessed by:



50. All of this work was necessary for the winding up of the FMIF in accordance with its constitution. The work undertaken was necessary, given the complexity of the retirement village assets, to assist with determining the optimum strategies for realising each of the retirement village assets.

51. Work undertaken in respect of the retirement village assets may be recorded in other categories. However, the work undertaken is only recorded once.

*Other assets (excluding retirement village assets)*

52. It was agreed between the DB Receivers and me that I would also have carriage of the realisation strategy for the following assets held as security for loans made by the FMIF:

Location	Description of asset
QLD	7 completed detached dwellings and a partly constructed subdivision of c.100 townhouse/small dwelling lots under community title plus residual land.
QLD	72 strata titled unit resort complex with management rights. 15 units have been sold to date with 57 units remaining.
QLD	Residential land subdivision. 3 constructed detached dwellings, 16 completed residential land lots, 80 lots with operational works approval and additional land (approx. 57ha) with or pending development approval.

53. In the relevant period, my staff and I have undertaken the following tasks:

- (a) Attending each of the sites to view the facilities and meet with onsite management where applicable;
- (b) Meetings with LM staff to discuss ongoing strategies for sell down and site specific issues, such as, potential claims against the builder and development issues;
- (c) Meetings with a planning consultant to determine the optimum strategy for lot reconfiguration and development approvals in respect of one of the other assets;
- (d) Meeting with the planning consultant and council in relation to a proposal to progress development applications in respect of a complex site with multiple uses;

Signed:

\\YCSVREXCHData\RadixDM\Documents\LM\Matter\1400951\00808549-006.docx

Witnessed by:



- (e) Collating information for parties interested in making an offer to purchase the assets and
- (f) Liaising with the DB Receivers and their staff regarding interested parties and potential offers.

54. All of this work was in my view necessary for the winding up of the FMIF in accordance with its constitution. By undertaking this work I am ensuring that realisation of the Fund's assets are optimised for the benefit of members.

55. Work undertaken in respect of the other assets may be recorded in other categories. However, the work undertaken is only recorded once.

*Refinance of DB facility by the Bank of Queensland Limited ("BOQ")*

56. Shortly after my appointment, I entered into discussions with financiers with a view to refinancing the DB facility which at that time was subject to an interest rate of 18%.

57. After a number of discussions, I secured an offer of refinance from BOQ with interest of 12% per annum.

58. Unfortunately, this refinance (which would have saved several hundred thousand dollars in interest and other costs) did not ultimately proceed as the trustees of the MPF, KordaMentha advised that they were not in a position to sign a requested letter of comfort that they would not seek to impugn the BOQ securities.

59. In respect of the refinance, my staff and I undertook the following tasks:

- (a) Meetings and correspondence with our solicitors regarding various refinance matters including facility and security documentation;
- (b) Negotiations with the secured creditor in relation to the refinancing of the facility including liaising with the secured creditor and their legal advisers;

---

Page 18

Signed:

\\TCS\REXCH\Data\Radix\DM\Documents\LM\Matter\1400951\00808549-006.docx

Witnessed by:



- (c) Negotiations and meetings with BOQ, their advisers and our solicitors and KordaMentha and their advisors in respect of the refinancing;
  - (d) Liaising with multiple legal firms and LM staff to locate original solicitor certificates for the loans to assist with due diligence on the loans;
  - (e) Review of facility and security documentation, liaising with BOQ's legal advisers and LM staff regarding multiple queries arising from the security review;
  - (f) Issue correspondence to and hold meetings with KordaMentha to discuss the potential breach of trust claim and the implications for the refinance procedure including details of NSW assets not included in the security package for the refinance.
60. This work was in my consideration reasonably necessary for the winding up of the FMIF in accordance with its constitution. The refinancing of the DB facility at that time would have resulted in savings in respect of interest and fees of the DB Receivers for the benefit of members.
61. Work undertaken in respect of the refinance may be recorded in Administration and Trade on categories. However, the work undertaken is only recorded once.

Administration

62. In my role, my staff and I have undertaken various tasks that can be described as falling within the category "administration".
63. In essence, the remuneration claimed under this category for the relevant period includes work my staff and I undertook that was necessary for the proper and efficient administration of the winding up, and to ensure proper accounts and records were maintained.
64. The main tasks my staff and I undertook in the relevant period are set out further below.

---

Page 19

Signed:

\\TCSVREXCHData\RadixDM\Documents\LM\Matter\1400951\00808549-006.docx

Witnessed by:



*Maintaining and updating records relevant to the winding up*

65. A master spreadsheet was created containing a summary of the loans and the security held and other relevant details regarding the valuations of the assets and the realisation strategy. During the relevant period my staff have continued to maintain and update the master spreadsheet to monitor the realisation of security.

*Applications for approval of remuneration*

66. For the purposes of this present application, in the relevant period, my staff and I were required to review and amend the time narrations to ensure confidentiality of certain persons (including individual investors and prospective purchasers of assets) and to maintain legal professional privilege in respect of the work undertaken by my staff and I in the relevant period. I was also required to liaise with and provide instructions to my solicitors in respect of this application

*Job management*

67. In the relevant period, my staff and I have conducted internal meetings and discussions in order to discuss:
- (a) the progression of the job;
  - (b) efficient job administration and management;
  - (c) the strategy for moving forward;
  - (d) options available regarding the retirement villages;
  - (e) loan strategies; and
  - (f) other general day to day management.
68. I consider that such tasks are necessary for the proper administration of the winding up and to ensure the winding up is conducted in an efficient manner.

Signed:

\\TCSVREXCHData\RadixDM\Documents\LM\Matter\1400951\00808549-006.docx

Witnessed by:



*Insurance*

69. During the course of the winding up, my staff and I have liaised with the insurance providers used by the DB Receivers and the liquidators of LMIM to ensure that my interest is recorded on the policies.

*Investor relations and communications*

70. I refer to the section below entitled 'creditors'.
71. As stated therein, during the course of the winding up and in the relevant period my staff and I have attended to answering member enquiries both by telephone and in person, and issuing member communications to keep members updated as to the winding up including the process of asset realisation and the expected return to members. Enquiries from members regarding changes to their details arise regularly however the more in-depth queries from members mainly arise after a report to members has been issued.
72. For the purposes of the member communications, including my reports and letters to the members, my staff and I have been required to collate all relevant material for these reports including documents concerning the status of the realisation of the assets; potential legal actions; updating the estimated valuation of the fund; and "work in progress" and remuneration reports. The reports have been compiled and issued to each member of the FMIF. I consider that these tasks are necessary to keep members of the FMIF properly informed as to the progress of the winding up of the FMIF.
73. Work undertaken in relation to communications with members may be recorded in more than one category, that is, under Creditors and/or Administration. However, time for carrying out each task is only recorded once.

---

Page 21

Signed:

\\TCSVREXCH\Data\Radix\DM\Documents\LM\Matter\1400951\00808549-006.docx

Witnessed by:





*General*

74. In addition to the above specific matters, my staff and I also conducted the following ongoing tasks and activities in the relevant period:

- (a) travel to the offices of LMIM to meet with staff;
- (b) travel to the retirements villages and the location of other assets to view the properties and meet with management;
- (c) liaising with the other appointees;
- (d) liaising with Cyberthread, a company that BDO retained to set up and maintain a website for the FMIF, [www.lmfmif.com](http://www.lmfmif.com) (the FMIF website) following my appointment regarding website issues, including the publishing of reports to members;
- (e) reviewing and attending to correspondence as required;
- (f) maintaining an appropriate filing system and filing correspondence; and
- (g) reviewing and considering GST obligations.

75. I consider that each of these tasks was necessary for the proper administration of the winding up and to keep members informed of the progress being made and assets realised for the benefit of members.

76. Work undertaken in respect of administration may be recorded in other categories. However, the work undertaken is only recorded once.

Creditors

77. Between the date of my appointment and 31 March 2014, I published on the FMIF website four reports to members of the FMIF updating them as to the ongoing winding up of the FMIF.

78. In the reports, I provided members of the FMIF with a summary of:

Signed:

\\TC\SVREXCH\Data\Radix\DM\Documents\LM\Matter\1400951\00808549-006.docx

Witnessed by:



- (a) asset realisations and the repayment of the DB facility;
- (b) interactions with the other appointees;
- (c) the status of the legal proceedings including matters pertaining to the MPF;
- (d) an updated estimate of the return to investors and the timing thereof; and
- (e) my remuneration.

79. During the relevant period my staff and I were required to undertake tasks for the purposes of reporting to members of the FMIF, including:

- (a) drafting and reviewing reports to members of the FMIF;
- (b) preparing and updating the asset realisation summary, this work included reviewing the valuations for each of the sites, summarising the assets available at the date of the valuation, liaising with LMA staff to determine what assets have been sold as at 30 November 2013 and 31 January 2014 and adjusting the summaries and valuations accordingly;
- (c) calculate the estimated return to members, this work included liaising with LMA staff and McGrathNicol to determine the bank account balances and reviewing the balance sheet entries as at 30 November 2013 and 31 January 2014; and
- (d) preparing a table summarising my remuneration for inclusion in each report.

80. In addition to the reports to members set out above, my staff and I have also been contacted by email and telephone by members of the FMIF regarding:

- (a) the status of the winding up of the FMIF;
- (b) queries arising from the reports to members regarding the winding up; and
- (c) queries regarding updating member details.

---

Page 23

Signed:

\\TCSVREXCHData\Radix\DM\Documents\LMMatter\1400951\00808549-006.docx

Witnessed by:



81. Work undertaken in relation to communications with members may be recorded in more than one category. However, time for carrying out the task is only recorded once.
82. I consider that it is necessary for the proper administration of the winding up to keep the investors properly informed as to the progress of the winding up of the FMIF, and to try to minimise the number of direct inquiries from members of the FMIF requesting the same information.

Investigations

83. During the course of the winding up, my staff and I have undertaken various tasks that can be described as falling within the category "investigations". The investigations to date fall into two categories, those concerning Bellpac Pty Ltd (in Liquidation) (Bellpac) and other potential claims against the Responsible Entity and related parties. Bellpac is a debtor of both the FMIF and the MPF. Four relevant proceedings concerning Bellpac have necessitated ongoing investigations. Other potential claims against the Responsible Entity and other parties have been the subject of investigation by my staff and me. These potential claims are subject to ongoing consideration.
84. In essence, the remuneration claimed in this application under this category for the relevant period includes the following work:
- (a) Reviewing documents available on the LMIM website;
  - (b) Reviewing historical financial reports for certain transactions and disclosures;
  - (c) Reviewing internally prepared documentation including amendments to the FMIF's Constitution, the various versions of the compliance plan, Product Disclosure Statements and Supplementary Product Disclosure Statements;
  - (d) Meetings with the solicitor who acted for LMIM prior to the appointment of administrators to discuss the proceedings involving Bellpac;

---

Page 24

Signed:

W:\TCS\VREXCH\Data\Radix\DM\Documents\LM\Matter\1400951\00808549-006.docx

Witnessed by:



- (e) Attending LMIM offices to review documentation and meet with staff in respect of proceedings involving Bellpac, loans between the MPF and the FMIF and the distribution to Class B unit holders;
  - (f) Meetings with BDO audit; and
  - (g) Meetings with my solicitors to discuss potential actions and review initial advice.
85. All of this work was in my view necessary for the winding up of the FMIF in accordance with its constitution. By carrying out these investigations I am ensuring I am in a position to reach an informed opinion as to whether or not it is in the best interests of members of the FMIF for any legal action to be taken with a view to recovering funds for the benefit of members.
86. Work undertaken in respect of the investigations may be recorded in other categories. However, the work undertaken is only recorded once.

Trade on

87. Generally, "trade-on" work relates to work for the relevant period which is incidental to the winding up and the specific matters discussed above and includes:
- (a) Reviewing and approving payment of expenses;
  - (b) Reviewing the DB Receivers' cashflow forecasts;
  - (c) Meetings with BDO tax regarding the tax status of the FMIF and GST issues;
  - (d) Meetings and follow up discussions with the DB Receivers and their staff, the liquidators of LMIM and the liquidator of LMA regarding the court order under which I was appointed, controllerships, claim from the MPF in relation to potential breaches of trust, books and records and operational matters including ongoing arrangements for the employment of staff and sharing of costs;

Signed:

\\TC\SVREXCH\Data\Radix\DM\Documents\LMIMatter\1400951\00808549-006.docx

Witnessed by:



- (e) Meetings with the DB Receivers and their staff regarding the retirement of the DB Receivers and operational matters;
  - (f) Liaising with my solicitors regarding the termination of the DB Receivers' appointment;
  - (g) Reviewing legal advice and correspondence to the DB Receivers and DB regarding the retirement of the DB Receivers.
88. Following feedback from the responsible entity and members, and in order to try to avoid incurring the cost of preparing audited accounts for the financial year ended 30 June 2013 (the cost of preparing audited accounts for the financial year ending 30 June 2012 was in excess of \$500,000), I will be providing members with unaudited management accounts as at 30 June 2013 and six monthly thereafter.
89. During the relevant period, my staff and I have undertaken the following tasks in respect of preparing the management accounts:
- (a) Attending meetings with LM staff and consultant to review the accounts drafted by them and consider the further information to be collated to assist in finalising same;
  - (b) Reviewing the working papers to verify the accuracy of the management accounts;
  - (c) Preparing summaries for the valuation of each of the assets which are expected to sell within the next twelve months and those expected to take longer than twelve months to sell;
  - (d) Calculate the selling, statutory and holding costs for each asset and adjust the asset value to take into account these costs; and
  - (e) Calculate the net present value of those assets which are expected to take longer than twelve months to sell.

Signed:

\\TCSVREXCHData\RadixDM\Documents\LM\Matter\1400951\00808549-006.docx

Witnessed by:



90. This work was in my opinion necessary for the winding up of the FMIF in accordance with its constitution. By undertaking this work I will be able to provide ongoing financial accounts to members and avoid incurring ongoing audit fees during the winding up.
91. Work undertaken in relation to trade-on may be recorded in more than one category. However, the work undertaken is only recorded once.

#### Remuneration

92. Given the nature and volume of the work involved in this winding up as canvassed above, I believe that the sum of \$702,480.35, inclusive of GST, represents a fair and reasonable amount for remuneration for the relevant period and that the work undertaken to which the remuneration relates was necessary for the proper conduct of the winding up of the FMIF pursuant to the Orders.
93. I respectfully request this Honourable Court to make orders that my remuneration for the relevant period be fixed in the amount of \$702,480.35 inclusive of GST.
94. As the winding up of the FMIF is ongoing, there will be a need for further applications for approval of remuneration. These will be made on a regular basis.
95. All the facts and circumstances above deposed to are within my own knowledge save such as are deposed to from information only and my means of knowledge and sources of information appear on the face of this my Affidavit.

Sworn by DAVID WHYTE on the 2<sup>nd</sup> day of May 2014 at Brisbane in the presence of:



Deponent



Solicitor/A Justice of the Peace

Alexander Philip Nase  
Solicitor

LA FIRST MORTGAGE INCOME FUND (RECEIVER APPOINTED)  
8 AUGUST 2013 to 31 MARCH 2014

Employee	Position	Rate	Total Units	Total \$	Assets	Administration	Creditors	Investigations	Trade-on
			Units	\$	Units	Units	Units	Units	Units
Whyte, David	Partner	560.00	366.70	205,352.00	205.10	58.00	3.80	6.80	93.00
Newman, Helen	Partner	485.00	2.90	1,406.50	0.00	0.00	0.00	0.10	0.00
Jenkins, Craig	Audit - Partner	475.00	3.00	1,425.00	0.00	0.00	0.00	2.90	0.00
Beauchamp, Margaux	Corporate Finance - Director	460.00	2,447.00	11,504.00	242.40	2.30	0.00	3.00	0.00
Somerville, John	Senior Manager	425.00	19.40	8,245.00	3.80	11.10	0.00	0.00	0.00
Haines, Charles	Senior Manager	390.00	238.20	101,235.00	15.30	6.50	2.30	0.00	0.00
Garcia, Joanne	Manager	390.00	472.10	164,619.00	183.60	103.10	15.80	198.10	2.50
Wilson, James	Manager	390.00	1.40	546.00	0.20	0.20	86.70	3.90	44.80
Albert, Anthony	Tax - Manager	350.00	0.30	117.00	0.00	0.30	1.00	0.00	0.00
Pagcu, Julie	Audit - Senior Manager	350.00	15.00	5,250.00	0.00	0.00	0.00	0.00	0.00
Simpson-Wade, Ashleigh	Supervisor	310.00	0.10	35.00	0.00	0.10	0.00	0.00	0.00
Dharmaratne, Michael	Senior Accountant I	310.00	29.80	9,238.00	2.90	10.00	16.90	0.00	0.00
Tipman, Daniel	Senior Accountant I	190.00	0.80	248.00	0.00	0.20	0.60	0.00	0.00
Kennedy, Nicola	Accountant II	175.00	14.30	2,717.00	3.30	11.00	0.00	0.00	0.00
Tanfrai, Ryoko	Corporate Finance - Accountant II	130.00	145.20	25,410.00	144.20	1.00	0.00	0.00	0.00
Ritchie, Sara	Tax - Practice Assistant	75.00	0.20	26.00	0.00	0.20	0.00	0.00	0.00
Richardson, Ashley	Team Assistant		1.00	75.00	0.00	1.00	0.00	0.00	0.00
<b>TOTAL</b>			<b>1,503.30</b>	<b>638,618.50</b>	<b>800.80</b>	<b>205.10</b>	<b>127.10</b>	<b>229.80</b>	<b>142.50</b>
				<b>63,861.85</b>					
			<b>TOTAL INC GST</b>	<b>702,480.35</b>					
			<b>AVERAGE HOURLY RATE</b>	<b>424.25</b>	<b>415.73</b>	<b>424.38</b>	<b>389.05</b>	<b>424.97</b>	<b>502.10</b>

DISBURSEMENT REPORT  
LA First Mortgage Income Fund (Receiver Appointed)  
8 August 2013 to 31 March 2014

Item	339.56
Accommodation	2,152.90
Airfares	305.69
Car Hire	520.65
Meeting Expenses	113.40
Mileage	422.11
Parking	17,227.22
Postage	14,954.59
Printing	11,189.56
Search Fee	3,337.44
Taxi fares	64.84
Website Maintenance	1,883.99
Sub Total	52,511.95
GST	5,251.20
Total	57,763.15

WIP Date	Name	Area	Position	Hours	Value	Milestone	Narration
09/08/2013	Whyte, David	BRI	Partner	1.20	672.00	Assets	meeting with KordaMentha and David Clout & Associates regarding interaction between insolvency appointments and books and records
12/08/2013	Whyte, David	BRI	Partner	0.50	280.00	Assets	reviewed summary of loan book
15/08/2013	Whyte, David	BRI	Partner	5.00	2,800.00	Assets	meeting at LM's offices with FTI, the Receivers and Managers, John Somerville and LM regarding loan book and strategies
16/08/2013	Whyte, David	BRI	Partner	0.50	280.00	Assets	reviewed aged care loan facilities/discussed with Margaux Beauchamp



16/08/2013	Whyte, David	BRI	Partner	2.30	1,288.00	Assets	meeting with FTI regarding books and records, loan strategies and cash flow/timing of asset sales
16/08/2013	Whyte, David	BRI	Partner	0.50	280.00	Assets	telecon with our solicitors regarding proposed court order/hearing on 21 August/loan book strategies/legal actions on foot/allocation of loans between the Receivers and Managers and BDO
16/08/2013	Whyte, David	BRI	Partner	0.20	112.00	Assets	reviewed correspondence from David Clout & Associates in respect of correspondence received from KordaMentha looking to secure books and records
20/08/2013	Whyte, David	BRI	Partner	6.40	3,584.00	Assets	meeting with asset management team and the Receivers and Managers to review status of loan book and ongoing strategies for realisation of same

21/08/2013	Whyte, David	BRI	Partner	0.10	56.00	Assets	email LM requesting further information in relation to aged care assets
21/08/2013	Whyte, David	BRI	Partner	0.10	56.00	Assets	email Kordametha in relation to breach of trust claim and their proposal relating to realisation of assets/funds to be held/rejected proposal
23/08/2013	Whyte, David	BRI	Partner	0.10	56.00	Assets	reviewed draft outline prepared by Margaux Beauchamp in relation to analysis of options available for aged care facilities
23/08/2013	Whyte, David	BRI	Partner	0.10	56.00	Assets	reviewed correspondence from LM regarding valuation instructions for the valuer of the Tasmanian property