

7 March 2023

To the Creditor As Addressed

NEWAY HOLDINGS PTY. LIMITED (ADMINISTRATORS APPOINTED)
T/AS DECOR DELIVERY BY NEWAY, SENSITIVE FREIGHT BY NEWAY, DECOR DELIVERY, TECH CONNECT,
NEWAY TRANSPORT, NEWAY LOGISTICS, NEWAY FLEET
ACN 003 972 076 / ABN 17 003 972 076

NT QUEENSLAND PTY LTD (ADMINISTRATORS APPOINTED)
ACN 128 810 622 / ABN 52 128 810 622

N.T. SOUTHAUS PTY LTD (ADMINISTRATORS APPOINTED)
ACN 117 283 093 / ABN 43 117 283 093

NT WESTAUS PTY LTD (ADMINISTRATORS APPOINTED)
ACN 118 364 846 / ABN 33 118 364 846

NT VIC PTY LIMITED (ADMINISTRATORS APPOINTED)
ACN 110 845 120 / ABN 39 110 845 120

NT ACT PTY LTD (ADMINISTRATORS APPOINTED)
ACN 128 810 300 / ABN 80 128 810 300
("THE COMPANIES")

Andrew Cummins and I were appointed Joint and Several Administrators of the Companies on 27 February 2023 pursuant to Section 436A of the Corporations Act 2001

We refer to the First Report to Creditors ("First Report") issued on 1 March 2023. We note that for **Annexure "5" – Initial Remuneration Notice** of the First Report, the estimated remuneration was in reference to a different entity. **Attached** is a copy of our updated Initial Remuneration Notice with our correct remuneration estimate to accompany the First Report for the Companies.

Should you have any queries, please contact Mr Jack Li of this office on 02 8263 2300 or by email to jli@brifnsw.com.au.

Novabrif Pty Ltd Trading as BRI Ferrier ABN 61 643 013 610
Chartered Accountants
Level 30, Australia Square, 264 George Street NSW 2000 GPO Box 7079, Sydney NSW 2001
T 02 8263 2300 **E** info@brifnsw.com.au **W** www.briferrier.com.au

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BRI Ferrier is an association of independent accounting firms. Each of the member firms is a separate and independent entity operating under the name 'BRI Ferrier' or related names.

Yours faithfully

NEWAY HOLDINGS PTY. LIMITED (ADMINISTRATORS APPOINTED)

NT QUEENSLAND PTY LTD (ADMINISTRATORS APPOINTED)

N.T. SOUTHAUS PTY LTD (ADMINISTRATORS APPOINTED)

NT WESTAUS PTY LTD (ADMINISTRATORS APPOINTED)

NT VIC PTY LIMITED (ADMINISTRATORS APPOINTED)

NT ACT PTY LTD (ADMINISTRATORS APPOINTED)



PETER KREJCI

Joint and Several Voluntary Administrator

Encl.

INITIAL REMUNERATION NOTICE

Insolvency Practice Schedule (Corporations) 70-50
Insolvency Practice Rules (Corporations) 70-35

NEWAY HOLDINGS PTY LIMITED
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"THE NEWAY GROUP"

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

A. REMUNERATION METHOD

There are four methods for calculation of remuneration that can be used to calculate the remuneration of an Insolvency Practitioner. They are:

Time based / hourly rates or "Time Cost"

This is the most common method. It provides for remuneration to be charged at an hourly rate for each person working on the matter. The hourly rate charged will reflect the level of experience each person has.

Fixed Fee

The total remuneration for the administration is quoted at commencement of the appointment and is the total charge for the administration. Sometimes a practitioner will finalise an administration for a fixed fee.

Percentage

The remuneration for the appointment is based on a percentage of a particular variable, such as the gross proceeds of asset realisations.

Contingency

The total remuneration for the matter is structured to be contingent on a particular outcome being achieved.

B. METHOD CHOSEN

BRI Ferrier normally charges to use a Time Cost basis, because:

- It is often difficult to estimate accurately the likely cost of undertaking an appointment, as appointments differ in unforeseeable ways as to their factual or legal complexity;

- The Time Cost method reflects the opportunity cost to BRI Ferrier of the use of staff on a particular engagement
- The Time Cost method reflects the extent of work undertaken, reflecting in turn the nature of the appointment
- The Time Cost method can be applied equally to all aspects of an appointment, while percentage or contingent remuneration normally only reflect parts of an appointment, such as the recovery of assets. Our duties include activities, such as reporting to creditors and ASIC, that do not directly yield asset recovery, while contributing to the overall return to creditors.

BRI Ferrier reviews its hourly rates every twelve months. The hourly rates quoted below remain current. BRI Ferrier may increase the hourly rates charged for work performed and if hourly rates are increased, we will seek creditors' approval.

C. EXPLANATION OF HOURLY RATES

The rates applicable are set out in the table on the following page together with a general guide to the qualifications and experience of staff engaged in administration and the role they undertake in the administration. The hourly rates charged encompass the total cost of providing professional services and are not comparable to an hourly wage rate.

Title	Description	NSW	VIC	QLD	SA	WA
		Hourly Rate (ex GST)	Hourly Rate (ex GST)	Hourly Rate (ex GST)	Hourly Rate (ex GST)	Hourly Rate (ex GST)
Appointee/Principal	A Liquidator and/or Registered Trustee. A senior accountant with over 10 years' experience who brings specialist skills and experience to the appointment. Leads the team carrying out the appointment.	\$680	\$680	\$600	\$625	\$690
Director	An accountant with more than 10 years' experience. May be a Registered Liquidator. Fully qualified and able to control all aspects of an appointment. May have specialist industry knowledge or skills. Assists with all facets of appointment.	\$590	\$570	\$530	\$575	\$630
Associate Director	More than seven years insolvency experience with specialist skills. Requisite experience in Corporate and/or Personal insolvency matters.	N/A	N/A	N/A	N/A	\$575
Senior Manager	An accountant with more than 7 years' experience. Qualified and answerable to the Team Leader. Self-sufficient in completing and planning all aspects of large appointments.	\$545	\$530	\$490	\$530	\$540
Manager	An accountant with at least 6 years' experience. Typically qualified with well-developed technical and commercial skills. Controls and plans all aspects of medium to larger appointments, reporting to the Team Leader.	\$505	\$500	\$450	\$500	\$515
Assistant Manager	An accountant with more than 5 years' experience. Typically qualified with sound technical and commercial skills. Plans and controls smaller matters independently. Assists with management of staff and medium to large appointments.	\$470	N/A	N/A	N/A	N/A
Supervisor	An accountant with more than 4 years' experience. Typically qualified with sound knowledge of insolvency principles and developing commercial skill. Assists to plan and control specific tasks on medium to larger appointments. Often undertaking post qualification study specialising in Insolvency and Reconstruction.	\$435	\$400	\$390	\$400	\$460
Senior 1	An accountant with more than 2 years' experience. Typically a graduate undertaking study leading to professional qualification as a Chartered Accountant or CPA. Able to complete work on appointments with limited supervision.	\$370	\$350	\$350	\$340	\$360
Senior 2	An accountant with less than 2 years' experience. Typically a graduate who has commenced study leading to professional qualifications. Able to complete many tasks on medium to large appointments under supervision.	\$310	\$300	\$290	N/A	\$315
Intermediate 1	An accountant with less than 2 years' experience. Typically a graduate and commencing study for qualifications. Able to complete multiple tasks on smaller to medium appointments under supervision.	\$270	\$250	\$260	\$285	\$260
Intermediate 2	An accountant with less than 1 year's experience. A trainee undertaking degree with an accountancy major. Assists in the appointment under supervision.	\$245	\$220	\$220	\$240	\$210
Senior Administration	Appropriately skilled and undertakes support activities including but not limited to treasury, word processing and other administrative, clerical and secretarial tasks.	\$220	\$200	\$180	\$180	\$200
Junior Administration	Appropriately skilled and undertakes support activities including but not limited to treasury, word processing and other administrative, clerical and secretarial tasks.	\$150	\$150	\$160	N/A	\$165

D. ESTIMATED REMUNERATION

We note that the cost of the voluntary administration process (exclusive of GST, disbursements and legal costs, as necessary) for each of these Companies are estimated to be as follows:

- **Neway Holdings Pty. Ltd** – Approximately \$150,000.
- **NT Vic Pty Ltd** – Approximately \$120,000.
- **NT Queensland Pty Ltd** – Approximately \$80,000.
- **NT Westaus Pty Ltd** – Approximately \$80,000.
- **N.T. Southaus Pty Ltd** – Approximately \$50,000.
- **NT Act Pty Ltd** – Approximately \$20,000.

This estimate is based on a number of assumptions, including:

- The business can be sold or restructured during the ordinary VA period;
- The necessary funding is available from the assets of the Companies;
- Information provided to us before appointment about the Companies' assets, its liabilities and its trading performance is substantially accurate;
- The records of the Companies are made available immediately on our appointment in a form permitting examination and investigation;
- All relevant officers comply with their statutory duties to provide information about the Companies affairs;
- No appointment is made by any other secured creditors;
- There is no, or minimal, disputes regarding the conduct of the administration, adjudication of claims and dealing with the Companies' assets;
- There is prompt engagement with interested parties regarding a DOCA proposal; and
- There will be no actions requiring the commencement of legal proceedings.

Should any of the above circumstances change, in particular, if a sale or restructure cannot be achieved and the matter becomes a structured wind down and sale of assets, then we believe that costs will likely increase from our estimate above. However, as mentioned previously, actual remuneration sought to be approved may exceed this estimate and this higher amount must be approved by the Creditors, Committee of Inspection or Court.

We also note that this estimate relates only to the conduct of a Voluntary Administration, and does not relate to any later administration of a Deed of Company Arrangement or Liquidation for the Companies.

E. DISBURSEMENTS

Disbursements are divided into three types:

- Externally provided professional services - these are recovered at cost. An example of an externally provided service disbursement is legal fees.
- Externally provided non-professional costs such as travel, accommodation and search fees. These are recovered at cost.
- Internal disbursements such as photocopying, printing and postage. These disbursements, if charged to the Administration, would generally be charged at cost; though some expenses such as telephone calls,

photocopying and printing may be charged at a rate which recoups both variable and fixed costs. The recovery of these costs must be on a reasonable commercial basis.

We are not required to seek creditor approval for disbursements paid to third parties, but must account to creditors. However, we must be satisfied that these disbursements are appropriate, justified and reasonable.

We are required to obtain creditor's consent for the payment of internal disbursements. Creditors will be asked to approve our internal disbursements prior to these disbursements being paid from the administration.

Details of the basis of recovering disbursements in this administration are provided below.

Disbursement Type	Rate (excl. GST)
Externally provided professional services	At cost
Externally provided non-professional costs	At cost
Internal disbursements	
ASIC Charges for appointments and notifiable events	At cost
Faxes and Photocopying	\$0.25 per page
Postage	At cost
Staff vehicle use	In accordance with ATO mileage allowance

Dated this 1th day of March 2023.