



INITIAL REPORT TO CREDITORS & MEMBERS

RSL EX-SERVICEMEN'S CABS & CO-OPERATIVE MEMBERS LIMITED
("THE CO-OPERATIVE")

REGISTRATION NUMBER: NSWCo0093

ABN: 29 491 565 109

4 June 2024

JONATHON KEENAN & PETER KREJCI
JOINT AND SEVERAL LIQUIDATORS



Phone 02 8263 2333

Email info@brifnsw.com.au

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Postal GPO Box 7079, Sydney NSW 2001

Address Level 26, 25 Bligh Street,
Sydney NSW 2001

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GLOSSARY OF COMMON ACRONYMS & ABBREVIATIONS

ABN	Australian Business Number
Act	Corporations Act 2001 (Cth)
ARITA	Australian Restructuring Insolvency and Turnaround Association
ASIC	Australian Securities and Investments Commission
ATO	Australian Taxation Office
Co-Operative	RSL Ex-Servicemen's Cabs & Co-Operative Members Limited
Department	Department of Employment and Workplace Relations
Directors	Martin Passman, Demetrios Moustakas, Athos Divis, David Coppleson and Ross Ossama Raslan
DIRRI	Declaration of Independence, Relevant Relationships & Indemnities
FEG	Fair Entitlements Guarantee
Firm	BRI Ferrier NSW
IPR	Insolvency Practice Rules (Corporations) 2016
IPS	Insolvency Practice Schedule (Corporations)
MVL	Members Voluntary Liquidation
POD	Proof of Debt
PPSR	Personal Properties Securities Register

1 EXECUTIVE SUMMARY

Peter Krejci and I were appointed Joint and Several Liquidators of the Co-Operative on 21 May 2024 pursuant to a resolution passed by the Co-Operative's members. The Liquidation is proceeding as a Members Voluntary Liquidation, which is a solvent winding up.

This report has been prepared pursuant to Insolvency Practice Rule 70-30 and Section 497 of the Act. You have received this report because we are aware that you are a member of the Co-Operative or you may have a creditor claim and/or the books and records of the Co-Operative identified you as a creditor.

We provide herein a brief overview of the Co-Operative's affairs as presently known to us. The Co-Operative was registered on 3 July 1946, providing taxi fleet dispatch services including various client contracts such as Transdev Sydney Ferries and the Department of Education. The Co-Operative currently employs 11 staff and operates from office premises located at 14 Sarah Street, Mascot NSW 2020.

The Co-Operative is continuing to trade and employ staff at this time, as we wind down the operational and contractual affairs in an orderly manner. The Co-Operative is anticipated to formally cease to trade by **30 June 2024**. The Co-Operative will meet all trading obligations during this period.

Our enquiries to date indicate the Co-Operative holds several assets including motor vehicles, plant and equipment, a strata interest in Woollahra and primary office property in Mascot. Following our appointment, we have engaged an independent valuer to undertake a valuation of the Co-Operative's physical assets. We will run a tender process to engage agents for the Mascot property sale, which will commence after trading has ceased. We have also received interest in the Co-Operative's intellectual property and we intend to commence a public sale campaign by placing the following advert in the Australian Financial Review:

BUSINESS ASSETS FOR SALE



**RSL Ex-Servicemen's Cabs & Co-Operative
Members Limited (In Liquidation)**

Jonathon Keenan and Peter Krejci, as Joint and Several Liquidators, offer for sale the intellectual property assets of the Co-operative. The Co-Operative provides taxi dispatch services.

- Business names: "RSL Cabs", "True Blue Prestige", "Northern Beaches Cabs", "Northern Beaches Taxis", "Southern Cross Cabs" and "Southern Cross Taxis"
- Customer list
- Telephone numbers
- Website <https://www.rslcabs.com.au/>

Interested parties should contact our office promptly
- a refundable deposit of \$2,000 will be required on the signing of a confidentiality agreement.

**Binding offer deadline currently set for 5pm,
17 June 2024 (subject to change).**

**Katherine La - T: 02 8263 2308
E: KLa@brifnsw.com.au**

BRI Ferrier

We are unable to provide any further detail on the estimated value of the assets, so as not to prejudice any potential sale, however preliminary estimates indicate there is sufficient assets to discharge all known liabilities and a meaningful return will be available for members (shareholders).

In respect of the Co-Operative's liabilities, the management accounts as at our appointment have reported minor liabilities for trade creditors of circa \$34K. However, there are various contractual arrangement in place which we are seeking to terminate in a mutually agreeable manner with the counter-parts. We are working through the employee entitlements, including calculation of termination entitlements. Our searches of the PPSR database indicates that there are no registered securities against the Co-Operative.

As a Members Voluntary Liquidation, the Co-operative is solvent and is expected to discharge all known liabilities in full and be able to meet the costs of Liquidation. As such, our efforts in this Liquidation will focus on the following:

- Conducting a sale process for the Co-Operative's assets, including intellectual property;
- Orderly winding down of the trading affairs of the Co-operative;
- Arrange for statutory lodgements to be completed, with the assistance of the Directors and external accountant and seeking "clearance" from the regulators;
- Prepare a statutory report to known creditors within three (3) months of appointment as required by Act;
- Declaring a first and final dividend to Creditors;
- Paying the remaining surplus assets to the members; and
- Finalising the Liquidation.

In terms of timing, we anticipate that the Liquidation process will take approximately around 6 to 9 months from the date of appointment to finalisation. This time frame is dependent upon:

- Completion of the sale process;
- All trading affairs and/or assets having been dealt with; and
- The receipt of timely clearances from the ATO and other statutory authorities, which is contingent on the relevant lodgements being completed.

To summarise, based on current estimates and creditor claims to date, there is anticipated that Creditors will be paid in full and surplus assets will be paid to members (shareholders) as a final distribution. Assuming that all of the above matters can be dealt with promptly, this Liquidation could be finalised by the end of 2024 or early 2025.

2 EFFECT OF LIQUIDATION ON CREDITORS

As mentioned above, this is a Members Voluntary Liquidation where the Co-Operative is solvent. Creditors should be aware that we are conducting an orderly winding down of the trading affairs of the Co-Operative and will continue to meet all of its trading obligations.

We provide a summary of the effect on creditors:

2.1 TRADE SUPPLIES

As mentioned above, the Co-Operative is winding down its affairs and will continue to meet all of its trading obligations. However, as the Co-Operative is now in Liquidation, all costs need to be authorised by the Liquidators.

All claims against the Co-Operative in respect of goods and/or services provided to the Co-Operative prior to our appointment are effectively frozen as at the date of our appointment.

Please contact Mr Frane Babic of this office in regards to the Co-Operative's account and for instructions regarding the continued supply of services. We will not accept any responsibility or liability in respect of any goods or services provided after the date of our appointment unless express written authorisation has been provided.

2.2 LANDLORDS/LESSORS

Whilst the Co-Operative is in Liquidation, a moratorium is imposed on all debts outstanding as at the date of our appointment. This extends to amounts outstanding to equipment lessors and landlords of any premises leased by the Co-Operative.

Based on our enquiries to date, we are not aware that the Co-Operative is subject to any lease arrangements.

2.3 EMPLOYEES

We are advised there are currently eleven (11) staff employed by the Co-Operative, consisting of four (4) full time employees and seven (7) casual employees. As the Co-Operative is winding down, staff will be provided notice in due course of the termination of their employment by way of formal redundancy.

To the extent there are any amounts owed to former employees of the Co-Operative, there is a statutory priority of payment in respect of outstanding entitlements such as wages, superannuation, annual leave, long service leave, payment in lieu of notice and redundancy.

In the event that there are insufficient funds to pay priority (employee) creditors in full, then the Liquidation will convert to an insolvent winding up, known as a Creditors Voluntary Liquidation. In that circumstance, employees (excluding the Directors and related parties) may lodge a claim under the FEG scheme with the Department in respect of certain entitlements that they are owed, subject to them meeting the eligibility requirements of the FEG scheme.

However, the Co-Operative has significant assets available, and is understood to be solvent. As such, it is expected that all outstanding employee entitlements will be discharged in full.

Any person claiming to be a creditor of the Co-Operative in respect of outstanding employee entitlements should notify Mr Frane Babic of this office without delay.

2.4 SECURED CREDITORS AND SECURITY INTERESTS

A search of the PPSR indicates the Co-Operative does not have registered securities.

Any party/parties claiming to be a secured creditor should contact Mr Frane Babic of this office immediately so that their claim may be considered.

2.5 CONTRACTS AND AGREEMENTS

As mentioned above, the Co-Operative had various contracts with clients and in conducting an orderly winding down of the Co-Operative, we are working towards a cessation of trade by 30 June 2024. In this regard, we have provided formal notices of termination for client contracts, as necessary.

Unless otherwise indicated, we do not accept adoption of existing contracts. Customers, suppliers and any other parties with such contracts should contact Mr Frane Babic of this office immediately so that they may be considered.

2.6 LEGAL PROCEEDINGS

Pursuant to Section 500(2) of the Act, our appointment as Liquidators automatically stays any current legal proceedings against the Co-Operative.

Creditors cannot commence or continue proceedings against the Co-Operative without our written consent or without leave of the Court. We are not aware of any legal proceedings involving the Co-Operative that are currently on foot.

3 LIQUIDATORS' REMUNERATION

Members approved our remuneration up to an interim cap of \$110,000 (plus GST and disbursements) based on our hourly rates. As you will appreciate from this report, there is a significant amount of work to attend to, in the winding up process. The actual costs that will be incurred will only become known as the matter progresses, and we will keep stakeholders informed through future reporting.

4 INFORMATION FOR CREDITORS

We have included the following initial notices and documents in connection with our appointment for your information.

Annexure	Document	Description	Further Action Required by you
1	Formal Proof of Debt with Request to Receive Electronic Communications	You must also provide information about what the Company owes you and evidence to support your claim. Please complete and return POD form via email to Mr Frane Babic of this office to fbabic@brifnsw.com.au with your supporting documents.	Yes Include Supporting Documentation
2	A Declaration of Independence, Relevant Relationships and Indemnities	The DIRRI assists you to understand any relevant relationships that we have, and any indemnities or upfront payments that have been provided to us. None of the relationships mentioned in this document affect our independence.	No
3	Information Sheet – Creditors Rights in Liquidation	This information sheet provides a detailed list of your rights.	No
4	Initial Remuneration Notice	This document provides an estimate of the costs to perform the Liquidation, the method of calculating remuneration and our Firm's hourly rates.	No

5 TASKS REQUIRED IN THE LIQUIDATION

We anticipate that the following matters will be dealt with during the Liquidation moving forward:

- Completion of the sale of the Co-Operative's assets;
- Finalising the trading affairs of the Co-Operative;
- Completion of statutory report and seek tax clearance from the ATO;
- Declare a first and final dividend to Creditors;
- Distribute any surplus assets to the members; and
- Final statutory lodgements to finalise the Liquidation.

6 QUERIES

The BRI Ferrier staff member responsible for this matter is as follows:

- BRI Contacts: Frane Babic
- Phone: (02) 8263 2333
- Email: fbabic@brifnsw.com.au

▲ Mailing: Level 26, 25 Bligh Street, Sydney NSW 2000

Yours faithfully

RSL EX-SERVICEMEN'S CABS & CO-OPERATIVE MEMBERS LIMITED (IN LIQUIDATION)

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

JONATHON KEENAN

Joint and Several Liquidator

The logo for BRI Ferrier features the company name in a white, sans-serif font on a dark grey rectangular background. A green diagonal stripe runs from the bottom right corner of the grey rectangle towards the right edge of the logo.

BRI Ferrier

**RSL Ex-Servicemen's Cabs & Co-
Operative Members Limited
(In Liquidation)
ABN 29 491 565 109**

**Annexure "1"
Proof of debt Form**

FORMAL PROOF OF DEBT OR CLAIM (GENERAL FORM)

To the Joint and Several Liquidators of RSL Ex-Servicemen's Cabs & Co-Operative Members Limited (In Liquidation) ABN 29 491 565 109

1. This is to state that the Co-Operative was, on 21 May 2024 ⁽¹⁾ and still is, justly and truly indebted to ⁽²⁾ (full name):

.....
(‘Creditor’)

.....
of (full address)

for \$ dollars and cents.

Particulars of the debt are:

Date	Consideration ⁽³⁾ state how the debt arose	Amount \$	GST included \$	Remarks ⁽⁴⁾ include details of voucher substantiating payment

2. To my knowledge or belief the creditor has not, nor has any person by the creditor's order, had or received any manner of satisfaction or security for the sum or any part of it except for the following:

Insert particulars of all securities held. Where the securities are on the property of the Co-Operative, assess the value of those securities. If any bills or other negotiable securities are held, specify them in a schedule in the following form:

Date	Drawer	Acceptor	Amount \$ c	Due Date

☐ I am **not** a related creditor of the Co-Operative ⁽⁵⁾

☐ I am a related creditor of the Co-Operative ⁽⁵⁾
relationship:

3A. ^{(6)*} I am employed by the creditor and authorised in writing by the creditor to make this statement. I know that the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, still remains unpaid and unsatisfied.

3B. ^{(6)*} I am the creditor's agent authorised to make this statement in writing. I know that the debt was incurred and for the consideration stated and that the debt, to the best of my knowledge and belief, still remains unpaid and unsatisfied.

The External Administrators' (whether as Voluntary Administrators/Deed Administrators/Liquidators) will send and give electronic notification of documents. Please provide your email address below:

Contact Name:

Email Address:

DATED this day of 2024

Signature of Signatory

NAME IN BLOCK LETTERS

Occupation

Address

OFFICE USE ONLY

POD No:		ADMIT (Voting / Dividend) - Ordinary	\$
Date Received:	/ /	ADMIT (Voting / Dividend) – Preferential	\$
Entered into CORE IPS:		Reject (Voting / Dividend)	\$
Amount per CRA/RATA	\$	Object or H/Over for Consideration	\$
Reason for Admitting / Rejection			
PREP BY/AUTHORISED		TOTAL PROOF	\$
DATE AUTHORISED / /			

Proof of Debt Form Directions

- * Strike out whichever is inapplicable.
- (1) Insert date of Court Order in winding up by the Court, or date of resolution to wind up, if a voluntary winding up.
 - (2) Insert full name and address (including ABN) of the creditor and, if applicable, the creditor's partners. If prepared by an employee or agent of the creditor, also insert a description of the occupation of the creditor.
 - (3) Under "Consideration" state how the debt arose, for example "goods sold and delivered to the Co-Operative between the dates of", "moneys advanced in respect of the Bill of Exchange".
 - (4) Under "Remarks" include details of vouchers substantiating payment.
 - (5) Related Party / Entity: Director, relative of Director, related Co-Operative, beneficiary of a related trust.
 - (6) If the Creditor is a natural person and this proof is made by the Creditor personally. In other cases, if, for example, you are the director of a corporate Creditor or the solicitor or accountant of the Creditor, you sign this form as the Creditor's authorised agent (delete item 3A). If you are an authorised employee of the Creditor (credit manager etc), delete item 3B.

Annexures

- A. If space provided for a particular purpose in a form is insufficient to contain all the required information in relation to a particular item, the information must be set out in an annexure.
- B. An annexure to a form must:
 - (a) have an identifying mark;
 - (b) and be endorsed with the words:
 - i) "This is the annexure of *(insert number of pages)* pages marked *(insert an identifying mark)* referred to in the *(insert description of form)* signed by me/us and dated *(insert date of signing)*; and
 - (c) be signed by each person signing the form to which the document is annexed.
- C. The pages in an annexure must be numbered consecutively.
- D. If a form has a document annexed the following particulars of the annexure must be written on the form:
 - (a) the identifying mark; and
 - (b) the number of pages.
- E. A reference to an annexure includes a document that is with a form.

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BRI Ferrier

**RSL Ex-Servicemen's Cabs & Co-
Operative Members Limited
(In Liquidation)
ABN 29 491 565 109**

**Annexure "2"
Declaration of Independence,
Relevant Relationships and
Indemnities ("DIRRI")**

Declaration of Independence, Relevant Relationships and Indemnities ("DIRRI")

RSL Ex-Servicemen's Cabs & Co-operative
Members Limited
Registration Number: NSWCo0093

15 April 2024

Jonathon Keenan
Peter Krejci
Proposed Liquidators

Novabrif Pty Ltd
ABN 61 643 013 610
Level 26, 25 Bligh Street, Sydney NSW 2000
Phone (02) 8263 2333
Email: info@brifnsw.com.au
Website: www.briferrier.com.au



The purpose of this document is to assist members with understanding any relevant relationships that we, the Liquidators, have had with parties who are closely connected to RSL Ex-Servicemen's Cabs & Co-operative Members Limited ("the Co-operative") and any indemnities or upfront payments that have been provided to us. None of the relationships disclosed in this document are such that our independence is affected.

This information is provided so you have trust and confidence in our independence and, if not, you can ask for further explanation or information and can act to remove and replace us if you wish.

This declaration is made in respect of us, our partners and BRI Ferrier.

We are Professional Members of ARITA – Australian Restructuring Insolvency and Turnaround Association. We acknowledge that we are bound by the ARITA Code of Professional Practice ("COPP").

A. INDEPENDENCE

We, Jonathon Keenan and Peter Krejci, of BRI Ferrier have undertaken a proper assessment of the risks to our independence prior to consenting to accept the appointment as Liquidator of the Co-operative in accordance with the law and applicable professional standards. This assessment identified no real or potential risks to our independence. We are not aware of any reasons that would prevent us from accepting this appointment.

B. CIRCUMSTANCES OF APPOINTMENT

I. HOW WE WERE REFERRED THIS APPOINTMENT

This appointment was referred to us by Mr Greg Russell of Russell Corporate Advisory, an advisor to the Co-operative. We have been referred other matters from Russell Corporate Advisory prior to this proposed appointment on an irregular basis. There is no prohibition for prior professional relationships or dealings with respect to Members Voluntary Liquidations, instead it is disclosed herein for transparency.

There is no expectation, agreement or understanding between us and Russell Corporate Advisory regarding the conduct of the Members Voluntary Liquidation and we are free to act independently and in accordance with the law and applicable professional standards.

II. DID WE MEET WITH THE CO-OPERATIVE, THE DIRECTORS OR THEIR ADVISER BEFORE WE WERE APPOINTED?

☒ Yes ☐ No

We have engaged in various discussions regarding the potential appointment, as detailed below:

- ▶ On 17 October 2023, Mr Keenan was contacted by Mr Martin Passman (Director & Chairman of the Co-operative), regarding the proposed member's voluntary liquidation of the Co-operative. There was a general discussion regarding the Co-operative's financial position and the liquidation

process. Mr Passman subsequently sent Mr Keenan basic documents regarding the Co-operative's financial position and governance.

- On 27 October 2023, Mr Keenan met with Mr Passman to discuss in greater detail the proposed member's voluntary liquidation of the Co-operative. There was a general discussion regarding the Co-operative's financial position, the background, assets involved, contracts in place, members meetings and the steps involved with the liquidation process, including NSW Fair Trading.
- On 23 November 2023 and 12 December 2023, Mr Keenan had telephone discussions with Mr Passman, wherein he received an update on the board's progress towards the proposed member's voluntary liquidation of the Co-operative. On 11 January 2024, Mr Keenan sent Mr Passman an engagement letter, for the proposed member's voluntary liquidation.
- On 20 February 2024, Mr Keenan attended a Board meeting of the Co-operative, at which meeting there were discussions of the process, timing, costs and operational elements involved with the proposed member's voluntary liquidation of the Co-operative.
- During March and April 2024, there were various email exchanges between Mr Keenan and Mr Passman, regarding the progress the Board had made towards obtaining approval from NSW Fair Trading of the disclosure in order to commence the proposed member's voluntary liquidation of the Co-operative.
- On 15 April 2024, Mr Keenan was contacted by Mr Sam Byrne regarding the documents to be issued to members with the postal ballot.

We have not been paid for these services.

In our opinion, the above does not affect our independence for the following reasons:

- The Courts and the ARITA COPP specifically recognise the need for practitioners to provide advice on the insolvency practice and the options available and do not consider that such advice in a conflict or is an impediment to accepting the appointment.
- We did not provide any advice to the Co-operative or current/former Directors prior to our appointment.
- The Directors obtained their own advice regarding the financial position of the Co-operative.
- There is no requirement for independence in respect of members' voluntary liquidations.

We have provided no other information or advice to the Co-operative, its Directors or advisors prior to our proposed appointment beyond that which we have outlined in this DIRRI.

C. RELEVANT RELATIONSHIPS (EXCLUDING PROFESSIONAL SERVICES TO THE INSOLVENT)

Within the previous two years, we, or members of our firm, have, or have had a relationship with:	
The Co-operative?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Within the previous two years, we, or members of our firm, have, or have had a relationship with:

The directors?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Any associates of the Co-operative?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
A former insolvency practitioner appointed to the Co-operative?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
A secured creditor entitled to enforce a security over the whole or substantially the whole of the Co-operative's property?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Do we have any other relationships that we consider are relevant when assessing our independence?

☒ Yes ☐ No

Australian Taxation Office

Whilst the records do not identify the ATO is a creditor, it is possible that the ATO may become a creditor in due course.

The ATO is a sophisticated statutory creditor and is administratively bound to act as a Model Litigant. In our experience the ATO does not seek to exert improper pressure on insolvency practitioners in connection with the discharge of their duties to creditors generally.

Principals and Directors of BRI Ferrier around Australia, were, until its expiration at the end of 2014, members of a panel of Official Liquidators established by the ATO and accepted appointments by Australian Courts initiated by the Federal Commissioner. These Official Liquidators had undertaken to the ATO to accept appointments as Liquidator appointed by a Court under the Corporations Act where the ATO is the applicant creditor, whether the company has assets or not. BRI Ferrier is likely to seek inclusion in any comparable panel should one be established in future. Membership of the panel was not conditional upon any preference or benefit being conferred upon the ATO.

In addition to the above, we also note that Principals of BRI Ferrier routinely accept nominations and appointments as insolvency practitioners by the major trading banks, in addition to creditors such as the ATO (as discussed above). The nature of these relationships varies over time depending on the nature of the engagements. Such relationships do not impede our independence or give rise to a conflict of duties because we accept such engagements only on the basis that our independence will be maintained and the relationships are maintained on professional commercial terms.

There is no prohibition for prior professional relationships or dealings with respect to Members Voluntary Liquidations, instead it is disclosed herein for transparency.

D. INDEMNITIES AND UP-FRONT PAYMENTS

We have not received any indemnities or upfront payments for this appointment.

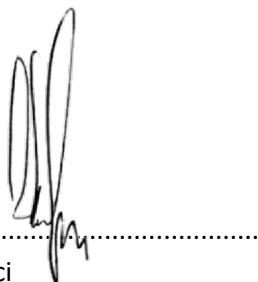
There is no prohibition for indemnities with respect to Members Voluntary Liquidations, instead it is disclosed herein for transparency.

Dated: 15 April 2024



Jonathon Keenan

PROPOSED LIQUIDATOR



Peter Krejci

PROPOSED LIQUIDATOR

Notes:

1. The assessment of independence has been made based on an evaluation of the significance of any threats to independence and in accordance with the requirements of the relevant legislation and professional Standards.
2. If circumstances change, or new information is identified, we are required under the Corporations Act 2001 and ARITA's Code of Professional Practice to update this Declaration and provide a copy to creditors with our next communication as well as table a copy of any replacement declaration at the next meeting of the insolvent's creditors. For creditors' voluntary liquidations and voluntary administrations, this document and any updated versions of this document are required to be lodged with ASIC.

The logo for BRI Ferrier features the company name in a white, sans-serif font on a dark grey rectangular background. A green diagonal stripe runs from the bottom right corner of the grey rectangle towards the right edge of the logo.

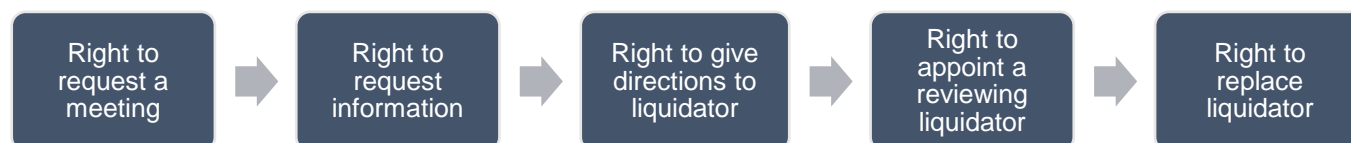
BRI Ferrier

**RSL Ex-Servicemen's Cabs & Co-
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**Annexure "3"
Creditors Rights Information Sheet**

Creditor Rights in Liquidations

As a creditor, you have rights to request meetings and information or take certain actions:



Right to request a meeting

In liquidations, no meetings of creditors are held automatically. However, creditors with claims of a certain value can request in writing that the liquidator hold a meeting of creditors.

A meeting may be requested in the first 20 business days in a creditors' voluntary liquidation by $\geq 5\%$ of the value of the debts held by known creditors who are not a related entity of the company.

Otherwise, meetings can be requested at any other time or in a court liquidation by:

- $> 10\%$ but $< 25\%$ of the known value of creditors on the condition that those creditors provide security for the cost of holding the meeting
- $\geq 25\%$ of the known value of creditors
- creditors by resolution, or
- a Committee of Inspection (this is a smaller group of creditors elected by, and to represent, all the creditors).

If a request complies with these requirements and is 'reasonable', the liquidator must hold a meeting of creditors as soon as reasonably practicable.

Right to request information

Liquidators will communicate important information with creditors as required in a liquidation. In addition to the initial notice, you should receive, at a minimum, a report within the first three months on the likelihood of a dividend being paid.

Additionally, creditors have the right to request information at any time. A liquidator must provide a creditor with the requested information if their request is 'reasonable', the information is relevant to the liquidation, and the provision of the information would not cause the liquidator to breach their duties.

A liquidator must provide this information to a creditor within 5 business days of receiving the request, unless a longer period is agreed. If, due to the nature of the information requested, the liquidator requires more time to comply with the request, they can extend the period by notifying the creditor in writing.

Requests must be reasonable.

They are not reasonable if:

Both meetings and information:

- (a) complying with the request would prejudice the interests of one or more creditors or a third party
- (b) there is not sufficient available property to comply with the request
- (c) the request is vexatious

Meeting requests only:

- (d) a meeting of creditors dealing with the same matters has been held, or will be held within 15 business days

Information requests only:

- (e) the information requested would be privileged from production in legal proceedings
- (f) disclosure would found an action for breach of confidence
- (g) the information has already been provided
- (h) the information is required to be provided under law within 20 business days of the request

If a request is not reasonable due to (b), (d), (g) or (h) above, the liquidator must comply with the request if the creditor meets the cost of complying with the request.

Otherwise, a liquidator must inform a creditor if their meeting or information request is not reasonable and the reason why.

Specific queries about the liquidation should be directed to the liquidator's office.

Right to give directions to liquidator

Creditors, by resolution, may give a liquidator directions in relation to a liquidation. A liquidator must have regard to these directions, but is not required to comply with the directions.

If a liquidator chooses not to comply with a direction given by a resolution of the creditors, they must document their reasons.

An individual creditor cannot provide a direction to a liquidator.

Right to appoint a reviewing liquidator

Creditors, by resolution, may appoint a reviewing liquidator to review a liquidator's remuneration or a cost or expense incurred in a liquidation. The review is limited to:

- remuneration approved within the six months prior to the appointment of the reviewing liquidator, and
- expenses incurred in the 12 months prior to the appointment of the reviewing liquidator.

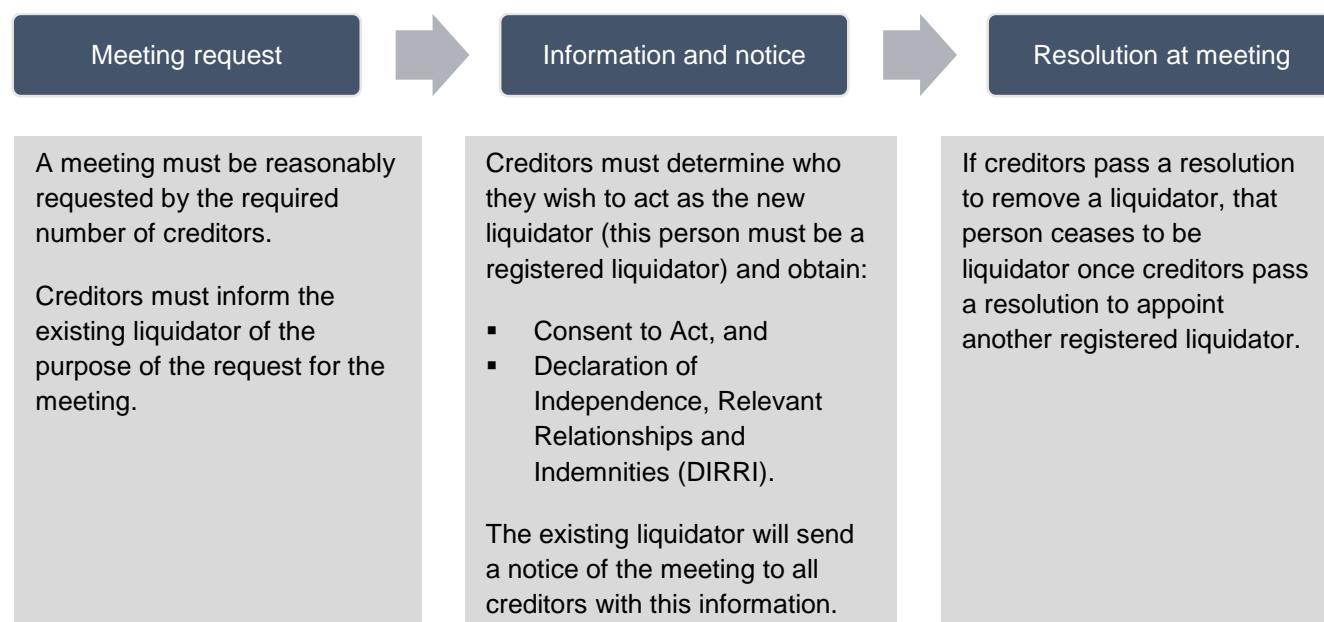
The cost of the reviewing liquidator is paid from the assets of the liquidation, in priority to creditor claims.

An individual creditor can appoint a reviewing liquidator with the liquidator's consent, however the cost of this reviewing liquidator must be met personally by the creditor making the appointment.

Right to replace liquidator

Creditors, by resolution, have the right to remove a liquidator and appoint another registered liquidator.

For this to happen, there are certain requirements that must be complied with:



**For more information, go to www.arita.com.au/creditors.
Specific queries about the liquidation should be directed to the liquidator's office.**

The logo for BRI Ferrier features the company name in a white, sans-serif font on a dark grey rectangular background. A green diagonal stripe runs from the bottom right corner of the grey rectangle towards the right edge of the overall logo area.

BRI Ferrier

**RSL Ex-Servicemen's Cabs & Co-
Operative Members Limited
(In Liquidation)
ABN 29 491 565 109**

**Annexure "4"
Initial Remuneration Notice**

INITIAL REMUNERATION NOTICE

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

RSL Ex-Servicemen's Cabs & Co-Operative Members Limited
(In Liquidation)
ABN: 29 491 565 109

The purpose of the Initial Remuneration Notice is to provide you with information about how our remuneration for undertaking the Liquidation 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 on 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; and

- ▲ 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 below 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	Hourly Rates (ex GST) NSW
Appointee / Principal	Senior member of the firm. May be a Registered Liquidator and/or Registered Trustee. A senior accountant with over 10 years' experience who brings specialist skills and experience to the appointment. Leads staff carrying out appointments.	\$730
Director	An accountant with more than 10 years' experience. May be a 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.	\$640
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.	\$590
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.	\$550
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.	\$480
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.	\$420
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.	\$380
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.	\$330
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.	\$280
Senior Administration	Appropriately skilled and undertakes support activities including but not limited to treasury, word processing and other administrative, clerical and secretarial tasks.	\$240
Junior Administration	Appropriately skilled and undertakes support activities including but not limited to treasury, word processing and other administrative, clerical and secretarial tasks.	\$180

D. ESTIMATED REMUNERATION

As an interim estimate, this administration may cost up to \$110,000 (plus GST and disbursements) to complete. The Members approved our fees up to this interim cap prior via the postal ballot process leading to our appointment. We are unable to advise with certainty the total amount of fees necessary to complete all tasks required, as the actual costs will only become known as the Liquidation progresses.

The estimate is subject to the following variables, which may have a significant effect on the actual costs incurred, including:

- Information provided to us before appointment about the Co-Operative's assets, liabilities and trading performance is substantially accurate;
- All relevant officers comply with their statutory duties to provide information about the Co-Operative's affairs;
- The sale of the Co-Operative's real property can progress in an orderly manner and settlement is not delayed;
- The sale process for the Co-Operative's business assets is completed promptly;
- All property of the Co-Operative is made available to us promptly without dispute;
- Trading affairs can be managed with the Co-Operative's existing staff and management;
- There is no, or minimal, disputes regarding the conduct of the administrations, adjudication of claims and dealing with the Co-Operative's assets;
- The required statutory reporting can be completed with existing records promptly;
- No appointment is made by a secured creditor; and
- There will be no actions requiring the commencement of legal proceedings.

Should any of the above circumstances change, we believe that costs will likely increase from our estimate above.

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 creditors' consent for the payment of internal disbursements. Creditors will be asked to approve our internal disbursements prior to these disbursements being paid from the administrations.

Details of the basis of recovering disbursements in the administrations 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 allowances

Dated this 4th day of June 2024