

29 October 2024

NOTICE OF FIRST MEETING OF CREDITORS

**MOSAIC BRANDS LIMITED ACN 003 321 579
AND THE ENTITIES LISTED IN SCHEDULE A
(ALL ADMINISTRATORS APPOINTED) (ALL RECEIVERS & MANAGERS APPOINTED)
("THE COMPANIES")**

Appointment of Voluntary Administrators

Kathryn Evans, Kathryn Warwick, David McGrath and I, Vaughan Strawbridge, of this office were appointed as Joint and Several Administrators of the Companies on 28 October 2024 by a resolution of the Companies' directors.

Related Appointment – Receivers and Managers

Concurrent to our appointment, David Hardy, Gayle Dickerson, Ryan Eagle and Amanda Coneyworth of KPMG were appointed as Receivers and Managers of the Companies on the same day.

The Receivers and Managers are in control of the Companies' assets, including the Companies' ongoing trading status.

For all matter relating to ongoing supply, trading and employment, please contact KPMG via email at MOZcreditors@kpmg.com.au.

Role of the Administrators

The role of the Administrators will be to:

- a. Conduct the voluntary administration process as described below, including holding a meetings of creditors; and
- b. Undertake a sale process for the business of the Companies.

Declaration by the Administrators

A copy of our *Declaration of Independence, Relevant Relationships and Indemnities ("DIRRI")* is **attached**. The DIRRI assists you to understand any relevant relationships that we have, and any

indemnities or upfront payments that have been provided to us. I have considered each relationship and it is our opinion that none of the relationships disclosed in the DIRRI result in a conflict of interest or duty or affect our independence.

Voluntary Administration process

Voluntary Administration is a process under the law which allows companies unable to pay their debts, or likely to become unable to pay their debts to appoint an independent, qualified person (called a Voluntary Administrator) to take control of the Companies and their operations. Where Receivers and Managers have also been appointed to a Company, they would usually take control of the business assets and operations instead of the Voluntary Administrator.

This voluntary administration process allows breathing space to work out the best outcome for all stakeholders. The creditors will determine if the Companies:

- a. Be returned to the directors;
- b. Be placed into liquidation; or
- c. Enter into a Deed of Company Arrangement (“DOCA”).

The Australian Securities and Investments Commission (“ASIC”) provides further information the Voluntary Administration process. *ASIC Information Sheet 39* which lists their information sheets is **enclosed**.

According to the Companies’ records, you may be a creditor of one or more of the Companies.

What happens to your debt?

All creditors of **each** of the Companies are now creditors in the Voluntary Administration. As a creditor, you have certain rights, although your debt will be dealt with in the Voluntary Administration. Further information regarding your rights as a creditor is **enclosed** with this circular.

It is important to note that a Voluntary Administration creates restrictions on creditors being able to enforce their rights. You generally cannot enforce your claim, recover your property, enforce your security, commence an action to place the company into liquidation or act on a personal guarantee.

Concurrent meeting of creditors

As Voluntary Administrators, we are required to hold two meetings of creditors.

First meeting of creditors

When Companies enter into Voluntary Administration, the Administrators are required to convene a first meeting of creditors within eight (8) business days after the commencement of the Voluntary Administration.

The First Meeting of the Creditors will be held at 11:00AM AEDT on Thursday, 7 November 2024, via electronic facilities only (Zoom Meeting).

In this regard, please find **enclosed** the following documents:

- a) Notice of First Meeting of Creditors of the Company under Administration;
- b) Form - Appointment of Proxy; and
- c) Form - Formal Proof of Debt or Claim.

To attend the meeting you **must** first register via the below link:

Meeting registration link: <https://forms.office.com/r/6Pbd7jGarx>

If you intend to appoint another person to act on your behalf at the meeting, or you are a corporate creditor, you are required to complete and return the **enclosed** proxy form appointing your representative to mosaicbrands.creditors@fticonsulting.com no later than 1:00pm (AEDT) on Wednesday, 6 November 2024.

You can appoint anyone who is attending the meeting as your proxy and direct them how you wish your vote to be cast. If you choose to do this, they must cast your vote as directed.

Creditors are required to lodge proofs of debt for voting purposes no later than 1:00pm (AEDT) on Wednesday, 6 November 2024, failing which they may be excluded from voting at the meeting. A Proof of Debt or Claim Form is **attached** for this purpose.

Proofs of Debt may be sent to FTI Consulting at mosaicbrands.creditors@fticonsulting.com.

If you are a creditor of more than one of the Companies, you **must** complete a new proof of debt for the other company/s. Proofs of debt forms may be sent to FTI Consulting via mosaicbrands.creditors@fticonsulting.com.

General information regarding the conduct of meetings of creditors and the completion of proxy forms and proof of debt forms is **enclosed** (*Details and Notices for the First Meeting of Creditors*) and can also be found on our website at <http://www.fticonsulting-asia.com>.

Statutory notices and advertisements about the Companies will be published on ASIC's Published Notices website at <https://publishednotices.asic.gov.au/>.

Second meeting of creditors

A second meeting of creditors will be held, at which creditors will vote on the future of each of the Companies. Details of that meeting and a Report to Creditors on the Companies' business, property, affairs and financial circumstances will be sent to you in due course.

The second meeting of creditors usually takes place within 25 days from the date of the Administrators' appointment, however the date of the meeting is able to be extended by the Administrators with the approval of the court.

We propose make an application to court before the first meeting of creditors to seek an extension of time to hold the second meeting of creditors. This is known as an extension of the convening period. It is currently proposed to seek an extension until 30 June 2025.

We believe the application is in the best interests of creditors as it will allow us the time to complete an orderly recapitalization/sale process. The application is made with the primary aim of looking to yield the best outcome for all creditors and stakeholders of the Companies, so that any return to creditors can be maximised.

A copy of the application will be made available to any creditors on request (subject to any confidentiality orders that may be sought).

Should you have an objection to our proposed application to extend the convening period to hold the second meeting of creditors, would like to raise any other queries in relation to the application or require any further information, please contact us via the email address listed at the bottom of this letter by no later than Wednesday, 6 November 2024 /as soon as possible.

Costs of the Voluntary Administration process

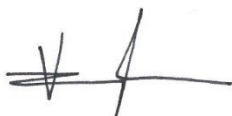
Attached to this circular is our *Initial Remuneration Notice*, which provides you with information about how we propose to be paid for undertaking the Voluntary Administration.

We will seek approval of our remuneration at the second meeting of creditors. We will provide you with further information regarding our remuneration before that meeting, detailing the tasks that I have attended to will be required to attend to, and the costs of those tasks.

Further information

If you have any information that you think may help with the Administration of the Companies, the going concern sale or help the Administrators with the investigations into the Companies' affairs, please contact us at the contact details enclosed. For queries about the forthcoming meeting or the administration generally, please refer to the attached *Administrators' background and contact details*.

Yours faithfully



Vaughan Strawbridge

Joint and Several Administrator

SCHEDULE A – Companies subject to Voluntary Administration

Company	ACN
Mosaic Brands Limited	003 321 579
Noni B Holdings Pty Limited	614 340 537
Noni B Holdings 2 Pty Ltd	626 335 760
Millers Retail Pty Ltd	626 380 309
Autograph Retail Pty Ltd	626 380 390
Pretty Girl Fashion Group Holdings Pty Ltd	089 304 941
Pretty Girl Fashion Group Pty Ltd	051 283 900
Crossroads Retail Pty Ltd	626 380 541
Katies Retail Pty Ltd	626 380 158
Rivers Retail Holdings Pty Ltd	626 380 934
W.Lane Pty Ltd	003 115 124
Noni B Holdco Pty Ltd	627 001 389
EziBuy Pty Ltd	058 215 722

NOTICES AND ATTACHMENTS INCLUDED IN THIS CIRCULAR

The administration will be conducted on the basis of the information contained in the following notices and attachments:

- **Administrators' background and contact details**
- **Important statements for all creditors and suppliers**
- **Details and notices for the first meeting of creditors**
 - Guidance notes for completing proxy and proof of debt or claim forms;
 - Notice of First Meeting of Creditors of the Company under Administration;
 - Form - Appointment of Proxy;
 - Formal Proof of Debt or Claim Form (for voting purposes);
- **Independence and remuneration disclosures**
 - Initial advice to creditors – basis of remuneration;
 - FTI Consulting Standard Rate schedule; and
 - The Administrators' Declaration of Independence, Relevant Relationships and Indemnities.
- **Information sheets about your rights and the voluntary administration process**
 - Information regarding your rights as a creditor;
 - Information sheet called *"Insolvency information for directors, employees, creditors and shareholders"*;
 - Additional information sheets on the administration process can be obtained at www.asic.gov.au (search for "insolvency information sheets") or www.arita.com.au/creditors.

ADMINISTRATORS' BACKGROUND AND CONTACT DETAILS

About us

We, Vaughan Strawbridge, Kathryn Evans, Kate Warwick and David McGrath are Senior Managing Directors at FTI Consulting (Australia) Pty Ltd. We are all Registered Liquidators and also Professional Members of the Australian Restructuring Insolvency and Turnaround Association ("ARITA").

FTI Consulting specialises in corporate finance and restructuring and is part of FTI Consulting, Inc. a global business advisory firm dedicated to helping organisations protect and enhance enterprise value. You can find out more at www.fticonsulting-asia.com.

Creditor enquiries – first meeting of creditors and general matters

For queries about the forthcoming meeting or the administration generally, please contact this office by one of the following methods:

Telephone: (02) 8247 8000

Email: mosaicbrands.creditors@fticonsulting.com

Post: PO Box R367, ROYAL EXCHANGE NSW 1225

IMPORTANT STATEMENTS FOR ALL CREDITORS AND SUPPLIERS

Control by the Receivers & Managers

The Receivers and Managers are in control of the Companies' assets, including the Companies' ongoing trading status.

For all matter relating to ongoing supply, trading and employment, please contact KPMG via email at MOZcreditors@kpmg.com.au.

Position of Administrators

Notwithstanding, the Receivers & Managers have control of the assets and trading of the Companies, the Administrators confirm:

- The Administrators are not personally adopting, and will not adopt, any agreement or contract that you may have with the Companies. The Administrators will not be liable for any liability of the Company under any agreement or contract with you.
- The Administrators cannot pay any creditor's debts or claims that arise from circumstances or arrangements that were in place with the Companies before the Administrators' appointment. Payment of these amounts will depend on the outcome of the administration.

Protection of Companies' property and general restrictions on third party rights during the Administration

Without leave of the Court, or the Administrators' written consent:

- A proceeding in a court against the Companies or in relation to any of its property cannot be begun or proceeded with;
- Except for perishable property – owners, lessors and creditors with security interests in the Companies' property, cannot enforce their security interest, sell any such property they hold, and are not entitled to take possession or otherwise recover such property; and
- No enforcement process in relation to property of the Companies can be begun or proceeded with.

See sections 440B to 440F of the Corporations Act 2001 for further details.

DETAILS AND NOTICES FOR THE FIRST MEETING OF CREDITORS

NOTICE OF THE FIRST MEETING OF CREDITORS OF COMPANY UNDER ADMINISTRATION

The agenda for the meeting is set out in the notice.

This meeting is being held virtually. Although there is no physical place where creditors are able to attend the meeting, I am required under law to nominate a notional place for the meeting for administrative purposes such as establishing a time for the meeting. The notional place for this meeting is set out in the Notice of First Meeting of Creditors. PLEASE DO NOT ATTEND THIS LOCATION.

Attendance at this meeting is not compulsory.

Video conferencing, including telephone facilities are available for those creditors wishing to attend virtually. Should you wish to attend the virtual meeting and would like to vote, you must register and complete the relevant forms and provide them by 1:00PM AEDT on Wednesday, 6 November 2024 to mosaicbrands.creditors@fticonsulting.com.

If you wish to attend by telephone, please contact mosaicbrands.creditors@fticonsulting.com by 1:00PM AEDT on Wednesday, 6 November 2024.

Meeting registration form

If you wish to attend the first meeting of creditors, you must register via the link below by 1:00PM AEDT on Wednesday, 6 November 2024.

Meeting registration link: <https://forms.office.com/r/6Pbd7jGarx>

If you do not register for the meeting, you may be considered an observer and you will not be able to vote.

Guidance for completing proxy and proof of debt forms

Form – Appointment of Proxy

This form should be completed if you intend to appoint another person to act on your behalf at the meeting, or if you are a corporate creditor. If the creditor is a company or a firm, a person needs to be appointed to represent the company.

Please note that if you are a creditor of more than one Company, you must complete a new Appointment of Proxy for the other Company/s.

This representative needs to be appointed by completing the Form of Proxy in accordance with section 127 of the *Corporations Act 2001* (“the Act”). Alternatively, the appointed person must be authorised to act as a representative for the company per section 250D of the Act.

The Form of Proxy is valid only for the meeting indicated (or any adjournment).

You may appoint either a **general proxy** (a person who may vote at their discretion on motions at the meeting) or a **special proxy** (who must vote according to your directions). If you appoint a special proxy, you should indicate on the form what directions you have given. In many instances, there will be a box or section on the proxy form where you can mark how you want your proxy to vote for you.

If you are unable to attend the meeting and you do not have a representative who can attend on your behalf, you may if you wish appoint the Chairperson of the Meeting as your proxy. The Chairperson can be appointed as a general proxy or a special proxy. This is entirely your choice.

Form - Formal proof of debt or claim

This form allows you to tell us what you are owed by the Companies. You must send us a completed form if you wish to vote at the meeting.

Please note that if you are a creditor of more than one Company, you must complete a new Proof of Debt for the other Company/s.

Return to:

Email: mosaicbrands.creditors@fticonsulting.com

Post: PO Box R367, ROYAL EXCHANGE NSW 1225

The proof of debt submitted during an administration is informal in that it does not mean that the Administrators have agreed with your proof for the purpose of making a dividend distribution.

It is used for voting purposes at any meetings of creditors and also to help establish the overall level of creditor claims in the Administrations. In the event that there are monies to be distributed to creditors in the future, you will need to submit a Formal Proof of Debt or Claim form.

You should include a description of how your debt/claim arose, whether you are claiming a security interest in property and if you have any guarantees and indemnities for the debt. If you need more space, you can attach any additional details you wish to include – just make sure that you mention this on the Form, so we know what you’ve attached and how many pages.

You should provide supporting documents that substantiate what you are owed by the Companies. This may include things like account statements, unpaid invoices and their corresponding purchase orders, PPSR registration, agreements/terms of trade, contracts, lease or hire agreements, court order or judgment, guarantee or loan document, emails/other correspondence with the Companies.

If you need help in completing the forms or if you are uncertain what information you should attach, please email or telephone the nominated FTI Consulting contact person

NOTICE OF FIRST MEETING OF CREDITORS OF THE COMPANY UNDER ADMINISTRATION

**MOSAIC BRANDS LIMITED ACN 003 321 579
AND ITS SUBSIDIARIES AS LISTED IN SCHEDULE A
(TOGETHER “THE COMPANIES”)
(ALL ADMINISTRATORS APPOINTED) (ALL RECEIVERS & MANAGERS APPOINTED)**

On 28 October 2024, the Companies, under Section 436A, appointed Vaughan Strawbridge, Kathryn Evans, Kate Warwick and David McGrath of FTI Consulting, Level 22, 1 Macquarie Place, SYDNEY NSW 2000, as Joint and Several Administrators of the Companies.

- 1) Notice is now given that a first meeting of the creditors of the Companies will be held concurrently at 11:00AM AEDT on Thursday, 7 November 2024 via electronic facilities (Zoom Meeting).

The meeting is being held virtually and all creditors wanting to attend the meeting are required to attend via Zoom. Although there is no physical place where creditors are able to attend the meeting, I am required under law to nominate a notional place for the meeting for administrative purposes such as establishing the time of the meeting. The notional place for this meeting is: at FTI Consulting, Level 22, 1 Macquarie Place, SYDNEY NSW 2000. PLEASE DO NOT ATTEND AT THIS LOCATION.

Further details regarding the meeting will be provided once a creditor has registered their attendance for the meeting.

If you wish to attend the meeting, you must register at the below link and return the below forms on or before 1:00PM AEDT on Wednesday, 6 November 2024 to mosaicbrands.creditors@fticonsulting.com.

Required forms:

- Meeting registration:
- Form – Appointment of Proxy; and
- Form – Formal Proof of Debt or Claim.

A link to view the meeting will subsequently be sent to you by email.

Please note your name will be visible to other attendees of the meeting and in the meeting documents we prepare and lodge with ASIC.

- 2) The purpose of the meeting is to determine:
 - a) Whether to appoint a committee of inspection; and

- b) If so, who are to be the committee's members.
- 3) At the meeting, creditors may also, by resolution:
 - a) Remove the administrator(s) from office; and
 - b) Appoint someone else as administrator(s) of the Company.
- 4) Discuss any other relevant business which may arise.

Dated 29 October 2024

A handwritten signature in black ink, appearing to read 'V. Strawbridge', with a horizontal line extending to the right.

Vaughan Strawbridge

Joint and Several Administrator

C/- FTI Consulting

Level 22

1 Macquarie Place

SYDNEY NSW 2000

FORM - APPOINTMENT OF PROXY**MOSAIC BRANDS LIMITED ACN 003 321 579****AND THE ENTITIES LISTED IN SCHEDULE A****(TOGETHER "THE COMPANIES")****(ALL ADMINISTRATORS APPOINTED) (ALL RECEIVERS & MANAGERS APPOINTED)**

Select one (1) of the Company/s that applies. Please tick only one Company that you are a creditor of (if you are a creditor of more than one Company, you **must** complete a new Appointment of Proxy for the other Company/s).

Schedule A

Company name	ACN	ABN	Tick only ONE
Mosaic Brands Limited	003 321 579	96 003 321 579	<input type="checkbox"/>
Noni B Holdings Pty Limited	614 340 537	74 614 340 537	<input type="checkbox"/>
Noni B Holdings 2 Pty Ltd	626 335 760	53 626 335 760	<input type="checkbox"/>
Millers Retail Pty Ltd	626 380 309	54 626 380 309	<input type="checkbox"/>
Autograph Retail Pty Ltd	626 380 390	72 626 380 390	<input type="checkbox"/>
Pretty Girl Fashion Group Holdings Pty Ltd	089 304 941	51 089 304 941	<input type="checkbox"/>
Pretty Girl Fashion Group Pty Ltd	051 283 900	54 051 283 900	<input type="checkbox"/>
Crossroads Retail Pty Ltd	626 380 541	19 626 380 541	<input type="checkbox"/>
Katies Retail Pty Ltd	626 380 158	18 626 380 158	<input type="checkbox"/>
Rivers Retail Holdings Pty Ltd	626 380 934	97 626 380 934	<input type="checkbox"/>
W.Lane Pty Ltd	003 115 124	46 003 115 124	<input type="checkbox"/>
Noni B Holdco Pty Ltd	627 001 389	13 627 001 389	<input type="checkbox"/>
EziBuy Pty Ltd	058 215 722	14 058 215 722	<input type="checkbox"/>

I/We _____ (name of signatory)
of _____ (creditor name)
a creditor of the Company, appoint _____ (name of proxy)
of _____ (address of proxy)
or in his/her absence _____ (details of alternate proxy)

as my/our general proxy or special proxy to vote at the meeting of creditors to be held on 11:00AM AEDT on Thursday, 7 November 2024 or at any adjournment of that meeting.

Voting instructions - for special proxy only	For	Against	Abstain
Resolution			
1. To appoint a committee of inspection.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. That members of the Committee of Inspection and related parties of members are entitled to enter into arms-length transactions or dealings in the ordinary course with the Administrators, Company or it's creditors.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. To remove the Administrators and appoint someone else as administrator(s) of the above company.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

*I/*We authorise *my/*our proxy to vote as a general proxy on resolutions other than those specified above (delete if not required)

Dated:

.....
Name and signature of authorised person

.....
Name and signature of authorised person

CERTIFICATE OF WITNESS – only complete if the person given the proxy is blind or incapable of writing.

I, of
certify that the above instrument appointing a proxy was completed by me in the presence of and at the request of the person appointing the proxy and read to him before he attached his signature or mark to the instrument.

Dated:

Signature of witness:

Description:

Place of residence:

FORM 535 – FORMAL PROOF OF DEBT OR CLAIM

**MOSAIC BRANDS LIMITED ACN 003 321 579
AND THE ENTITIES LISTED IN SCHEDULE A
(TOGETHER “THE COMPANIES”)**

(ALL ADMINISTRATORS APPOINTED) (ALL RECEIVERS & MANAGERS APPOINTED)

To the Administrators of Mosaic Brands Limited ACN 003 321 579 and its subsidiaries as listed in Schedule A (together, “the Companies”) (All Administrators Appointed) (All Receivers & Managers Appointed):

- Select one (1) of the Company/s that applies. Please tick only one Company that you are a creditor of (*if you are a creditor of more than one Company, you must complete a new Formal Proof of Debt for the other Company/s*).

Schedule A

Company name	ACN	ABN	Tick only ONE
Mosaic Brands Limited	003 321 579	96 003 321 579	<input type="checkbox"/>
Noni B Holdings Pty Limited	614 340 537	74 614 340 537	<input type="checkbox"/>
Noni B Holdings 2 Pty Ltd	626 335 760	53 626 335 760	<input type="checkbox"/>
Millers Retail Pty Ltd	626 380 309	54 626 380 309	<input type="checkbox"/>
Autograph Retail Pty Ltd	626 380 390	72 626 380 390	<input type="checkbox"/>
Pretty Girl Fashion Group Holdings Pty Ltd	089 304 941	51 089 304 941	<input type="checkbox"/>
Pretty Girl Fashion Group Pty Ltd	051 283 900	54 051 283 900	<input type="checkbox"/>
Crossroads Retail Pty Ltd	626 380 541	19 626 380 541	<input type="checkbox"/>
Katies Retail Pty Ltd	626 380 158	18 626 380 158	<input type="checkbox"/>
Rivers Retail Holdings Pty Ltd	626 380 934	97 626 380 934	<input type="checkbox"/>
W.Lane Pty Ltd	003 115 124	46 003 115 124	<input type="checkbox"/>
Noni B Holdco Pty Ltd	627 001 389	13 627 001 389	<input type="checkbox"/>
EziBuy Pty Ltd	058 215 722	14 058 215 722	<input type="checkbox"/>

- This is to state that the Company was on 28 October 2024, and still is, justly and truly indebted to:

.....
.....

(full name, ABN and address of the creditor and, if applicable, the creditor's partners)

for \$(dollars and cents)

Particulars of the debt are:

Date	Consideration	Amount (\$/c)	Remarks
	(state how the debt arose)		(include details of voucher substantiating payment)

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

.....

(insert particulars of all securities held. If the securities are on the property of the company, assess the value of those securities. If any bills or other negotiable securities are held, show them in a schedule in the following form).

Date	Drawer	Acceptor	Amount (\$/c)	Due Date

4. Signed by (*select correct option*):

- I am the creditor personally

- 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, remains unpaid and unsatisfied

- I am the creditor's agent authorised in writing to make this statement in writing. I know the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied.

Signature: Dated:

Name: Occupation:

Address:

** If prepared by an employee or agent of the creditor, also insert a description of the occupation of the creditor*

RECEIVE REPORTS BY EMAIL	YES	NO
Do you wish to receive all future reports and correspondence from our office via email?	<input type="checkbox"/>	<input type="checkbox"/>
Email:		

If being used for the purpose of voting at a meeting:

- a) Is the debt you are claiming assigned to you? Yes No

- b) If yes, attach written evidence of the debt, the assignment and consideration given. Attached

- c) If yes, what value of consideration did you give for the assignment (eg, what amount did you pay for the debt?) \$

- d) f yes, are you a related party creditor of the Company? Yes No
(If you are unsure contact the Administrator)

INITIAL ADVICE TO CREDITORS – BASIS OF ADMINISTRATORS' REMUNERATION

Remuneration methods

There are four basic methods that can be used to calculate the remuneration charged by an insolvency practitioner. They are:

Time based / hourly rates

This is the most common method. The total fee charged is based on the hourly rate charged for each person who carried out the work multiplied by the number of hours spent by each person on each of the tasks performed.

Fixed fee

The total fee charged is normally quoted at the commencement of the Voluntary Administration and is the total cost for the Voluntary Administration. Sometimes a practitioner will finalise a Voluntary Administration for a fixed fee.

Percentage

The total fee charged is based on a percentage of a particular variable, such as the gross proceeds of assets realisations.

Contingency

The practitioner's fee is structured to be contingent on a particular outcome being achieved.

Method proposed

We propose that our remuneration is calculated on a time basis. We believe this method is appropriate as it ensures that only the actual work performed is charged for. There are also various tasks required to be completed which do not involve the realisation of assets, such as reporting to ASIC, undertaking investigations, corresponding with creditors and answering their queries, and completing other statutory tasks required by law.

Estimate of remuneration for the Voluntary Administrations

We estimate our remuneration for undertaking the a will be approximately \$2,500,000 to \$3,000,000 (exclusive of GST), subject to the following variables which may have a significant effect on this estimate and that we are unable to determine until the Voluntary Administration has commenced:

- The full scope and extent of necessary work (from experience, unforeseen matters typically arise and may require us to perform additional work beyond that currently anticipated).
- The extent of the sale process.
- The actual length of the administration itself (including whether or not the second meeting of creditors is adjourned)

- The extent of work to assess any deed of company arrangement that may be proposed.

We intend to enter into an agreement with the Receivers & Managers of the Companies to contribute to the estimated costs of the voluntary administration up to \$3,000,000. This has been disclosed in my declaration of relevant relationships and indemnities.

Explanation of hourly rates

The rates for our remuneration calculation are attached together with a general guide showing the qualifications and experience of staff that will be engaged in the Voluntary Administration and the role they take in the Voluntary Administration. The hourly rates charged encompass the total cost of providing professional services and should not be compared to an hourly wage.

Disbursements

Disbursements are divided into three types:

- Externally provided professional services - these are recovered at cost. An example of an externally provided professional 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.

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' approval for the payment of internal disbursements which were not charged at cost (and which may therefore have a profit or advantage attached to them), prior to these disbursements being paid from the Administration. These disbursements typically would include internal photocopying, printing and facsimile costs. However, as we do not charge our external administrations for internally-generated FTI disbursements where they have not been charged at cost (such as photocopying and printing charges for the use of internal photocopiers, printers, etc.), creditor approval is not required.

Details of the basis of recovering internal and external disbursements in this Administration are provided in the table below. Full details of any actual costs incurred will be provided with future reporting.

FTI Disbursements Schedule

Disbursement type	Charge Type	Charge Rate (excl GST)
Advertising	External, non-professional	At cost
ASIC Industry Funding Model Levy – metric events	External, non-professional	At cost (at prescribed ASIC rates)
Couriers and deliveries	External, non-professional	At cost
Data Room Charges	External, professional	At cost
Facsimile	Internal (FTI)	Not charged
Legal Fees	External, professional	At cost
Mail out	Internal (FTI)	20 cents per email
Postage	External, non-professional	At cost
Photocopying – internal	Internal (FTI)	Not charged
Photocopying – outsourced	External, non-professional	At cost
Printing – internal	Internal (FTI)	Not charged
Printing – outsourced	External, non-professional	At cost
Records costs – storage, destruction, boxes	External, non-professional	At cost
Search fees	External, non-professional	At cost
Staff motor vehicle use - mileage	Cents per km	At prescribed ATO rates
Staff travel - accommodation, meals etc	External, non-professional	At cost
Stationery and other incidental disbursements	External, non-professional	At cost
Telephone	Internal (FTI)	Not charged
Valuation Fees	External, professional	At cost
Other externally provided professional services		At Cost
Other externally provided non-professional services		At Cost

FTI Consulting CF&R Standard Rates effective 1 July 2024 (excluding GST)

Typical classification	Standard Rates \$/hour	General guide to classifications
Senior Managing Director 2	950	Registered Liquidator and/or Trustee or corporate advisory professional, with extensive specialist skills, experience in all forms of insolvency engagements, turnaround scenarios or restructures over many years. A market leader with proven leadership experience in business or industry, bringing recognised specialist expertise and knowledge to the engagement.
Senior Managing Director 1	850	Registered Liquidator and/or Trustee or corporate advisory professional, with specialist skills and experience in all forms of insolvency engagements, turnaround scenarios and restructures. Proven leadership experience in business or industry, bringing specialist expertise and knowledge to the engagement.
Managing Director	750	Broad specialist skills brought to the engagement. Extensive experience in managing large, complex engagements at a senior level over many years. May also be a Registered Liquidator and/or Trustee or has extensive leadership/senior management experience in business or industry.
Senior Director	670	Strong technical and commercial skill with significant experience in managing all types of large, complex engagements. Alternatively, has significant senior management experience in business or industry, with specialist skills and/or qualifications.
Director	625	Significant experience across all types of engagements. Strong technical and commercial skills. Has primary conduct of small to medium engagements, managing a team of professionals. Alternatively, has senior management experience in business or industry, with specialist skills and/or qualifications.
Senior Consultant	540	Typically studying to become or qualified to be a professional member of the Australian Restructuring Insolvency & Turnaround Association. Well developed technical and commercial skills. Has experience in large and complex engagements and may have primary conduct of small engagements, supervising a small team of professionals.
Consultant	440	Typically qualified chartered accountant and member of Chartered Accountants Australia & New Zealand (or similar). Required to control the tasks on small engagements or responsible for select aspects on medium to large-sized engagements under supervision of senior staff.
Associate	375	Typically a degree qualified accountant, who assists with day-to-day tasks under the supervision of senior staff.
Treasury	340	Typically, qualified accountant and/or bookkeeper. Undertakes treasury activities and is skilled in bookkeeping and funds handling activities.
Junior Associate	275	Undergraduate in the latter stage of their university degree.
Administration 2	295	Well developed administrative skills with significant experience supporting professional staff, including superior knowledge of software packages, personal assistance work and/or office management.
Administration 1	230	Has appropriate skills and experience to support professional staff in an administrative capacity.

The FTI Consulting Standard Rates above apply to the Corporate Finance & Restructuring practice and are subject to periodical review.

DECLARATION OF INDEPENDENCE, RELEVANT RELATIONSHIPS AND INDEMNITIES

MOSAIC BRANDS LIMITED (ACN 003 321 579)
NONI B HOLDINGS PTY LIMITED (ACN 614 340 537)
NONI B HOLDINGS 2 PTY LTD (ACN 626 335 760)
MILLERS RETAIL PTY LTD (ACN 626 380 309)
AUTOGRAPH RETAIL PTY LTD (ACN 626 380 390)
PRETTY GIRL FASHION GROUP HOLDINGS PTY LTD (ACN 089 304 941)
PRETTY GIRL FASHION GROUP PTY LTD (ACN 051 283 900)
CROSSROADS RETAIL PTY LTD (ACN 626 380 541)
KATIES RETAIL PTY LTD (ACN 626 380 158)
RIVERS RETAIL HOLDINGS PTY LTD (ACN 626 380 934)
W.LANE PTY LTD (ACN 003 115 124)
NONI B HOLDCO PTY LTD (ACN 627 001 389)
EZIBUY PTY LTD (ACN 058 215 722)

(“the Mosaic Group” or “Group”)

(All Administrators Appointed)(All Receivers & Managers Appointed)

The purpose of this document is to assist creditors with understanding any relevant relationships that we have with parties who are closely connected to the Group 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 ourselves, our fellow Senior Managing Directors/Managing Directors, FTI Consulting (Australia) Pty Ltd (FTI Consulting or Firm) and associated entities, as detailed in **Annexure A**.

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

FTI Consulting (Australia) Pty Limited

ABN 49 160 397 811 | ACN 160 397 811 | AFSL Authorised Representative # 001269325

Level 22, Gateway | 1 Macquarie Place | Sydney NSW 2000 | Australia

Postal Address | PO Box R367 | Sydney NSW 1225 | Australia

+61 2 8247 8000 telephone | fticonsulting.com

Independence

We have assessed our independence and we are not aware of any reasons that would prevent us from accepting this appointment.

There are no other known relevant relationships, including personal, business and professional relationships that should be disclosed beyond those we have disclosed in this document.

Circumstances of appointment

How we were referred this appointment

This appointment was referred to FTI Consulting by Nicholas Edwards, partner at Hamilton Locke, who are the lawyers for Mosaic Brands Limited.

We believe that this referral does not result in us having a conflict of interest or duty because:

- FTI Consulting has a professional relationship with Hamilton Locke lawyers, who are advising the Group. Hamilton Locke refers work to FTI Consulting from time to time. Neither the Administrators nor FTI Consulting have any formal or informal referral arrangements with Hamilton Locke, and to our knowledge they do not exclusively refer such work to us or FTI Consulting.
- FTI Consulting is not reliant upon referrals from Hamilton Locke, who are one of a considerable number of firms, organisations and persons who refer work to, or seek advice from, FTI Consulting. This engagement is not financially significant to FTI Consulting and the receiving or otherwise of other referrals from Hamilton Locke is not material to FTI Consulting.
- Work referrals arising from networks of business professionals, advisors and other persons are normal and accepted arrangements, and do not inherently impact on us discharging our statutory duties and obligations with independence and impartiality.
- There is no expectation, agreement or understanding between the Administrators and Hamilton Locke about the conduct of this administration and we are free to act independently and in accordance with the law and the requirements of the ARITA Code of Professional Practice.
- While FTI Consulting has in the past engaged Hamilton Locke to provide legal advice, this has been for separate, non-related insolvency/restructuring engagements. Hamilton Locke is one of many external firms who provide such advice and assistance to FTI Consulting from time to time, which is on a non-exclusive basis and based upon professional service and expertise.

Did we meet with the Company or the directors or their advisers before we were appointed?

Yes No

On 4 September 2024, FTI Consulting signed an engagement letter with Mosaic Brands Limited to provide contingency planning services in relation to the Group for a potential voluntary administration appointment should one occur.

This engagement was conducted during the period 4 September and 25 October 2024. Specifically, we:

- Obtained information from the Group with the objective of developing an understanding of the current stakeholders, structure, operations and performance;
- Reviewed the cash flow forecast for reasonableness of the underlying assumptions and confirmed the funding requirement (if any) across various scenarios; and
- Conducted planning for a potential voluntary administration of the Group, including developing an understanding of the scope of a potential appointment, stakeholder communication plans, and other key planning issues and considerations as required for this type of appointment.

In conducting this engagement we had various teleconferences and email exchanges with the Group to obtain information and ask questions on the information provided.

While we have undertaken a portion of the scope of works, we have not issued a draft report given the timing of the appointment. We have received remuneration of \$225,000 (excluding GST) in advance of works being undertaken. Any time costs incurred in excess of the funds received in advance have not, and will not, be invoiced. Our communications in respect to this engagement are described at Annexure A.

This work was limited to the contingency planning services as described above. For the avoidance of doubt, the engagement did not involve:

- Providing advice to the Group relating to issues beyond commentary on the Group's cashflow and contingency planning for a potential appointment of voluntary administrators to the Group per our specific engagement terms;
- Preparing or revising any of the Group's cashflow forecasts or financial reports for use by the Group or providing any recommendations or opinions relating to the adequacy or otherwise of same;
- Negotiating for an expected, pre-determined or contrived outcome in relation to the assets or liabilities of the Group;
- Negotiating with creditors, stakeholders or financiers;
- Sourcing alternative funding for the Group;
- Providing safe harbour advice;
- Providing advice to the Group's creditors or stakeholders in relation to management of the Group; or
- Providing advice to any of the Groups' boards or individual directors on their duties under the *Corporations Act 2001* (Cth) (**Corporations Act**) or the management of the Group.

In our opinion, these engagements do not affect our independence for the following reasons:

- The nature of the work undertaken by us is such that it would not be subject to review and challenge during the voluntary administration of any of the companies in the Group;
- The total fees paid in respect of this engagement (\$225,000 excluding GST) is immaterial to both the Group and FTI Consulting; and
- This engagement will not influence our ability to fully comply with the statutory and fiduciary obligations associated with the voluntary administrations of the Group in an objective and impartial manner.

We also note that:

- The voluntary administration of the Group will be complex given the size the Group. In particular:
 - The Group consists of 14 entities, currently operating under 13 brand umbrellas with operations spread across multiple entities.
 - It employs over 2,700 people and operates over 650 stores across Australia.
 - The Group's operations are currently undergoing significant change as the Group was initiating major restructuring plans prior to our appointment.
 - The Group operates a central shared service and treasury function, servicing multiple entities, with separate security structures sitting across the Group as a whole.
- While noting the points raised in the preceding paragraph, the contingency planning work completed by us to date will enable the voluntary administration to commence from a more advanced position of knowledge that will benefit all stakeholders, which is particularly beneficial given the size, complexity and multitude of stakeholders impacted by the voluntary administration.
- Additionally, the contingency planning work has enabled us to develop an understanding of the Group which provides the opportunity for us to consider, manage and mitigate risks, as well as enabling us to take proactive steps to limit the potential costs of the voluntary administration (both expenses and remuneration) which will be for the benefit of stakeholders including creditors.

The Courts and the applicable professional standards specifically recognise the need for practitioners to provide advice on the insolvency process and the options available and do not consider that any of the advice that we have provided under our engagement outlined above results in a conflict or an impediment to accepting our appointment as voluntary administrators of the Group companies.

Our communications in respect to this engagement are described at Annexure A. In our opinion, these meetings do not affect our independence for the following reasons:

- The Courts and relevant professional bodies recognise the need for practitioners to provide advice on the insolvency process and the options available and do not consider that such advice results in a conflict or is an impediment to accepting the appointment.
- The nature of the advice provided to the Group is such that it would not be subject to review and challenge during the course of our appointment.
- No advice has been given to the directors in their capacity as directors of the Group, or in relation to their personal circumstances.
- The pre-appointment advice will not influence our ability to be able to fully comply with the statutory and fiduciary obligations associated with the appointment as voluntary administrators of the Group in an objective and impartial manner.

We have provided no other information or advice to the Group and its advisors prior to our appointment beyond that outlined in this DIRRI.

Declaration of Relationships

Within the previous 2 years we or our firm have had a relationship with:

Any of the companies in the Group	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>Need to confirm if other engagements?</i>
The directors	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <p>Vaughan Strawbridge of FTI Consulting has known Richard Facioni for a number of years in a professional manner and has spoken to Richard about retail industry trends and issues from time to time. There is no referral arrangement in place or agreement with respect to the provision of services. This does not impact our independence or impact us in discharging our statutory duties and obligations.</p> <p>Kate Warwick of FTI Consulting is known to Quentin Gracanin in a professional manner and has spoken to Quentin about retail industry trends and issues from time to time. There is no referral arrangement in place or agreement with respect to the provision of services. This does not impact our independence or impact us in discharging our statutory duties and obligations.</p>
Any associates of the Company?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <p>We were appointed administrators to the companies in the Group on the same day. In addition, we were also appointed voluntary administrators to the New Zealand entity Noni B Holdings NZ Limited (CN 6891755), a</p>

wholly owned subsidiary of Mosaic Brands Limited. All entities with the exception of Noni B Holdco Pty Ltd (ACN 627 001 389) and EziBuy Pty Ltd (ACN 058 215 722) are subject to a Deed of Cross Guarantee. We are aware there are inter-company transactions between the companies in the Group.

We have obligations in respect of each of the companies individually (as defined in section 435A of the Corporations Act and not to the Group as a whole. As such, it is acknowledged that potential conflicts could possibly arise in the course of carrying out our duties in respect of each company in the Group. At the time of our appointment we are not aware of any conflicts of interest between the companies in the Group. Should such a conflict arise, we will keep creditors informed and take appropriate action to resolve the conflict.

The companies in the Group operate as one business. We are of the view that the appointment to the Group will have significant benefits to the conduct of the voluntary administrations, particularly as this will offer cost savings and will facilitate a comprehensive and accurate understanding of the activities and financial position of the Group as a whole.

A former insolvency practitioner appointed to the Company?

Yes No

A secured creditor entitled to enforce a security over the whole or substantially the whole of the Company's property?

Yes No

FTI Consulting has a professional relationship with Hilco Capital, secured lender to Mosaic Brands Limited via HUK 137 Limited. This relationship involves seeking their participation (amongst other potential financiers within the debt capital markets generally) in providing loan facilities to clients where we are engaged to provide debt advisory services. It also involves providing financial advisory services to companies where Hilco Capital are the secured lender. We have never undertaken any work for any of the secured lenders of the Group in respect to any companies within the Group.

We do not consider the professional relationship between FTI Consulting and Hilco Capital to present a conflict as the relationship with Hilco Capital does not restrict us from properly exercising our judgement and duties in relation to our appointment.

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

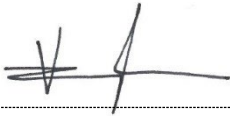
Yes No

Indemnities and up-front payments

We have not received any up-front payments or indemnities for this appointment. We intend to enter into an agreement with the Receivers & Managers of the Companies to contribute to the estimated costs of the voluntary administration up to \$3,000,000. This does not include any indemnities we may be entitled to under the law.

Any remuneration drawn is subject to the approval of creditors or the Court, in accordance with the provisions of the Corporations Act.

Dated 29 October 2024



Vaughan Strawbridge



Kate Warwick



Kathryn Evans



David McGrath

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 or Bankruptcy Act 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.*

ANNEXURE A

FTI Consulting (Australia) Pty Ltd and associated entities

FTI Consulting Inc (ultimate holding entity)

FTI Consulting – FD Australia Holdings Pty Ltd

FTI Consulting (Australia) Pty Ltd

FTI Technology (Sydney) Pty Ltd

FTI Consulting (Perth) Pty Ltd

FTI Consulting (Sydney) Pty Ltd

FTI Capital Advisors (Australia) Pty Ltd

FTI Consulting Australia Nominees Pty Ltd

ANNEXURE B

Interactions between FTI Consulting staff and Group representatives/other third parties during the period August 2024 and October 2024

Date	Medium	FTI Consulting attendees	External attendees	Agenda/purpose/discussion
6/08/2024 to 30/08/2024	Various telephone calls	Vaughan Strawbridge	Nicholas Edwards	<ul style="list-style-type: none"> General enquiry with respect to the Group and if FTI Consulting could provide any assistance to the Group
6/08/2024	Telephone call	Vaughan Strawbridge	Richard Facioni	<ul style="list-style-type: none"> General enquiry with respect to the Group and if FTI Consulting could provide any assistance to the Group
02/09/2024	Email	Vaughan Strawbridge	Nicholas Edwards	<ul style="list-style-type: none"> Provided a draft engagement letter for the provision of advisory services to the Group
04/09/2024	Email	Vaughan Strawbridge	Richard Facioni Nicholas Edwards	<ul style="list-style-type: none"> Receipt of signed letter of engagement from Mosaic from Hamilton Locke lawyers
05/09/2024 to 25/10/2024	Various emails	Vaughan Strawbridge Kathryn Evans Matt O'Keefe	Richard Facioni Nicholas Edwards Erica Berchtold Key Management individuals Sam Marsden	<ul style="list-style-type: none"> Request for information, required to undertake scope of work under letter of engagement dated 4 September 2024 (Engagement Letter)
09/09/2024	Video - conference	Vaughan Strawbridge Kathryn Evans Matt O'Keefe	Richard Facioni Erica Berchtold Key Management individuals Nicholas Edwards Sam Marsden	<ul style="list-style-type: none"> Meeting to discussion information requested under Engagement Letter
16/09/2024	Video - conference	Kathryn Evans Matt O'Keefe Callum Greig	David Clarke Sam Marsden	<ul style="list-style-type: none"> Meeting to discuss information provided under Engagement Letter
19/09/2024	Email	Vaughan Strawbridge	Nicholas Edwards	<ul style="list-style-type: none"> Update on progress of engagement
01/10/2024	Video - conference	Vaughan Strawbridge Kate Warwick Ben Shrimpton	Lewis McMenamain Jeremy Nettlefold Peter Bowden Sam Marsden	<ul style="list-style-type: none"> Meeting to provide an update on the progress of the contingency planning and proposed strategy in the event an appointment occurred
03/10/2024	Meeting	Vaughan Strawbridge Kathryn Evans Matt O'Keefe	Richard Facioni Erica Berchtold Key Management individuals Nicholas Edwards	<ul style="list-style-type: none"> Meeting to provide an update on the progress of the engagement
11/10/2024	Meeting	Matt O'Keefe	Erica Berchtold	<ul style="list-style-type: none"> Meeting to provide an update on the progress of the engagement and discuss further information requirements

Date	Medium	FTI Consulting attendees	External attendees	Agenda/purpose/discussion
18/10/2024	Meeting	Vaughan Strawbridge Kathryn Evans Matt O'Keefe Callum Greig	Erica Berchtold Key Management individuals	<ul style="list-style-type: none"> Meeting for the purpose of obtaining information on the Group's operations.
19/10/2024	Meeting	Vaughan Strawbridge Kathryn Evans Matt O'Keefe Callum Greig	Erica Berchtold Key Management individuals	<ul style="list-style-type: none"> Meeting for the purpose of obtaining information on the Group's operations.
22/10/2024	Meeting	Vaughan Strawbridge Kathryn Evans Matt O'Keefe	Richard Facioni Erica Berchtold	<ul style="list-style-type: none"> Meeting to provide an update on the progress of the engagement and discuss further information requirements and addressing outstanding queries pertaining to the engagement.
24/10/2024	Meeting	Vaughan Strawbridge Kathryn Evans Matt O'Keefe Callum Greig	Erica Berchtold Key Management individuals	<ul style="list-style-type: none"> Meeting to provide an update on the progress of the engagement and discuss further information requirements and addressing outstanding queries pertaining to the engagement.
25/10/2024 to 27/10/2024	Various calls and video conferences	Vaughan Strawbridge Kathryn Evans Kate Warwick David McGrath Matt O'Keefe	Richard Facioni; Erica Berchtold; Key management; Sam Marsden; Nicholas Edwards and other staff of Hamilton Locke; KPMG partners Gayle Dickenson and David Hardy and other KPMG employees; Peter Bowden and other employees of Gilbert and Tobin; Lewis McMenamin; Jeremy Nettlefold	<ul style="list-style-type: none"> Discussions with respect to the appointment of Voluntary Administrators and Receivers and Managers Discussions with respect to a potential funding deed to cover the costs of the Voluntary Administration.
28/10/2024	Email	Vaughan Strawbridge	Nicholas Edwards	<ul style="list-style-type: none"> Provision of consents to act as voluntary administrators of the Group.

Non FTI Consulting staff positions held at the date of interactions

Name	Position/title held	Representing
Nicholas Edwards	Partner, Hamilton Locke	Mosaic Brands Limited
Richard Facioni	Chairman	Mosaic Brands Limited
Erica Berchtold	Chief Executive Officer	Mosaic Brands Limited
Sam Marsden	Partner, Deloitte	Advisor
Lewis McMEnamin	Hilco Capital	Secured Lender
Jeremy Nettlefold	Hilco Capital	Secured Lender
Peter Bowden	Partner, Gilbert and Tobin Lawyers	Secured Lender

Creditor Rights in Voluntary Administrations

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



Right to request information

Information is communicated to creditors in a voluntary administration through reports and meetings.

In a voluntary administration, two meetings of creditors are automatically held. You should expect to receive reports and notice of these meetings:

- The first meeting is held within 8 business days of the voluntary administrator's appointment. A notice of meeting and other information for this meeting will be issued to all known creditors.
- The second, or decision, meeting is usually held within 6 weeks of the appointment, unless an extension is granted. At this meeting, creditors will get to make a decision about the company's future. Prior to this meeting the voluntary administrator will provide creditors with a notice of the meeting and a detailed report to assist in making your decision.

Important information will be communicated to creditors prior to and during these meetings. Creditors are unable to request additional meetings in a voluntary administration.

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

A voluntary administrator 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 voluntary administrator 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:

- (a) complying with the request would prejudice the interests of one or more creditors or a third party
- (b) the information requested would be privileged from production in legal proceedings
- (c) disclosure would found an action for breach of confidence
- (d) there is not sufficient available property to comply with the request
- (e) the information has already been provided
- (f) the information is required to be provided under law within 20 business days of the request
- (g) the request is vexatious

If a request is not reasonable due to (d), (e) or (f) above, the voluntary administrator must comply if the creditor meets the cost of complying with the request.

Otherwise, a voluntary administrator must inform a creditor if their information request is not reasonable and the reason why.

Specific questions about the voluntary administration should be directed to the voluntary administrator's office.

Right to give directions to voluntary administrator

Creditors, by resolution, may give a voluntary administrator directions in relation to a voluntary administration. A voluntary administrator must have regard to these directions, but they are not required to comply with the directions.

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

An individual creditor cannot provide a direction to a voluntary administrator.

Right to appoint a reviewing liquidator

Creditors, by resolution, may appoint a reviewing liquidator to review a voluntary administrator's remuneration or a cost or expense incurred in a voluntary administration. 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 voluntary administration, in priority to creditor claims.

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

Right to replace voluntary administrator

At the first meeting, creditors have the right to remove a voluntary administrator and appoint another registered liquidator to act as voluntary administrator.

A creditor must ensure that they have a consent from another registered liquidator prior to the first meeting if they wish to seek the removal and replacement of a voluntary administrator.

Creditors also have the opportunity to replace a voluntary administrator at the second meeting of creditors:

- If creditors vote to accept a proposed deed of company arrangement, they can appoint a different registered liquidator as the deed administrator.
- If creditors vote to place the company into liquidation, they can appoint a different registered liquidator as the liquidator.

It is however usual for the voluntary administrator to act as deed administrator or liquidator. It would be expected that additional costs would be incurred by an alternate deed administrator or liquidator to gain the level of knowledge of the voluntary administrator.

Like with the first meeting, a creditor must ensure that they have a consent from another registered liquidator prior to the second meeting if they wish to seek to appoint an alternative registered liquidator as deed administrator or liquidator.

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



Home

> Regulatory resources

> Insolvency

> Insolvency information for directors, employees, creditors and shareholders

Insolvency information for directors, employees, creditors and shareholders

This information sheet (INFO 39) lists ASIC's information sheets for directors, employees, creditors and shareholders affected by a company's insolvency.

We have produced these with endorsement from the Australian Restructuring Insolvency & Turnaround Association (ARITA).

The information sheets give a basic understanding of the three most common company insolvency procedures – liquidation, voluntary administration and receivership – as well as the independence requirements for external administrators and approving external administrator remuneration. There is also a glossary of commonly used insolvency terms.

List of information sheets

- [INFO 41](#) Insolvency: A glossary of terms
- [INFO 42](#) Insolvency: A guide for directors
- [INFO 43](#) Insolvency: A guide for shareholders
- [INFO 45](#) Liquidation: A guide for creditors
- [INFO 46](#) Liquidation: A guide for employees
- [INFO 54](#) Receivership: A guide for creditors
- [INFO 55](#) Receivership: A guide for employees
- [INFO 74](#) Voluntary administration: A guide for creditors
- [INFO 75](#) Voluntary administration: A guide for employees
- [INFO 84](#) Independence of external administrators: A guide for creditors
- [INFO 85](#) Approving fees: A guide for creditors

Where can I get more information?

Further information is available from the [ARITA website](#). The ARITA website also contains the [ARITA Code of Professional Practice for Insolvency Practitioners](#).

This is **Information Sheet 39 (INFO 39)** updated on 1 September 2017. Information sheets provide concise guidance on a specific process or compliance issue or an overview of detailed guidance.

Last updated: 01/09/2017 10:57