

LAWSONS COMMERCIAL FLOORING PTY LTD

(In Liquidation)
ACN 151 557 612

Report to Creditors

20 December 2019

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- A Remuneration Approval Report
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Enclosures

- (i) Appointment of Proxy
- (ii) Formal Proof of Debt or Claim

1. Introduction

- 1.1 I refer to my appointment as Liquidator of the company on 7 July 2017, and to my Reports to Creditors dated 18 July 2017, 6 October 2017 and 28 August 2018.
- 1.2 My latest Annual Administration Return was lodged with the Australian Securities and Investments Commission on 13 August 2019.
- 1.3 The purpose of this report is to provide creditors with an update on the progress of the liquidation and details regarding a proposed assignment of rights agreement, to seek approval for the Liquidator to enter into deeds or agreements spanning longer than three months and to seek approval of the Liquidator's remuneration and disbursements.

2. Independence

- 2.1 Please refer to my Report to Creditors dated 18 July 2017 for information concerning my independence in this matter.
- 2.2 There have been no changes to my independence.

3. Receipts and payments

- 3.1 The following is a summary of the receipts and payments in the liquidation to date:

	Amount \$
Receipts	
Cash at bank	36,314
Contribution	20,000
Plant, equipment and motors vehicles	8,562
Pre-appointment debts	39,480
Voidable transaction recovery	1,500
	105,856
Payments	
Bank charges	161
Insurance	1,122
Valuation and auction fees	1,552
Liquidator's fees:	
Circulating assets	25,697
Non-circulating assets	5,888
General	21,371
	55,791
Cash at bank	50,065

4. Assets

- 4.1 Please refer to my previous reports to creditors for a summary of the asset realisations. I now provide an update on the realisations in the liquidation since.

4. Assets (cont.)

4.2 *Pre-appointment debts*

- The company's records showed that the company had an accounts receivable balance at the date of liquidation of \$398,586. The director estimated that \$37,222 of this balance would be realisable.
- To date, I have realised pre-appointment debts of \$39,480.
- A further \$1,265 remains payable in respect of a retention owed by Cooper & Oxley Builders Pty Ltd ("CO").
- Administrators were appointed to CO on 7 February 2018 who subsequently became Trustees of the Cooper & Oxley Builders Creditors' Trust on 25 May 2018.
- I have submitted a Proof of Debt with the Trustees and await receipt of a dividend in due course.
- I have determined that all other pre-appointment debts were either paid prior to my appointment, not validly owed or are uncollectable.

4.3 *Voidable transaction recovery*

- From my investigations, I determined that a related-party purchased a vehicle from the company for less than market value prior to the date of liquidation.
- Having identified this as an unreasonable director-related transaction, I invited the party to put forward an offer to settle the matter.
- After some negotiations, the party repaid the sum of \$1,500 to the company, being the approximate difference between the consideration already paid for the vehicle and its market value.

5. Secured creditors

- 5.1 A search of the Personal Property Securities Register, showed 17 security interests registered against the company's ACN at the date of liquidation. Please refer to my Report to Creditors dated 28 August 2018 for an outline of these creditors.
- 5.2 As previously advised, the Australia and New Zealand Banking Group Limited ("ANZ") is a secured creditor in relation to a corporate guarantee provided by the company. The guarantee is in respect of loan facilities provided to the partnership of Steven and Kylie Lawson. ANZ has a circulating and non-circulating security interest over the company's assets.

6. Priority creditors

- 6.1 The company's only priority creditor is the Australian Taxation Office for \$226,193 in respect of unpaid superannuation.
- 6.2 Based on current information, there will be sufficient funds available to pay a dividend to the company's priority creditor.
- 6.3 Upon realisation of the company's last remaining circulating asset, being the dividend from the Cooper & Oxley Builders Creditors' Trust (see Section 4.2), I will commence the dividend process.

7. Unsecured creditors

- 7.1 According to the director's Report as to Affairs, the company had 64 unsecured creditors, whose claims totalled \$1,254,010.
- 7.2 To date, I have received 26 Proofs of Debt totalling \$1,428,102.
- 7.3 On the basis of current information, I estimate that the total amount owed to unsecured creditors is \$1,926,697. I note that this amount excludes any shortfall to ANZ.
- 7.4 Please find enclosed a Proof of Debt or Claim form to enable unsecured creditors to lodge their claim against the company.

8. Dividend

- 8.1 The likelihood of a dividend being paid to creditors will be affected by a number of factors including:
 - (i) The size and complexity of the administration.
 - (ii) The amount of assets realisable and the costs of realising those assets.
 - (iii) The statutory priority of certain claims and costs.
 - (iv) The value of various classes of claims including secured, priority and unsecured creditor claims.
 - (v) The volume of enquiries by creditors and other stakeholders.
- 8.2 As advised at Section 6.2, there will be sufficient funds available to pay a dividend to the company's priority creditor.
- 8.3 At this stage, I consider it unlikely that a dividend will be paid to unsecured creditors of the company.
- 8.4 If a dividend does become payable, creditors will be contacted prior to the dividend being paid and will be asked to lodge a Proof of Debt. This will formalise creditors' claims against the company.

9. Investigations

- 9.1 Please refer to my Report to Creditors dated 28 August 2018 for information concerning the cause of the company's failure, my report to the Australian Securities and Investments Commission and my claims against the director's bankrupt estate.
- 9.2 I have also identified the following potential recovery actions:
- (i) An uncommercial transaction claim against a former director of the company;
 - (ii) Numerous preference claims including claims against a shareholder and another against a supplier; and
 - (iii) Numerous unreasonable director-related transactions.
- 9.3 However, pursuit of the claims has been hampered by a lack of funds available in the liquidation to meet legal costs.

10. Assignment of rights to sue

- 10.1 I advise that an expression of interest has been received from a party, namely Aquisite Pty Ltd ("Aquisite"), in purchasing all rights to sue that I have as Liquidator of the company and which are legally capable of effective assignment, pursuant to Section 477(2(c) of the Corporations Act 2001 ("the Act"), and Section 100-5(1) of Schedule 2 of the Act.
- 10.2 Aquisite is a company controlled by Michael Herman, an experienced legal practitioner who practices as Herman Davis Lawyers. Mr Herman has substantial experience in conducting public examinations under Sections 596A and 596B of the Act on behalf of liquidators throughout Australia. Further information is available on Aquisite's website: www.aquisite.com.au.
- 10.3 If any further proposals are received (either by way of direct litigation funding or assignment of rights to sue), it will be necessary to evaluate such offer(s) to determine which appears to be in creditors' best interests before taking a final decision on the preferred way forward.
- 10.4 Arising from Aquisite's expression of interest, a meeting of creditors is being convened at which creditors will be asked to consider and if thought fit, to pass certain resolutions related to the proposed assignment of rights to sue.
- 10.5 These resolutions would be required regardless of whether Aquisite or another party becomes the acquirer of rights to sue, or if a direct litigation funding agreement were to be entered into. Further, prior to entering into such an agreement, particulars of the proposed assignment must be notified to creditors pursuant to Section 100-5(3) of Schedule 2 of the Act. This report is designed, in part, to satisfy that requirement.

10. Assignment of rights to sue (cont.)

- 10.6 The proposal is for the assignment to Aquisite of all rights to sue arising out of the liquidation of the company that are legally capable of effective assignment for consideration of \$10,000 paid to the company. Additionally, the proposal provides for payment of 50% of the net recoveries to the company/Liquidator after reimbursement to Aquisite of the initial \$10,000, and payment of legal fees and disbursements.
- 10.7 The 50% portion to be retained by Aquisite is comparable to a litigation funding premium which would be payable if ownership of the rights to sue were retained by the company and its liquidator, and the claims were pursued and litigated with the assistance of a litigation funder. Further, the proposed return to Aquisite is to compensate it proportionately for the risks taken by funding this matter on a speculative basis.
- 10.8 Aquisite will initially fund public examinations under Sections 596A and 596B of the Act, so as to be able to make an informed determination as to:
- the merits of any right to sue;
 - the likely cost, risk and duration of any associated legal proceeding; and
 - the financial capacity of any party who may become the subject of such legal proceeding to satisfy a court order entered against that party.
- 10.9 Aquisite's proposal does not include any guarantees or assurances as to the payment of my costs incurred to date or those that will be incurred in the preparation of affidavit material, conducting public examinations, appearances at Court and assisting Aquisite with negotiations and litigation, as necessary.
- 10.10 The rights to sue that are the subject of the Aquisite proposal are the rights that I have (as Liquidator of the Company), to pursue under common law, in equity or pursuant to statute arising out of the liquidation of the Company including voidable transactions under Part 5.7B of the Act.
- 10.11 It is not necessary that I seek creditor approval before accepting the Aquisite proposal, but as referenced above, creditors must first be notified of the proposed assignment. This circular constitutes such notification.
- 10.12 Any person with an interest in providing litigation funding should contact Mr David Blanchett of this office in the first instance, to discuss the matter. Please note that expressions of interest must be received prior to the forthcoming creditors' meeting.
- 10.13 Subject to no better funding proposal being received, the Aquisite proposal is to be accepted upon creditors resolving to authorise me to enter into contracts or agreements exceeding three months' duration, as set out below, and to approve my remuneration.

11. Agreements exceeding three months' duration

- 11.1 It is not necessary that a liquidator seek approval from creditors to assign the rights to sue. The requirement is only to notify creditors of the proposed assignment.
- 11.2 However, a liquidator of a company must not enter into an agreement on the company's behalf if the term of the agreement may end, or obligations of a party to the agreement may be discharged, more than three months after the agreement is entered into, under Section 477(2B) of the Act.
- 11.3 I consider it unlikely that the proposed assignment to Aquisite of the rights to sue is an agreement that will be finalised within three months.
- 11.4 Accordingly, I cannot accept the Aquisite proposal until creditors resolve to authorise me to enter into agreements exceeding three months duration.
- 11.5 Having considered the information and material that I have gathered during my investigations, and having deliberated in respect of the Aquisite proposal, I recommend it to creditors of the company.
- 11.6 At the upcoming meeting of creditors to be held on Wednesday, 15 January 2020, for the purposes of Section 477(2B) of the Act, I will be seeking creditor approval to enter into agreements exceeding three months in duration.

12. Liquidator's remuneration

- 12.1 Please refer to Annexure A, Remuneration Approval Report, for details of the Liquidator's remuneration.
- 12.2 At the meeting of creditors held on 8 August 2017, creditors approved my remuneration up to a limit of \$60,000 plus GST.
- 12.3 As at 30 November 2019, I have incurred remuneration of \$245,207 plus GST.
- 12.4 To date, I have been paid remuneration of \$52,955 plus GST.
- 12.5 I note that the current cash at bank balance is payable to priority creditors and is therefore not available to pay my outstanding remuneration.
- 12.6 However, any future funds recovered from voidable transactions will be available for the general costs of the liquidation including my unpaid remuneration.
- 12.7 At the upcoming meeting of creditors to be held on Wednesday, 15 January 2020, I will be seeking approval of the remuneration incurred that exceeds the current approval.

13. Meeting of creditors

13.1 I advise that a meeting of creditors of the company will be held at the offices of Sheridans, Chartered Accountants, Level 9, 40 St George's Terrace, Perth, Western Australia on Wednesday, 15 January 2020 at 11.00am. I enclose the following documents for creditors' attention:

1. Notice of Meeting of Creditors;
2. Appointment of Proxy form; and
3. Formal Proof of Debt or Claim form.

13.2 Please note that unless you lodge a formal Proof of Debt or Claim form with me at this office, then, pursuant to Section 75-85 of the Insolvency Practice Rules (Corporations) 2016, you will not be entitled to vote at the meeting. The enclosed Proof of Debt form should be completed and returned to this office by no later than 4.00pm on Tuesday, 14 January 2020.

13.3 Note that if you are representing a company and the company's constitution states that legal documents must be executed under Common Seal, you should ensure that the Proxy Form is sealed, otherwise you will not be entitled to vote at the meeting.

If you have any queries in relation to this matter, please contact Melissa Ledger or Sarah Marsegaglia of this office.

Yours faithfully



JENNIFER E. LOW
Liquidator of
Lawsons Commercial Flooring Pty Ltd

LAWSONS COMMERCIAL FLOORING PTY LTD
ACN 151 557 612
(In Liquidation) (“the company”)

REMUNERATION APPROVAL REPORT

This Remuneration Approval Report provides you with the information you need to be able to make an informed decision regarding the approval of my remuneration for undertaking the liquidation of the company. This report has the following information included:

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Part 1: Declaration

I, Jennifer E. Low, of Sheridans, have undertaken a proper assessment of this remuneration claim for my appointment as Liquidator of the company in accordance with the law and applicable professional standards. I am satisfied that the remuneration claimed is in respect of necessary work to be properly performed in the conduct of the liquidation.

Part 2: Executive summary

To date, remuneration totalling \$60,000.00 has been approved in this administration and \$52,995.01 of remuneration has been paid. This Remuneration Report details approval sought for the following fees:

Period	Report reference	Amount (excl. GST) \$
Resolution 1: 7 July 2017 to 30 November 2019 (time incurred is in excess of current approval)	Part 3	185,207.30

Please refer to report section references detailed in the above table for full details of the calculation of the remuneration approval sought.

Part 3: Remuneration

3.1 Remuneration claim resolution

I will be seeking approval of the following resolution to approve my unpaid remuneration for the period 7 July 2017 to 30 November 2019:

That the Liquidator's remuneration incurred in excess of the current approval of \$60,000, calculated on the basis of time spent by the Liquidator and her staff, at the standard scale rates set by Sheridans for work of this nature, be approved for the period 7 July 2017 to 30 November 2019 in the sum of \$185,207.30 plus GST.

3.2 Details of remuneration

Resolution 1: 7 July 2017 to 30 November 2019

Task area	General description	Specific description
Assets 217.0 hours \$50,679.90 ①	Cash at bank	Correspondence regarding funds held in bank accounts. Receipt of cash at bank. Reconciliation of funds received and determining whether any amounts are due to third parties.
	Plant, equipment and motor vehicles	Determining value of plant, equipment and motor vehicles. Liaising with valuer to perform valuation. Correspondence with the director regarding sale of plant and equipment. Correspondence with purchaser of the plant and equipment. Correspondence with auctioneer. Receipting proceeds from sale of plant, equipment and motor vehicles.
	Pre-appointment debts	Reviewing company records to determine pre-appointment debts. Preparing schedule of debts and monitoring schedule. Correspondence with pre-appointment debtors in order to recover debts owed to the company. Negotiations with pre-appointment debtors and their representatives in respect of outstanding debts. Correspondence with pre-appointment debtors regarding retention amounts withheld. Reviewing company records and correspondence with the director to verify pre-appointment debtor responses. Receipting payments from pre-appointment debtors.
	Voidable transactions	Quantifying the value of voidable transactions. Correspondence and negotiations with parties regarding voidable transactions. Receipting voidable transaction recovery.
Creditors 168.2 hours \$41,760.10 ①	Creditor enquiries, requests & directions	Receive and respond to creditor enquiries. Maintaining creditor request log. Review and prepare initial correspondence to creditors and their representatives. Considering reasonableness of creditor requests. Documenting reasons for complying or not complying with requests or directions. Compiling information requested by creditors.
	Retention of title claims	Search of the PPSR register. Notify PMSI creditors identified from PPSR register. Receive initial notification of creditor's intention to claim. Adjudicate retention of title claim. Forward correspondence to claimant notifying outcome of adjudication.
	Secured creditor reporting	Notifying PPSR registered creditors of appointment. Preparing reports to secured creditor. Responding to secured creditor's queries.
	Creditor reports	Preparing meeting and general reports to creditors.
	Dealing with Proofs of Debt	Receipting and filing POD when not related to a dividend. Corresponding with OSR and ATO regarding POD when not related to a dividend.

Part 3: Remuneration (cont.)

Task area	General description	Specific description
Creditors (cont.)	Meeting of Creditors	Preparation of meeting notices, proxies and advertisements. Forward notice of meeting to all known creditors. Preparation of meeting file, including agenda, certificate of postage, attendance register, list of creditors, reports to creditors, advertisement of meeting and draft minutes of meeting. Preparation and lodgement of minutes of meetings with ASIC. Responding to stakeholder queries and questions immediately following meeting.
	Proposals to creditors	Preparing proxy forms. Forward proxy forms to all known creditors Reviewing votes and determining outcome of proposal. Preparation and lodgement of proposal outcome with ASIC.
Employees 5.9 hours \$1,548.50 ①	Employee enquiries	Receive and follow up employee enquiries via telephone. Maintain employee enquiry register. Review and prepare correspondence to creditors and their representatives via facsimile, email and post. Preparation of letters to employees advising of their entitlements and options available.
Investigation 537.0 hours \$124,786.30 ①	Conducting investigation	Collection of company books and records. Reviewing company's books and records. Review and preparation of company nature and history. Conducting and summarising statutory searches. Preparation of comparative financial statements. Preparation of deficiency statement. Review of specific transactions and liaising with director regarding certain transactions. Liaising with directors regarding certain transactions. Preparation of investigation file. Correspondence with third parties and their solicitors regarding specific voidable transactions. Identifying and investigating specific voidable transactions. Correspondence with various stakeholders regarding areas requiring investigation. Lodgement of investigation with ASIC.
Administration 124.3 hours \$26,432.50 ①	Correspondence	General correspondence.
	Document maintenance/file review/checklist	First month, then six-monthly administration reviews. Filing of documents. File reviews. Updating checklists.
	Insurance	Identification of potential issues requiring attention of insurance specialists. Correspondence with insurer regarding initial and ongoing insurance requirements. Reviewing insurance policies. Correspondence with previous brokers.
	Bank account administration	Preparing correspondence opening and closing accounts. Requesting bank statements. Bank account reconciliations. Correspondence with bank regarding specific transfers.
	ASIC Form 524 and other forms	Preparing and lodging ASIC forms including 505, 524, 911, 5602 etc. Correspondence with ASIC regarding statutory forms.
	ATO and other statutory reporting	Notification of appointment. Preparing BAS.
	Planning / Review	Discussions regarding status of administration.
	Books and records / storage	Dealing with records in storage. Sending job files to storage.

① The total fees incurred for the period 7 July 2017 to 30 November 2019, being \$245,207.30, includes fees of \$60,000.00 which have already been approved by creditors. I am seeking approval of the remuneration incurred that exceeds the current approval for this period, being \$185,207.30 (i.e. \$245,207.30 less \$60,000.00).

Part 3: Remuneration (cont.)*Calculation of remuneration:*

Employee	Position	\$ /hour (excl. GST)	Total Hrs	Total \$	Task area									
					Assets		Creditors		Employees		Investigation		Administration	
					Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$
J. Low	Principal	538	26.7	14,364.60	7.3	3,927.40	6.9	3,712.20	-	-	10.9	5,864.20	1.6	860.80
D. Blanchett	Senior Manager	381	216.4	82,448.40	40.6	15,468.60	29.0	11,049.00	1.0	381.00	136.5	52,006.50	9.3	3,543.30
S. O'Connor	Manager	301	38.5	11,588.50	3.5	1,053.50	14.7	4,424.70	0.7	210.70	8.4	2,528.40	11.2	3,371.20
M. Ledger	Supervisor	245	175.3	42,879.50	35.5	8,674.90	43.7	10,621.30	3.1	753.30	59.5	14,671.90	33.5	8,158.10
S. Marsegaglia	Senior 2	159	511.3	81,229.70	123.1	20,330.50	54.4	8,639.00	1.1	203.50	304.9	47,283.30	27.8	4,773.40
P. Nguyen	Intermediate 2	175	25.9	4,532.50	7.0	1,225.00	16.3	2,852.50	-	-	0.8	140.00	1.8	315.00
S. Carrington	Graduate	147	4.0	588.00	-	-	0.9	132.30	-	-	2.7	396.90	0.4	58.80
S. Saker	Graduate	147	9.1	1,337.70	-	-	1.4	205.80	-	-	7.3	1,073.10	0.4	58.80
J. Don	Graduate	147	4.6	676.20	-	-	-	-	-	-	-	-	4.6	676.20
A. Avery	Secretary	137	14.8	2,027.60	-	-	0.6	82.20	-	-	-	-	14.2	1,945.40
A. Maitre	Secretary	137	10.5	1,438.50	-	-	-	-	-	-	-	-	10.5	1,438.50
M. Francis	Secretary	137	15.3	2,096.10	-	-	0.3	41.10	-	-	6.0	822.00	9.0	1,233.00
Sub-total			1,052.4	245,207.30	217.0	50,679.90	168.2	41,760.10	5.9	1,548.50	537.0	124,786.30	124.3	26,432.50
Less: fees already approved				(60,000.00)										
Total				185,207.30										
GST				18,520.73										
Total (Incl. GST)				203,728.03										
Average hourly rate				233.00		233.55		248.28		262.46		232.38		212.65

Part 3: Remuneration (cont.)

3.3 Total remuneration reconciliation

For the following reasons this differs to the estimate of costs provided in the Circular to Creditors dated 18 July 2017, which estimated a cost to completion of the liquidation of \$60,000 (excl. GST):

- Numerous potential recovery actions identified requiring further investigation.
- Thorough investigation into specific voidable transactions. Further work involved in attempting to recover a number of identified voidable transactions.
- Significant amount of creditor enquiries received.

3.4 Likely impact on dividends

A Liquidator is entitled to receive remuneration for necessary work that has been properly performed in relation to the liquidation.

A Liquidator must distribute any property realised in accordance with the prescribed order and priorities set out by Section 556 of the Corporations Act 2001. Given that a Liquidator's remuneration is generally afforded priority ahead of any distribution to creditors, any such payment of remuneration approved by creditors will reduce the funds available for distribution to creditors.

The quantum (if any) of the dividend to creditors is ultimately impacted by the Liquidator's remuneration, the asset realisations achieved by the Liquidator and the value of creditor claims admitted to participate in the dividend.

3.5 Remuneration recovered from external sources

I had disclosed on my DIRRI that I was to be provided with an indemnity, in the form of a contribution, in the sum of \$20,000.00 from the director's daughter in consideration for acting as Liquidator of the company.

Part 4: Disbursements

Please refer to my report to creditors dated 18 July 2017 for details of the types of disbursements.

Due to a lack of funding, no disbursements have been paid to my firm to date.

Future disbursements provided by my firm will be charged to the administration on the following basis:

Disbursement	Rate (excl. GST)
Facsimiles	Local: \$2.50 Interstate: \$4.00 International: \$4.00
Meeting room hire	\$150.00
Postage	Local and interstate: \$1.50 International: cost Other: cost
Printing and photocopying	20 cents/page
Storage	Cost
Telephone	National calls (inc. mobile): \$1.00 International: cost
Staff vehicle use	66 cents/per km
Statutory advertising/levies/search fees	Cost or estimated cost

Part 5: Summary of receipts and payments

Please refer to Section 3.0 of my Report to Creditors dated 20 December 2019.

Part 6: Queries

If you have any queries in relation to the information in this report, please contact Melissa Ledger or Sarah Marsegaglia of this office.

General information is also available on the ARITA website at arita.com.au/creditors. ASIC also provides information sheets on a range of insolvency topics. These information sheets can be accessed on ASIC's website at asic.gov.au (search for "insolvency information sheets").

**LAWSONS COMMERCIAL FLOORING PTY LTD
ACN 151 557 612
(In Liquidation)**

NOTICE OF MEETING OF CREDITORS

Notice is given that a meeting of creditors of the company will be held at the offices of Sheridans, Chartered Accountants, Level 9, 40 St George's Terrace, Perth, Western Australia on Wednesday, 15 January 2020 at 11.00am.

AGENDA

1. To receive a report from the Liquidator on the conduct of the liquidation.
2. To receive a statement of the receipts and payments for the period of the liquidation.
3. The creditors to consider, and if thought fit pass, a resolution to approve the remuneration incurred by the Liquidator that exceeds the current approval.
4. The creditors to consider, and if thought fit pass, a resolution to authorise the Liquidator to enter into agreements exceeding three months in duration.
5. Any other business that may properly be conducted.

Dated this 20th day of December 2019



JENNIFER E. LOW
Liquidator of
Lawsons Commercial Flooring Pty Ltd

LAWSONS COMMERCIAL FLOORING PTY LTD
ACN 151 557 612
(In Liquidation)

APPOINTMENT OF PROXY

*I/*we ① _____ of ② _____
a creditor of Lawsons Commercial Flooring Pty Ltd appoint
③ _____ or in his or her absence
_____ as *my/*our *general/*special proxy to vote at
the meeting of creditors to be held on Wednesday, 15 January 2020, or at any adjournment
of that meeting and to vote ④:

VOTING

	YES	NO
To vote generally on all matters arising at the meeting:	<input type="checkbox"/>	<input type="checkbox"/>

AND / OR ALTERNATIVELY

To vote specifically in the following manner:

- | | FOR | AGAINST | ABSTAIN |
|--|--------------------------|--------------------------|--------------------------|
| 1. That the Liquidator's remuneration incurred in excess of the current approval of \$60,000, calculated on the basis of time spent by the Liquidator and her staff, at the standard scale rates set by Sheridans for work of this nature, be approved for the period 7 July 2017 to 30 November 2019 in the sum of \$185,207.30 plus GST. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. For the purpose of Section 477(2B) of the Corporations Act 2001 (Cth), the Liquidator be authorised to enter into deeds and agreements including, but not limited to, leases, agreements under which security interests arise or are created, litigation funding agreements, deeds (or terms) of settlement, assignments of rights to sue and retainer agreements with legal practitioners where the term of any such deed or agreement may end, or the obligations of a party to the deed or agreement may (according to the terms of the deed or agreement) be discharged by performance more than three months after such deed or agreement is entered into. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

SIGNATURE

Signature _____

*Signature ⑤ of individual or person
authorised ⑥ by corporate resolution
to represent the corporation.*

Dated this _____ day of _____ 20____

CERTIFICATE OF WITNESS

This certificate is to be completed only where the person giving the proxy is blind or incapable of writing. The signature of the creditor, contributory, debenture holder or member must not be witnessed by the person nominated as proxy.

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 or her before he
or she signed or marked the instrument.

Dated this _____ day of _____ 20____

Signature of witness _____

Description _____

Place of residence _____

NOTES

- * Delete as applicable.
- 1. If a corporation, strike out "I" and set out the full name of the corporation.
- 2. Address of creditor.
- 3. Name, address and description of the person appointed.
- 4. If a special proxy add the words "to vote for" or "to vote against" and specify the particular resolution.
- 5. The signature of the creditor or member is not to be attested by the person nominated as proxy.
- 6. A corporation may only be represented by proxy or by an attorney appointed pursuant to Section 75-150 and Section 75-155 of the Insolvency Practice Rules (Corporations) 2016 respectively or by a representative appointed under Section 250D of the Corporations Act 2001. Copy of authority/power of attorney to be annexed.

LAWSONS COMMERCIAL FLOORING PTY LTD
ACN 151 557 612
(In Liquidation) ("the company")

FORM 535 - FORMAL PROOF OF DEBT OR CLAIM

This is to state that the company was on 7 July 2017 and still is, justly and truly indebted to

_____ for:

\$ _____ and _____ cents

Date	Consideration (how the debt arose)	Amount \$	Remarks (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 \$	Due date

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. ①

I am the creditor's agent authorised in writing to make this statement in writing. 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. ①

① *Delete both if this proof is made by the creditor personally. Otherwise, strike out or leave, as appropriate.*

Please ensure this proof is signed for completion, before lodgement.

Date: _____

Signature: _____

Name: _____

Occupation: _____

Creditor's address: _____

☐ I nominate to receive electronic notification of notices or documents in accordance with Section 600G of the Corporations Act 2001 at the following email address:

Email: _____