EDDIE SENATORE
Advisory

PO Box 3481
MANUKA ACT 2603

+61 2 6100 3435
hello@eddiesenatore.com
eddiesenatore.com

Remuneration Approval Report

Behemoth Canberra Pty Limited
14 June 2023

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 administration of the Company.

ABN 23 108 190 316 LIABILITY LIMITED BY A SCHEME APPROVED UNDER PROFESSIONAL STANDARDS LEGISLATION.

The report has the following information included.

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1 Summary

I am asking creditors to approve the following remuneration and disbursements:

	Remuneration Plus GST
Voluntary Administration (VA)	$30,000.00
If the DOCA is accepted	$40,000.00
If the Company is liquidated	$60,000.00

Details of remuneration and disbursements can be found in sections 3 and 4 of this report.

Creditors will be asked to pass resolutions at the meeting on 22 June 2023.

I have fixed the total cost of the Voluntary Administration to be $30,000.00, plus GST. This is in line with my original estimate in my initial remuneration notice provided to you dated 22 May 2023 which was a range between $20,000 to $30,000.

This will be my only remuneration approval request for the voluntary administration. I reserve my right to request further remuneration in the event the Company is placed into liquidation.

2 Declaration

I have undertaken a proper assessment of this remuneration and disbursement claim in accordance with the law and applicable professional standards. I am satisfied that the remuneration and disbursements claimed are necessary and proper. I have reviewed the work in progress report for the voluntary administration to ensure that remuneration is only being claimed for necessary and proper work performed and there was no adjustment necessary.

3 Remuneration Sought

To date, no remuneration has been approved or paid. The remuneration I am asking creditors to approve is as follows:

For	Period	Amount Excl. GST	Rates to Apply	When Drawn
Work performed as voluntary administrator	19 May 2023 to 14 June 2023	$30,000.00	As set out in the IRN dated 22 May 2023.	When funds are available at the administrator's discretion
Total Administration		**$30,000.00**		
DOCA Accepted - Future Work	23 June 2023 to execution of DOCA	$2,500.00	As set out in the IRN dated 22 May 2023, plus CPI adjustments	When funds are available at the administrator's discretion
DOCA Accepted - Future Work	Execution of DOCA to conclusion	$37,500.00	As set out in the IRN dated 22 May 2023, plus CPI adjustments	When funds are available at the administrator's discretion
Total DOCA		$40,000.00		
Liquidation - Future Work	23 June 2023 to conclusion	$60,000.00	As set out in the IRN dated 22 May 2023, plus CPI adjustments	When funds are available at the administrator's discretion
Total Liquidation		**$60,000.00**		

I will only seek approval of resolutions for the DOCA if creditors agree to the proposal offered. Similarly, I will only seek approval of the resolution for the liquidation if creditors vote to place the Company into liquidation.

Details of work already performed and future work intended to be undertaken are included at Schedule A. Schedule B includes a breakdown of time spent by staff members on each major task for work I have already performed.

Actual resolutions to be put to the meeting are included at Schedule C for your information. These resolutions also appear in the proxy form for the meeting provided to you. For ease of comparison, I provide the following:

Resolution	Period	Period	Reference	Amount (Excl. GST)
Voluntary Administration				
Resolution No.1	From 19 May 2023 to 22 June 2023	Actual	Schedule A	$30,000.00
If the Deed of Company Arrangement is accepted				
Resolution No.2	23 June 2023 to Execution of the DOCA	Future	Schedule A	$2,500.00
Resolution No.3	Execution of DOCA to conclusion	Future	Schedule A	$37,500.00
If the Company is placed into liquidation				
Resolution No.4	23 June 2023 to conclusion	Future	Schedule A	$60,000.00

4 Disbursements Sought

I am not required to seek creditor approval for costs paid to third parties or where I am recovering a cost incurred on behalf of the administration but must provide details to creditors. Details of these amounts are included in the receipts and payments section of this report.

Disbursements are divided into three types:

1. Externally provided professional services - these are recovered at cost. An example of an externally provided professional service disbursement is legal fees.
2. Externally provided non-professional costs such as travel, accommodation and search fees - these are recovered at cost.
3. Internal disbursements such as photocopying, printing and postage. These disbursements, if charged to the Administration, would generally be charged at cost; though some expenses such as telephone calls, photocopying and printing may be charged at a rate which recoups both variable and fixed costs. The recovery of these costs must be on a reasonable commercial basis.

I am required to obtain creditor's consent or approval for the payment of a disbursement where I, or a related entity of myself, may directly or indirectly obtain a profit. For more information about disbursements, please refer to the Initial Remuneration Notice sent to creditors.

Basis of disbursement claim

Disbursements will be claimed at cost.

I declare that the disbursements incurred in the administration to date are all proper and necessary to the administration and have been for works properly performed and for costs properly incurred. These disbursements do not require approval.

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5 Likely Impact on Dividends

The Corporations Act sets the order for payment of claims against a company, and it provides for remuneration of the external administrator to be paid in priority to other claims. This ensures that when there are sufficient funds, the external administrator receives payment for the work done to recover assets, investigate the Company's affairs, report to creditors and ASIC and distribute any available funds.

The approval for remuneration and disbursements in this remuneration approval notice will reduce any dividend that may be potentially paid to any class of creditor. Estimated outcomes are set out in my report to creditors. The dividend payable to creditors will depend on a range of variables, particularly the decision creditors make on the future of the Company, future realisations, my estimated remuneration as I have set out in this report and creditor claims. This report to creditors provides an estimate as to the likely return to creditors in a liquidation.

The DOCA proposes a distribution to creditors of 100 cents in the dollar. I am unable to provide creditors with certainty as to the likely impact of remuneration in the liquidation due to uncertainty of the realisable value of assets. My report to creditors should be read in conjunction with the remuneration approval report for further information in this regard.

Creditors are advised in the event my remuneration is not approved at the forthcoming meeting of creditors then approval may be obtained and sought by the Courts resulting in unnecessary costs.

6 Funding received for remuneration and disbursements

I have received no funding from external sources to date.

7 Summary of receipts and payments

There have been no receipts or payments received or paid in this liquidation to date.

8 Questions

If you have any questions in relation to the information in this report, please contact me on hello@eddiesenatore.com

You can also access information which may assist you on the following websites:

- ARITA at www.arita.com.au/creditors
- ASIC at www.asic.gov.au (search for INFO 85)

Supporting documentation and any further questions for my remuneration claim can be provided to creditors on request by email at hello@eddiesenatore.com.

Attachments

Schedule A - Details of work performed
Schedule B - Time spent by staff on each major task
Schedule C - Remuneration claim resolutions
Schedule D - Disbursements
Schedule E - Summary of receipts and payments

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Schedule A - Details of Work Performed

This table provides a description of the work undertaken in each major task area, including DOCA and liquidation for the period 19 May 2023 to 22 June 2023 to the conclusion of the respective administration, i.e. DOCA or liquidation.

		Tasks			
		Work Performed	If DOCA Approved	If DOCA Approved	Liquidation
Period		**19 May 2023 to 22 June 2023**	**23 June 2023 to Execution of DOCA**	**Execution of DOCA to Conclusion**	**23 June 2023 to Completion**
Amount *(Excl. GST)*		**$30,000.00**	**$2,500.00**	**$37,500.00**	**$60,000.00**
Task Area	**General Description**				
Assets		**12.25 hours - $6,737.50**	**$2,500.00**	**14 hours - $5,450.00**	**30 hours - $11,090.00**

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		Tasks			
		Work Performed	If DOCA Approved	If DOCA Approved	Liquidation
	Property Management	Liaising with the Director and The Agency Group Australia Pty Limited. Reviewing property management agreements. Research market to determine value of property managements. Secure property management agreements. Determining management fees recoverable.	Secure property management agreements. Determining management fees recoverable.	Secure property management agreements. Determining management fees recoverable.	Sale of property management agreements. Liaising with valuers. Discussions with lawyers regarding sale agreements. Liaising with purchasers. Completing sale of property management agreements.
	Debtors	Reviewing and assessing debtors' ledgers. Liaising with the Director and	Follow-up debtors.		Action to recover debtors. Instructing lawyers.

		Tasks			
		Work Performed	If DOCA Approved	If DOCA Approved	Liquidation
		The Agency Group Australia Pty Limited regarding receivables. Liaising with The Agency Group Australia Pty Limited lawyers regarding receivables.			Liaising with debtors. Collecting and updating receivables ledger.
	Other Assets	Reviewing and assessing other assets including Intellectual Property and property listings for sale.		Review, finalise and execute DOCA. DOCA monitoring. Liaising with the Director. Updating creditors.	Sale of Intellectual Property. Liaising with valuers. Discussions with lawyers regarding sale agreements. Liaising with purchasers.

		Tasks			
		Work Performed	If DOCA Approved	If DOCA Approved	Liquidation
Creditors		**24 hours - $13,200.00**		**35 hours - $12,850.00**	**36 hours - $13,150.00**
	Creditor enquiries, requests, and directions	Receive and respond to creditor enquiries. Prepare correspondence to creditors. Documenting.	Receive and respond to creditor enquiries. Prepare correspondence to creditors. Documenting.	Receive and respond to creditor enquiries. Prepare correspondence to creditors. Documenting.	Receive and respond to creditor enquiries. Prepare correspondence to creditors. Documenting.
	Secured creditor	Notifying PPSR registered creditors of appointment.			Responding to secured creditor's queries.
	Reports to creditors	Preparing report to creditors, investigation, meeting, and general reports to creditors.		Prepare and dispatch creditor updates.	Prepare and dispatch statutory and other reports to creditors and general reports to

		Tasks			
		Work Performed	If DOCA Approved	If DOCA Approved	Liquidation
					creditors.
	Dealing with proofs of debt	Receipting and filing proofs of debt when not related to a dividend. Correspondence with ATO.	Receipting and filing Proofs of debt when not related to a dividend. Correspondence with ATO.	Receipting and filing POD when not related to a dividend. Correspondence with ATO.	Receipting and filing POD when not related to a dividend. Correspondence with ATO.
	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	Preparation of meeting file, including agenda, and conducting meeting Preparation and lodgement of minutes of meetings with ASIC Responding to stakeholder queries and questions		

		Tasks			
		Work Performed	If DOCA Approved	If DOCA Approved	Liquidation
		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	immediately following the meeting.		
Investigation		**10 hours - $5,500.00**			**37 hours - $12,600.00**

		Tasks			
		Work Performed	If DOCA Approved	If DOCA Approved	Liquidation
	Conducting investigation	Collection of Company books and records, financial statements, and Report on Company Affairs and Property. Reviewing Company's books and records. Review and preparation of Company nature and history Conducting and summarising statutory searches. Liaising with directors regarding certain transactions.	Liaising with directors regarding certain transactions.		Reviewing Company's books and records Preparation of comparative financial statements Preparation of deficiency statement Review of specific transactions and liaising with directors regarding certain transactions Liaising with directors regarding certain transactions.

		Tasks			
		Work Performed	If DOCA Approved	If DOCA Approved	Liquidation
	ASIC reporting		Preparing investigation reports.		Preparing statutory investigation reports.
Trade On		**1.5 Hours - $825.00**			
Trade On	Trade on management	Review receipts, commissions from property managements and property listings. Review and understand trade on costs. Decision memorandum regarding not to continue to trade.			
Dividend				**27 hours - $10,050.00**	**27 hours - $10,050.00**

		Tasks			
		Work Performed	If DOCA Approved	If DOCA Approved	Liquidation
Dividend	Processing proofs of debts			Preparation of correspondence to creditors inviting lodgements of proofs of debt. Receipting, maintaining and adjudicating of proofs of debt. Requesting further information from claimants regarding proofs of debt. Correspondence regarding outcome of proof of debt process.	Preparation of correspondence to creditors inviting lodgements of proofs of debt. Receipting, maintaining and adjudicating of proofs of debt. Requesting further information from claimants regarding proofs of debt. Correspondence regarding outcome of proof of debt process.

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		Tasks			
		Work Performed	If DOCA Approved	If DOCA Approved	Liquidation
	Dividend procedures			Declaration of dividend. Advertising notice calling for proofs of debt and declaring dividend. Obtain ATO clearance. Preparation of dividend calculation. Announcement of dividend. Preparation of distribution, dividend file and payment vouchers to pay dividend. Correspondence regarding payment of dividend to creditors.	Declaration of dividend. Advertising notice calling for proofs of debt and declaring dividend. Obtain ATO clearance. Preparation of dividend calculation. Announcement of dividend. Preparation of distribution, dividend file and payment vouchers to pay dividend. Correspondence regarding payment of dividend to creditors.

		Tasks			
		Work Performed	If DOCA Approved	If DOCA Approved	Liquidation
Administration		**6.8 hours - $2,720.00**		**68 Hours - $12,300.00**	**88 Hours - $16,560.00**
	Correspondence				
	Document maintenance, file review, checklist	File set-up and maintenance. Filing, file reviews, updating checklists.		File set-up and maintenance. Filing, file reviews, updating checklists.	File set-up and maintenance. Filing, file reviews, updating checklists.
	Insurance	Identification of potential issues requiring attention of insurance specialists. Correspondence with insurer regarding initial and ongoing			Identification of potential issues requiring attention of insurance specialists when in liquidation.

		Tasks			
		Work Performed	If DOCA Approved	If DOCA Approved	Liquidation
		insurance requirements Reviewing insurance policies Correspondence with previous brokers.			Correspondence with previous brokers.
	Bank account administration	Preparing correspondence opening and closing accounts. Requesting bank statements. Bank account reconciliations.		Preparing correspondence opening and closing accounts. Requesting bank statements. Bank account reconciliations.	Preparing correspondence opening and closing accounts. Requesting bank statements. Bank account reconciliations.
	Planning/Review	Planning administration and conducting reviews.		Discussions regarding status of administration.	Discussions regarding status of administration.

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		Tasks			
		Work Performed	If DOCA Approved	If DOCA Approved	Liquidation
	Books and records/storage.			Dealing with records in storage.	Dealing with records in storage.
	ATO and other statutory reporting	Notification of appointment. Preparing BAS.		Notification of appointment. Preparing BAS.	Notification of appointment. Preparing BAS.
	ASIC forms and lodgements	Preparing and lodging ASIC forms including 505, ROCAP, DIRRI and minutes of meeting etc.	Preparing and lodging ASIC forms including minutes of meeting.	Preparing and lodging ASIC forms, includes 505, 5602/5603.	Preparing and lodging ASIC forms, includes 505, 5602/5603.
	Finalisation	Tasks associated with finalisation including closing bank accounts, correspondence, file and	Completing checklists. Finalising WIP.	Finalisation of Deed. Cancellation of ABN/GST. Completing checklists. Finalising WIP.	Finalisation of liquidation. Cancellation of ABN/GST.

		Tasks			
		Work Performed	If DOCA Approved	If DOCA Approved	Liquidation
		checklist updates.			Completing checklists. Finalising WIP.

Schedule B - Time spent by staff on each major task

Resolution 1 from 19 May 2023 to 22 June 2023

The below table sets out time charged to each major task area by staff members and sub-contractors working on the administration for the period from 19 May 2023 to 22 June 2023 which is the basis of the Resolution 1 claim. More detailed descriptions of the tasks performed within each task area, matching the amounts below, are contained in Schedule A.

Voluntary Administration					Task Area						
Role	Category	Hourly Rate (Excl. GST)	Total Hours	Total	Assets	Creditors	Employees	Trade On	Investigations	Dividend	Administration
Eddie (Ezio) Senatore	1	550	13.5	7,425.00	4	5		1	3.5		0
Eddie (Ezio) Senatore	2	400	48	19,200.00	12	28		1.5	6.5		0
Eddie (Ezio) Senatore	3	300	10.5	3,150.00	2.5	2.5			5.5		0
Administration	4	220	4.25	935.00							4.25
Clare Johnson	5	150	2.55	382.50							2.55
	Total				**18.5**	**35.5**	**0**	**2.5**	**15.5**	**0**	**6.8**
	Total (Excl. GST)		**78.8**	**$ 31,092.50**	**$ 7,750.00**	**$ 14,700.00**	**$ -**	**$ 1,150.00**	**$ 6,175.00**	**$ -**	**$ 1,317.50**
	GST			**$ 3,109.25**							
	Total (Incl. GST)			**$ 34,201.75**							
	Average Hourly Rate			**$ 434.03**	**$ 418.92**	**$ 414.08**			**$ 398.39**	**$ -**	**$ 193.75**

Resolution 2 from 23 June 2023 to Execution of the DOCA

The expected costs for the major tasks to be performed by the Deed Administrator, staff and sub-contractors for the period from 23 June 2023 to the execution of the DOCA is allowance of $2,500 being the Deed Administrator's time to arrange for and execute the DOCA. More detailed descriptions of the tasks likely to be performed within each task area, matching this amount, is contained in Schedule A above.

Resolution 3 from Execution to conclusion of the DOCA

The below table sets out the expected costs for the major tasks likely to be performed by the Deed Administrator, staff and sub-contractors for the period from 23 June 2023 to the conclusion of the DOCA which is the basis of the Resolution 3 claim. More detailed descriptions of the tasks likely to be performed within each task area, matching the amounts below, are contained in Schedule A.

DOCA Role	Category	Hourly Rate (Excl. GST)	Total Hours	Total	Task Area: Assets	Creditors	Employees	Trade On	Investigations	Dividend	Administration
Eddie (Ezio) Senatore	1	550	29	8750	3	5				3	18
Eddie (Ezio) Senatore	2	400	28	11200	5	11				12	0
Eddie (Ezio) Senatore	3	300	37	11100	6	19				12	0
Gina Neou	4	220	30	6600							30
Clare Johnson	5	150	20	3000							20
Total					**14**	**35**	**0**	**0**	**0**	**27**	**68**
Total (Excl. GST)			**144**	**$ 40,650.00**	**$ 5,450.00**	**$ 12,850.00**	**$ -**	**$ -**	**$ -**	**$ 10,050.00**	**$ 12,300.00**
GST				**$ 4,065.00**							
Total (Incl. GST)				**$ 44,715.00**							
Average Hourly Rate				**$ 310.52**	**$ 389.29**	**$ 367.14**				**$ 372.22**	**$ 180.88**

Resolution 4 from 23 June 2023 to conclusion of liquidation

The below table sets out the expected costs for the major tasks likely to be performed by the liquidator, staff and sub-contractors for the period from 23 June 2023 to the conclusion of the liquidation which is the basis of the Resolution 3 claim. More detailed descriptions of the tasks likely to be performed within each task area, matching the amounts below, are contained in Schedule A.

Liquidation Role	Category	Hourly Rate (Excl. GST)	Total Hours	Total	Task Area: Assets	Creditors	Employees	Trade On	Investigations	Dividend	Administration
Eddie (Ezio) Senatore	1	550	34	12760	6	5			2	3	18
	2	400	47	18800	14	11			10	12	0
	3	300	67	20100	10	20			25	12	0
Gina Neou	4	220	30	6600							30
Clare Johnson	5	150	40	6000							40
Total					**30**	**36**	**0**	**0**	**37**	**27**	**88**
Total (Excl. GST)			**218**	**$ 64,260.00**	**$11,900.00**	**$ 13,150.00**	**$ -**	**$ -**	**$ 12,600.00**	**$ 10,050.00**	**$ 16,560.00**
GST				**$ 6,426.00**							
Total (Incl. GST)				**$ 70,686.00**							
Average Hourly Rate				**$ 324.25**	**$ 396.67**	**$ 365.28**			**$ 340.54**	**$ 372.22**	**$ 188.18**

Schedule C - Remuneration claim resolutions

I will be seeking approval of the following resolutions to approve my remuneration. Details to support these resolutions are included in the attached Schedules A and B.

	Resolution Period	Resolution
1	Voluntary Administration From 19 May 2023 to 23 June 2023	*"That the retrospective actual remuneration of the Administrator, his staff and sub-contractors from 19 May 2023 to 14 June 2023 are all proper costs, charges and expenses of and incidental to the Administration, and that same be fixed on a time basis at rates detailed in the Initial Remuneration Notice dated 22 May 2023, in the amount of in the amount of $30,000 plus GST as stipulated in the Administrator's Remuneration Report dated 14 June 2023 and that the Administrator be authorised to draw remuneration as required."*
2	Deed of Company Arrangement – from 24 June 2023 to the execution of the DOCA.	*"That the prospective remuneration of the Administrator for the period from 23 June 2023 to the execution of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Administrators and their partners and staff, and sub-contractors calculated at the hourly rates as detailed in the Initial Remuneration Notice dated 22 May 2023, up to a capped amount of $2,500, exclusive of GST."*
3	Deed of Company Arrangement – from execution of the DOCA to conclusion	*"That the prospective remuneration of the Deed Administrators for the period of the Deed of Company Arrangement is determined at a sum equal to the cost of time spent by the Deed Administrators and their partners and staff, and sub-contractors calculated at the hourly rates as detailed in the Initial Remuneration Notice dated 22 May 2023, up to a capped amount of $37,500, exclusive of GST."*
3	Liquidation – from 23 June 2023 to the conclusion of the liquidation.	*"That the prospective remuneration of the Liquidator for the period of the liquidation determined at a sum equal to the cost of time spent by the Liquidator and their partners and staff, and sub-contractors calculated at the hourly rates as detailed in the Initial Remuneration Notice dated 22 May 2023, up to a capped amount of $60,000, exclusive of GST."*

Schedule D - Disbursements

Disbursements to be charged at cost.

Schedule E - Summary of Receipts and Payments

There have been no receipts and payments to date in this administration to date.

Ezio (Eddie) Senatore

Digitally signed by Ezio (Eddie) Senatore
Date: 2023.06.14 17:55:24 +10'00'

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