

4 April 2017

TO CREDITORS AND SUPPLIERS

Dear Sir/Madam

S & H Automotive Pty Ltd (Administrators Appointed)
ACN 003 039 745 ("the Company")
ABN 16 003 039 745

Michael Hogan and I were appointed as Joint and Several Administrators of the abovenamed company on 3 April 2017 by a resolution passed by the director(s) pursuant to Section 436A of the Corporations Act 2001.

We have taken control of the operations of the Company and have commenced an assessment of the Company's business, property, affairs and financial circumstances.

An effect of our appointment is to place a moratorium on the payment of unsecured creditors' accounts in relation to trading and other debts incurred up to the date of our appointment, until creditors make a decision about the Company's future. That decision will be made at a second meeting of creditors, to be called within 30 business days following our appointment unless an extension to this period is granted by applying to Court.

1. Suppliers

Please note that we will not accept liability for payment for any goods or services supplied without the authority of the specified authorised signatories, whose names and specimen signatures are shown on the schedule enclosed.

Please open a new account styled "**S & H Automotive Pty Ltd (Administrators Appointed)**", and charge future authorised orders to that account. This account will be paid in accordance with your usual terms of credit provided that any security interests you have with the company prior to our appointment will not apply to collateral supplied as part of transactions on this new account unless specifically agreed to by us in writing and made the subject of a separate registration of the security interest on the Personal Property Security Register.

If there are any outstanding or uncompleted orders placed by the company prior to our appointment, please contact Anny Ngo of this office on (02) 8020 5853 or email anny@hogansprowles.com.au to obtain written instructions concerning the order.

2. First Meeting of Creditors

We are required to convene a first meeting of creditors with 8 business days following our appointment. Accordingly, we enclose the following:

Level 9, 60 Pitt Street, Sydney NSW 2000 | PO Box R181, Royal Exchange NSW 1225
Phone: 02 8020 5850 | Facsimile: 02 9251 9777 | www.hogansprowles.com.au

Liability limited by a scheme approved under Professional Standards Legislation



1. Form 529A - Notice of Meeting of Creditors to be held on **13 April 2017 at 11:00AM at HoganSprolles, Level 9, 60 Pitt Street, Sydney NSW 2000** (the "first meeting").
2. Informal Proof of Debt for Voting Purposes.
3. Form 532 - Instrument of Proxy.
4. A Declaration of Independence / Indemnities & Relevant Relationships for the purposes of Section 436DA of the Act.
5. ASIC/ARITA Information Sheet.
6. Remuneration Proposal.

3. Entitlement to vote at Creditors Meeting

To enable the meeting to commence promptly, we request that creditors arrive at the meeting place no later than 10 minutes before the meeting. Please note that Regulation 5.6.23 of the Act provides that a creditor is not entitled to vote at a meeting unless their claim has been admitted by the Administrators or they have lodged with the Administrators, particulars of their debt or claim.

To enable you to vote at the first meeting the enclosed proof of debt form must be completed and returned to this office no later than 5:00pm on 12 April 2017. If you intend to appoint another person to act on your behalf at the meeting, or if you are a corporate creditor, return the enclosed proxy form with your Proof of Debt. If you are representing a company, please ensure the proxy is executed under the company's common seal or under the hand of an officer duly authorised, otherwise you will not be entitled to vote at the meeting.

4. Personal Properties and Securities Register ("PPSR")

If any creditor has a claim registered on the PPSR, we have already written to you separately and seek particulars of your claim.

5. Proceedings against the company

All proceedings against the Company or its property by creditors are stayed unless our consent or leave of the Court is obtained. The powers of the Company's Directors and other officers are suspended for the duration of the Administration.

6. Declaration of independence, relevant relationships and indemnities ("DIRRI")

In accordance with industry best practice we are required to make declarations as to:

- A. our independence generally;
- B. relationships, including
 - i. the circumstances of the appointment;

iii. that there are no other relationships to declare; and

C. any indemnities given, or up-front payments made, to the Practitioners.

This declaration is made in respect of us and HoganSproles. A copy of the DIRRI has been attached to the circular.

Should you have any questions in relation to this matter, please contact Angelo Cadiz of this office on (02) 8020 5856 or at acadiz@hogansproles.com.au.

Yours faithfully

S & H Automotive Pty Ltd



Christian Sproles

Joint & Several Administrator

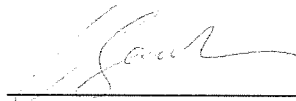
**S & H AUTOMOTIVE PTY LTD
(ADMINISTRATORS APPOINTED)
ACN 003 039 745**

AUTHORISED SIGNATORIES

SPECIMEN SIGNATURES

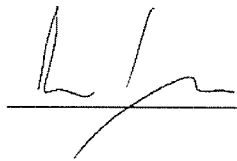
NAME: CHRISTIAN SPROWLES

SIGNATURE: _____



NAME: MICHAEL HOGAN

SIGNATURE: _____



FORM 529A

subregulation 5.6.12 (6)

CORPORATIONS ACT 2001
Section 436E

**NOTICE OF FIRST MEETING OF
CREDITORS OF COMPANY UNDER ADMINISTRATION
S & H AUTOMOTIVE PTY LTD
(ADMINISTRATORS APPOINTED)
ACN 003 039 745**

1. On 3 April 2017 the directors of the Company under section 436A appointed Christian Sprowles and Michael Hogan of HoganSprowles, Level 9, 60 Pitt Street, SYDNEY NSW 2000 as the Administrators of the company.
2. Notice is now given that a meeting of the creditors of the company will be held at the offices of HoganSprowles, Level 9, 60 Pitt Street, Sydney NSW 2000 on 13 April 2017 at 11:00am.
3. The purpose of the meeting is to determine:
 - a. whether to appoint a committee of creditors; and
 - b. if so, who are to be the committee's members.
4. At the meeting, creditors may also, by resolution:
 - a. remove the Administrator from office; and
 - b. appoint someone else as Administrator of the company.
5. Attendance at this meeting is not compulsory. Creditors may attend and vote in person, by proxy or by attorney. The appointment of a proxy must be made in accordance with Form 532.

A specific proxy can be lodged showing approval or rejection of each resolution. Proxy forms or facsimiles thereof must be lodged with our office **by 5.00pm on the day prior to the meeting**. Where a facsimile copy of a proxy is sent, the original must be lodged with my office within 72 hours after receipt of the facsimile. An attorney of the creditor must show the instrument by which he or she is appointed to the Chairman of the meeting, prior to the commencement of the meeting.

Telephone conference facilities will be available at the meeting. The telephone number to call is (02) 8077 0507 and the access code is 939227. Please note under Corporations Regulations 5.16.13A:

- a) A person, or the proxy or attorney of a person, who wishes to participate in the meeting by telephone must give to the liquidator, not later than the last working day before the day on which the meeting is to be held, a written statement setting out:
 - (i) the name of the person and of the proxy or attorney (if any); and
 - (ii) an address to which notices to the person, proxy or attorney may be sent; and
 - (iii) a telephone number at which the person, proxy or attorney may be contacted; and

(iv) any facsimile transmission number to which notices to the person, proxy or attorney may be sent.

- b) A person, or the proxy or attorney of a person, who participates in the meeting by telephone must pay any costs incurred by the person, proxy or attorney in participating and is not entitled to be reimbursed for those costs from the assets of the company.

DATED this 4th day of April 2017.



Christian Sprowles
Joint & Several Administrator

Hogan Sprowles
Level 9,
60 Pitt Street
SYDNEY NSW 2000

Telephone: (02) 8020 5850

INFORMAL PROOF OF DEBT FORM

Regulation 5.6.47

S & H AUTOMOTIVE PTY LTD
(ADMINISTRATORS APPOINTED)
ACN 003 039 745

Name of creditor:

Address of creditor:

.....

ABN:

Telephone number:

Amount of debt claimed: \$ (including GST \$.....)

Consideration for debt (i.e, the nature of goods or services supplied and the period during which they were supplied):

.....

.....

.....

Is the debt secured? YES/NO

If secured, give details of security including dates, etc:

.....

.....

.....

Other information:

.....

.....

.....
Signature of Creditor
(or person authorised by creditor)

.....
Dated

Notes:

Under the Corporations Regulations, a creditor is not entitled to vote at a meeting unless (Regulation 5.6.23):

- a. his or her claim has been admitted, wholly or in part, by the Administrator; or
- b. he or she has lodged with the Administrator particulars of the debt or claim, or if required, a formal proof of debt.

At meetings held under Section 436E and 439A, a secured creditor may vote for the whole of his or her debt without regard to the value of the security.

Proxies must be made available to the Administrator before 5:00pm on Monday 12 April 2017.

Declaration of Independence, Relevant Relationships and Indemnities

**S & H AUTOMOTIVE PTY LTD (ADMINISTRATORS APPOINTED) (“the Company”)
ACN 003 039 745**

This document requires the Practitioner/s appointed to an insolvent entity to make declarations as to:

- A. their independence generally;
- B. relationships, including
 - i the circumstances of the appointment;
 - ii any relationships with the S & H Automotive Pty Ltd and others within the previous 24 months;
 - iii any prior professional services for the S & H Automotive Pty Ltd within the previous 24 months;
 - iv that there are no other relationships to declare; and
- C. any indemnities given, or up-front payments made, to the Practitioner.

This declaration is made in respect of myself, my partners and HoganSprowles.

A. Independence

We, Christian Sprowles and Michael Hogan of HoganSprowles have undertaken a proper assessment of the risks to our independence prior to accepting the appointment as Joint & Several Administrators of S & H Automotive Pty Ltd in accordance with the law and applicable professional standards. This assessment identified no real or potential risks to my independence. We are not aware of any reasons that would prevent us from accepting this appointment.

B. Declaration of Relationships

i Circumstances of appointment

This appointment was referred to Christian Sprowles by Julie Talakovski of HWL Ebsworth Lawyers who is acting for two of the Company’s directors, Mr Henry Yuwono and Mrs Betsy Yuwono.

The reason we believe this referral does not result in the Administrators having a conflict of interest or duty are:

- Referral from business advisors including lawyers are common place and do not impact on our independence in carrying out our duties as Administrators of the Company;
- This is the second referral from this source in the last two years, the fees from which are not a significant percentage of our business and accordingly, we are by no means dependent on referrals from this source.

On 15 March 2017, Christian Spowles met with Company directors and their legal representatives to explain the Creditors Voluntary Liquidation and Voluntary Administration processes.

A further meeting was held on 3 April 2017, with the directors and their legal representatives immediately prior to the directors resolution to appoint Voluntary Administrators. At the meeting, Christian Spowles answered questions from the directors regarding the liquidation and voluntary administration.

We did not receive any remuneration for the above.

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

- The ARITA (formerly IPA) Code of Professional Practice and the Courts recognises the need for practitioners to provide advice on the insolvency process and the options available and we do not consider that such advice results in a conflict or is an impediment to accepting the appointment; and
- The nature of the advice provided to the Company is such that it would not be subject to review and challenge during the Administration; and
- The nature of the pre-appointment advice provided to the Company will not influence our ability to fully comply with the statutory and fiduciary obligations associated with the Administration of the Company in an objective and impartial manner.

We have provided no other information or advice to the Company or its Director/s prior to our appointment beyond that outlined in this DIRRI.

We have never met or had any discussions with the director or shareholders of the Company prior to our appointment.

ii Relevant Relationships (excluding Professional Services to the Insolvent)

We, nor our firm, have, or have had within the preceding 24 months, any relationships with the Company, an associate of the Company, a former insolvency practitioner appointed to the Company or any person or entity that has security over on the whole or substantially whole of the Company's property except for the below:

Name	Nature of relationship	Reasons
Starbout Pty Ltd A.C.N 057 578 346	Common directors and owner of the real estate at which the Company trades.	I believe that this relationship does not result in a conflict of interest or duty because: 1. Michael Hogan and Christian Spowles were appointed as Joint and Several Administrators on the same day. 2. The Administrators act in the interests of the creditors of each company.

There are no other prior professional or personal relationships that should be disclosed.

iii Prior Professional Services to the Insolvent

We, nor our Firm, have provided any professional services to the Company in the previous 24 months.

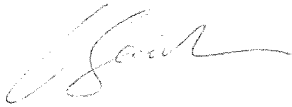
iv No other relevant relationships to disclose

There are no other known relevant relationships, including personal, business and professional relationships, from the previous 24 months with the Company, an associate of the Company, a former insolvency practitioner appointed to the Company or any person or entity that has a valid and enforceable security interest on the whole or substantially whole of company's property that should be disclosed.

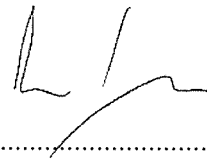
C. Indemnities and up-front payments

We have not been indemnified in relation to this liquidation, other than any indemnities that we may be entitled to under statute and we have not received any up-front payments in respect of our remuneration or disbursements.

Dated this 4th of April 2017



.....
Christian Sprowles
Joint & Several Administrator



.....
Michael Hogan
Joint and Several Administrator

NOTE:

1. *If circumstances change, or new information is identified, I am/we are required under the Corporations Act 2001 and the ARITA Code of Professional Practice to update this Declaration and provide a copy to creditors with my/our next communication as well as table a copy of any replacement declaration at the next meeting of the insolvent's creditors.*
2. *Any relationships, indemnities or up-front payments disclosed in the DIRRI must not be such that the Practitioner is no longer independent. The purpose of components B and C of the DIRRI is to disclose relationships that, while they do not result in the Practitioner having a conflict of interest or duty, ensure that creditors are aware of those relationships and understand why the Practitioner nevertheless remains independent.*



ASIC/ARITA Information sheet for

Insolvency information for directors, employees, creditors and shareholders

ASIC has 11 insolvency information sheets to assist you if you're affected by a company's insolvency and have little or no knowledge of what's involved.

These plain language information sheets give directors, employees, creditors and shareholders a basic understanding of the three most common company insolvency procedures—liquidation, voluntary administration and receivership. There is an information sheet on the independence of external administrators and one that explains the process for approving the fees of external administrators. A glossary of commonly used insolvency terms is also provided.

The Australian Restructuring Insolvency & Turnaround Association (ARITA), the leading professional organisation in Australia for insolvency practitioners, endorses these publications and encourages its members to make their availability known to affected people.

List of information sheets

- INFO 41 Insolvency: a glossary of terms
- INFO 74 Voluntary administration: a guide for creditors
- INFO 75 Voluntary administration: a guide for employees
- 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 43 Insolvency: a guide for shareholders
- INFO 42 Insolvency: a guide for directors
- INFO 84 Independence of external administrators: a guide for creditors
- INFO 85 Approving fees: a guide for creditors

Getting copies of the information sheets

To get copies of the information sheets, visit ASIC's website at www.asic.gov.au/insolvencyinfosheets. The information sheets are also available from the ARITA website at www.arita.com.au. The ARITA website also contains the ARITA's Code of Professional Practice for Insolvency Professionals, which applies to ARITA members.

Important note: The information sheets contain a summary of basic information on the topic. It is not a substitute for legal advice. Some provisions of the law referred to may have important exceptions or qualifications. These documents may not contain all of the information about the law or the exceptions and qualifications that are relevant to your circumstances. You will need a qualified professional adviser to take into account your particular circumstances and to tell you how the law applies to you.

Remuneration Proposal

Remuneration Methods

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

1. **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.
2. **Fixed Fee**
The total fee charged is normally quoted at the commencement of the administration and is the total cost for the administration. Sometimes a Practitioner will finalise an administration for a fixed fee.
3. **Percentage**
The total fee charged is based on a percentage of a particular variable, such as the gross proceeds of assets realisations.
4. **Contingency**
The practitioner's fee is structured to be contingent on a particular outcome being achieved.

Method chosen

Given the nature of this administration we propose that our remuneration be calculated on Time based / hourly rates.

The amount of work required and the recoveries from Company assets are at this stage not known to us and accordingly the time based / hourly rates basis best allows us to accurately determine how much work has been completed in each of the Administrations and remunerate accordingly.

We estimate that an Administration of the Company could cost between \$30,000 to \$50,000 plus GST, disbursements and legal fees is likely for the administration of the Company. However, it is subject to the following variables which may have a significant effect on this estimate and that we are unable to determine until we have commenced the Administrations.

Explanation of Hourly Rates

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



Schedule of rates as @ 1 July 2016

Private & Confidential

*HoganSprowles
Rate \$/Hour
(excluding GST)*

Partner	450
Director	405
Senior Manager	355
Manager	320
Supervisor	300
Senior Analyst 1	270
Senior Analyst 2	260
Analyst 1	220
Analyst 2	170
Graduate	150
Undergraduate	140
Senior Bookkeeper	140
Bookkeeper	130
PA	110
Administration	90