

Form 5011

Corporations Act 2001

s436E, 439A

Insolvency Practice Rules (Corporations) 2016

s75-145(1)(c)

Copy of minutes of meeting

Liquidator details

Registered liquidator number

390469

Registered liquidator name

GAYLE DICKERSON

Company details

Company name

MOUNT PLEASANT WINES PTY LTD

000 024 813

Section under which minutes are lodged

Date of meeting

24-07-2020

Are the minutes being lodged for a meeting convened under s436E, or s439A of the Corporations Act 2001?

Yes

Certification

I certify that the attached minutes of meeting are a true copy of the original minutes of meeting signed by the chair of the meeting as identified in the minutes.

Yes

Authentication

This form has been authenticated by
Name GAYLE DICKERSON
This form has been submitted by
Name William GEORGE
Date 07-08-2020

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**McWilliam's Wines Group Ltd ACN 000 024 108 (McWilliam's Wines Group)
Mount Pleasant Wines Pty Ltd ACN 000 024 813 (Mount Pleasant Wines)
(Both Administrators' Appointed) (Collectively referred to as 'the Group')**

Minutes of the Second Meeting of Creditors of the Group held concurrently via teleconference facilities on 24 July 2020 at 11:00AM (AEST).

1 Present

Gayle Dickerson – Administrator
Tim Mableson – Administrator
Charlie Griffiths – KPMG
George Choimes – KPMG
Irene Tang – KPMG
Grant Whatley – HWL Ebsworth
Naomi Philp – HWL Ebsworth

Creditors as indicated in the **attached** attendance and observer registers.

2 Chairperson

Gayle Dickerson, one of the Administrators of the Group, opened the meeting at 11:02AM (AEST) and advised that she would act as Chairperson of the meeting in accordance with Insolvency Practice Rules (Corporations) 2016 (**IPR**) 75-50.

The Chairperson noted that the meetings of the Group would be held concurrently, with separate resolutions heard for each of McWilliam's Wines Group and Mount Pleasant Wines as appropriate.

The Chairperson invited attendees to submit any queries during the meeting to Mr Griffiths and provided his contact details to the meeting.

3 Quorum

Irene Tang of KPMG took the attendance of creditors and observers at the meeting.

The Chairperson tabled the attendance register and advised that a quorum, in accordance with IPR 75-105 and the temporary modifications to the Corporations Act 2001 (**the Act**) under the Corporations (Coronavirus Economic Response) Determination (No 1) 2020, was present for both McWilliam's Wines Group and Mount Pleasant Wines.

4 Notice of meeting

The Chairperson advised that the meeting had been called in accordance with the notice of meeting dated 15 July 2020, the meeting having been advertised on the Australian Securities & Investments Commission (**ASIC**) Insolvency Notices on 15 July 2020 in accordance with IPR 75-40. The Chairperson noted that the notice of meeting had also been included with the Voluntary Administrators' report dated 15 July 2020 (**the Report**) and posted on the KPMG website that same day.

The Chairperson tabled the notice of meeting.

5 Convening the meeting

The Chairperson advised that due to the Government's safe distancing measures put in place in response to the current COVID-19 pandemic, as well as KPMG policies, the meeting was held via teleconference facilities.

The Chairperson advised that, in accordance with IPR 75-30, the meeting was being held at a date, time and place convenient to the majority of persons entitled to receive notice of the meeting.

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

The Chairperson referred to the Administrators' revised DIRRI dated 17 January 2020. The Chairperson noted that:

- A copy of the DIRRI had been tabled at the first meeting of creditors on 20 January 2020, with a copy also available from the KPMG website; and
- There had been no change to the DIRRI since the date the Administrators signed it.

7 Purpose of the meeting

The Chairperson advised that the statutory purpose of the meeting was to:

- Consider the Report; and
- Resolve the future of the Group.

The Chairperson explained that this meeting was held to enable creditors to discuss and consider the Deed of Company Arrangement (**DOCA**) proposal that has been received from MCW BidCo Pty Ltd (an entity owned through interposed entities by Prcstnt Asset Management) (**Deed Proponent**).

The Chairperson drew creditors' attention to the objective of Part 5.3A the Act regarding the Voluntary Administration process and noted that Section 435A of the Act provides for the business, property and affairs of an insolvent company to be administered in a way that:

- Maximises the chances of the company, or as much as possible of its business, continuing in existence; or
- If it is not possible for the company or its business to continue in existence, results in a better return for the company's creditors and members than would result from an immediate winding up of the company.

The Chairperson advised that pursuant to IPR 75-225, Sections 438A and 439A of the Act, the Administrators were obliged to report to creditors and form an opinion as to what they believe to be in creditors' best interests regarding the options available.

The Chairperson confirmed to creditors that pursuant to Section 439C of the Act, creditors may resolve either of the following concerning the Group's affairs:

- That the Group execute a DOCA; or
- That the Administration should end (in which case, control of the Group's affairs would be handed back to the directors); or
- That the Group be wound up and thereby placed into liquidation.

8 Tabling Documents

The Chairperson tabled the following documents and noted that they had either been provided prior to the meeting or would provide to creditors following the meeting if requested:

- notice of the Meeting of Creditors dated 15 July 2020;
- the Report;
- notice of second meeting of creditors as it appeared on the Australian Securities and Investments Commission (**ASIC**) insolvency notices website on 15 July 2020;
- schedule of meeting proxies received;
- schedule of proof of debts received; and
- statement of writing and posting the notice of meeting dated 15 July 2020

9 Administrators' Update to Creditors

The Chairperson referred to the on screen presentation and the Report, and noted that IPR Rule 75-225(3) required the Administrators to produce a report to creditors accompanied by the notice of the second meeting which set outs:

- information about the Group's business, property, affairs and financial circumstances;
- a statement setting out the Administrators' opinion regarding the Group's future;
- the Administrators' preliminary investigations into the affairs of the Group including whether there appears to be voidable transactions that may be recoverable by a liquidator (if appointed) under Part 5.7B of the Act; and
- details of the proposed DOCA, when one is proposed.

The Chairperson provided an overview of the Administration to date.

Extension to the convening period

The Chairperson noted that following an application made by the Administrators, the Court granted an extension of the Convening Period up to and including 31 July 2020.

At the time, the Administrators were of the opinion that an extension would enable the sale campaign to be progressed which would place the Administrators in a better position to make a fully informed recommendation to creditors about the Group's future.

Gordon Brothers funding

As part of the Funding Agreement with Gordon Brothers, the Chairperson advised that \$6.5 million was made available to the Administrators as a loan. The Chairperson explained that this enabled the Administrators to facilitate repayment of an amount totalling \$6.4 million to discharge the whole of the secured debt owing to Margaret River Wines Production Pty Ltd (**MRWP**) plus MRWP's legal costs and costs incurred by its Receivers.

The Chairperson noted that the Administrators' own personal liability to repay the Loan was limited to the assets of the Group and Gordon Brothers will therefore have limited recourse to the Administrators, being limited to the assets of both McWilliam's Wines Group and Mount Pleasant Wines.

The Chairperson advised that the Administrators had to date made principal repayments totalling \$4 million in addition to accrued interest, with a balance of \$2.5 million plus accrued interest still to be repaid to Gordon Brothers.

Trading

The Chairperson asked Tim Mablesen to provide an overview of the Group's trading and operations during the Voluntary Administration to date. Mr Mablesen thanked staff and suppliers for their support throughout the voluntary administration process to date and made the following comments:

- The Administrators' had engaged with the Group's growers to ensure that Vintage 2020 continued and intake for Vintage 2020 was completed on 26 March 2020 with a final grape intake of 12,337 tonnes. This was below expectations however, it reflected lower yields across the region.
- The Administrators closely monitored the impacts of the COVID-19 pandemic on the Group's cash flow, day-to-day operations as well as the wellbeing of all employees.
- The Group has recorded a net trading receipts and payments surplus of circa \$1.7 million from the date of their appointment to 30 June 2020, partially due to the Administrators' efforts to improve the stock profile of the Group in anticipation of a going concern sale.
- The Group's trading between 1 July and the anticipated date of completion of the DOCA was forecast to be a deficit of between \$0.4m and \$0.8m. This was largely a result of an increase in production, consistent with the time of year, to ensure the Group is positioned to capitalise on the peak sales period leading into Christmas. When combined with the cash surplus from trading to 30 June 2020, the overall trading cash flow result for the administration period to completion of the DOCA is forecast to be positive.

Sale of business

The Chairperson referred creditors to section 6 of the Report which provided a detailed timeline of the sale / recapitalisation process and noted that the Administrators, with the assistance of Colliers, conducted an exhaustive and comprehensive sale / recapitalisation process during the course of the Administration.

The Chairperson advised that the Administrators had determined that the offer that ensured the business would continue and provide the greatest return to creditors was received in the form of a DOCA proposal by the Deed Proponent.

The Chairperson explained that she would not provide details in regard to other offers received as these were confidential.

Statutory Investigations

The Chairperson advised that pursuant to section 438A of the Act, the Administrators are required to investigate the Group's business, property, affairs and financial circumstances and form an opinion about whether it would be in the interests of the creditors of the Group to execute a DOCA, for the administration to end, or for the Group to be wound up.

The Chairperson referred creditors to section 8 and 9 of the Report and noted that the Administrators' preliminary investigations are at an initial stage and these would require further investigations by liquidators, if appointed.

DOCA and Creditors Trust

A. Creditors' Trust Deed Amendments

The Chairperson referred creditors to section 7 of the Report and advised that since the Report had been issued, a creditor of the Group had proposed amendments to the Creditors' Trust Deed and those proposed amendments had been accepted by the Administrators and Deed Proponent, subject to the outcome of this meeting.

The Chairperson advised that the proposed amendments to the Creditors' Trust Deed were considered structural in nature as opposed to being amendments to the commercial terms of the offer, and can be summarised as follows:

- Addition of Clause 6.13 to incorporate further and certain IPS and IPR clause references;
- Addition of Clause 7.2 to fix the Trustees' remuneration so that any further remuneration could only be drawn upon if a meeting of creditors agreed or it was approved by a court;
- Amendment to Clause 8 to limit the Trustees' liability; and
- Amendment to Clause 9 to reflect the Clause 8 amendment.

The Chairperson invited Grant Whatley of HWL Ebsworth to provide the meeting with further explanation of the amendments.

The Chairperson advised that the amended DOCA and Creditors' Trust Deed would be made available on the KPMG website and sent to creditors following the meeting.

The Chairperson explained that the Administrators had made inquiries about the financial capability of the Deed Proponent to comply with its obligations under the DOCA. In response to those inquiries, the Administrators received from Prcstnt Asset Management (**Prcstnt**), the entity that currently controls the Deed Proponent (through interposed entities), four call notices issued by Prcstnt to confidential persons requiring those persons to provide capital to Prcstnt in accordance with an Investor Agreement. The Administrators Prcstnt have been advised by Prcstnt that the funds will then be made available to the Deed Proponent by way of inter group funding arrangements. Based on the information provided, the Administrators have formed the view that the Deed Proponent is capable of complying, and is likely to comply with, its obligations to the trustee if the DOCA proposal is approved.

B. Statement from the Deed Proponent

The Chairperson advised that David Barnaby of McGrath Nicol was in attendance at the meeting, as a representative of the Deed Proponent, and would read a statement on behalf of the Deed Proponent.

"Good morning and my apologies for not being able to be with you at this very important meeting today.

Obviously, on behalf of the whole team at Prcstnt Asset Management, we hope that collectively you vote to support this transaction. I appreciate that some of you have had concerns about various aspects of the proposed arrangement. We have done our best to work with the Administrators to solve as many as possible of the issues raised. I also want to make sure that everyone understands that our plan is to take this business to new levels by working with everyone who has helped to date.

Despite some of the press, our intention is to continue to work with and offer investment opportunities to the McWilliam's family where possible. We see their involvement as truly important for the long term protection and development of the brand.

Our strategy is to generate demand to fill capacity, expand the business through the continuation of the execution of the existing brand development strategy, extend existing partnerships and finally to look at acquisitions and investments to complement the product portfolio. We look forward to working with David and his team on this exciting journey.

Of course, and in line with our investment philosophy, we are also very excited by the opportunity to make a real environmental difference and to showcase this as part of our overall strategy for the business, and in all of our operational plans.

Thank you for your consideration and time."

C. DOCA Amendments

The Chairperson referred creditors to section 7 of the Report and advised that since the Report, the Administrators were made aware of certain trademarks that have either lapsed or were not included in 'Schedule 4 – M&G Trademarks' and 'Schedule 5 – Other Brands and Stock'. The Chairperson noted that these schedules had been amended accordingly.

D. Key terms of the DOCA and details of Creditors' Trust

The Chairperson referred creditors to section 7 of the Report and provided creditors with an overview of the key terms of the DOCA and the Creditors' Trust Deed.

The Chairperson discussed the estimated timeline for the DOCA and Creditors' Trust as follows:

Key event	Estimated timing
Execution of Proposed DOCA & creation of Creditors' Trust	On or before 13 August 2020
Preparation of Independent Expert's Report, application to ASIC seeking relief from section 606 of the Act to enable transfer of 100% of shares by Deed Administrator to Deed Proponent and commencement of section 444GA application in Court to s444GA orders.	By mid-September 2020
Obtain s444GA orders from the Court Complete other conditions precedent Completion and termination of DOCA Creditor claims against Company released and extinguished and claims converted to rights as beneficiaries of Creditors' Trust	By October 2020
Adjudication of claims and distribution to beneficiaries of Creditors' Trust	Prior to the end of December 2020

The Chairperson noted that while there were a number of factors that may impact the timing, the Administrators anticipated that:

- The DOCA could be completed and terminated by October 2020 and funds distributed to beneficiaries of the Creditors Trust prior to the end of December 2020.
- Any delays to this timeline are likely to be a result of the completion of some of the conditions precedent, including the section 444GA application.

The Chairperson provided an overview of the advantages and disadvantages of the DOCA/Creditors' Trust compared to a Liquidation and the estimated return to creditors in each scenario.

The Chairperson noted the Administrators' recommendation in the Report that they believed it was in creditors' best interest to vote in favour of the DOCA proposal.

10 Questions

The Chairperson then opened the meeting to questions and there were no questions forthcoming.

The Chairperson asked Mr Griffiths if he had received any questions via email or telephone and he confirmed that he had not.

The Chairperson then addressed some key questions that had been raised by creditors since the Report was issued:

1 *If the DOCA is approved today, what is the process?*

The Administrators have 15 business days from the date of the meeting to execute the DOCA however they expect that the DOCA would be signed around 31 July 2020.

2 *Is there any way that the DOCA can be completed earlier?*

As the Administrators had noted in the Report, there were several conditions precedent that were required to be achieved before the DOCA could be completed. In addition, the Administrators expected that they would be required to commission an independent expert report, lodge an application with ASIC to seek relief from section 606 of the Act and obtain s444GA orders from the Court.

If the DOCA proposal was accepted, the Administrators would be issuing correspondence to all shareholders following the execution of the DOCA outlining the process required to seek ASIC relief and s444GA orders.

3 *Who continues to run the business during the DOCA?*

In the event that the DOCA proposal was accepted, the Deed Administrators would be required to continue to trade on the business, in much the same manner as the business has been conducted by the Voluntary Administrators to date. This additional time and cost had been factored into the estimated Deed Administrators' proposed fees.

The Administrators noted that approval for the future remuneration sought was based on an estimate of the work necessary to completion. Should the Administrators not incur the full value of remuneration approval, they would only make payment of the remuneration that had been incurred.

4 Why is there such a large range in unsecured creditor claims in the DOCA scenario?

The Administrators' estimate unsecured creditor claims between \$31.5 million and \$41.5 million in the Report. This is primarily a result of a large contingent claim relating to the Chullora site that would be adjudicated for dividend purposes by the Trustees, should the DOCA proposal be accepted. The Deed Administrators would be reviewing creditors' claims during the period of the DOCA in order to accelerate the dividend process in the Creditors' Trust.

5 Are the potential claims that were identified able to be pursued?

As detailed in the Report, the Administrators' preliminary investigations into potential claims had identified potential insolvent trading claims and potential unfair preference claims. These claims would only be pursued by a liquidator if the Group were to enter liquidation as a result of creditors voting that way at today's meeting. A liquidator would be required to complete further investigations to determine whether there are claims, the quantum of the claims and the likely costs and risks of pursuing any claims.

6 What would happen if the DOCA was not approved?

In the event that the DOCA proposal was not approved by creditors, the remaining option would be for the Group to enter liquidation. In this scenario, the Administrators would expect the liquidator to shut down the business' operations, which would result in all current staff being terminated. The liquidator would then look to commence an asset sale to enable the realisation of all the Groups' assets. The liquidator would also complete further investigations to identify potential liquidator claims.

The Chairperson then re-opened the meeting to questions and no questions were forthcoming.

11 Resolutions

The Chairperson advised as the meeting was being held virtually via teleconference, each resolution would be decided by a poll.

Accordingly, a resolution was carried if:

- A majority of creditors voting (whether in person, by attorney or by proxy) vote in favour; and
- The value of the debts owed by the corporation to those voting in favour was more than half the total debts owed to all creditors voting (IPR 75-115).

12 Voting and use of casting vote

The Chairperson noted that:

- In accordance with IPR 75-115, the Chairperson may exercise a casting vote if no result is reached for or against. The Chairperson's decision to exercise this vote is subject to review by the Court upon application by a creditor (Sections 75-42 and 75-43 of Schedule 2 to the Act).
- A secured creditor may vote with respect to the whole of its debt or claim, without being required to estimate the value of its security (IPR 75-87).
- A related party is permitted to vote as a creditor at the meeting, provided its claim has been admitted by the Administrators for the purposes of voting (IPR 75-100).
- Where a debt claimed by a related creditor (within the meaning of Section 75-41(4) of Schedule 2 to the Act) has been assigned to that related creditor, the value for the purposes of voting is to be determined by taking the value of the assigned debt to be equal to the value of the consideration given by the related creditor for the assignment of the debt (IPR 75-110(7)).

13 Resolution 1: Remuneration of the Administrators of McWilliam's Wines Group

It was proposed by the Chairperson using a special proxy to the Chairperson from Bevchain Pty Ltd:

"That the remuneration of the Administrators of McWilliam's Wines Group Ltd (Administrators Appointed), as set out in the Remuneration Approval Request dated 15 July 2020, for the period from 29 February 2020 to 30 June 2020 be fixed in the amount of \$1,268,505.35 plus any applicable GST, and may be paid."

The Chairperson advised the meeting of the outcome of the poll as follows:

Description	Number	Value (\$)
For	148	36,507,389.97
Against	0	0
Abstain	10	1,156,934.39

The resolution was declared carried with the Chairperson abstaining from exercising general proxies in her favour.

Resolution 2: Remuneration of the Administrators of McWilliam's Wines Group

It was proposed by the Chairperson using a special proxy to the Chairperson from Bevchain Pty Ltd:

"That the remuneration of the Administrators of McWilliam's Wines Group Ltd (Administrators Appointed), as set out in the Remuneration Approval Request dated 15 July 2020, for the period from 1 July 2020 to 24 July 2020 be fixed up to a maximum amount of \$323,400.00 plus any applicable GST, but subject to upward revision by resolution of creditors or the Committee of Inspection, and that the Administrators be authorised to make periodic payments on account of such accruing remuneration as incurred."

The Chairperson advised the meeting of the outcome of the poll as follows:

Description	Number	Value (\$)
For	148	36,507,254.35
Against	1	3,103.30
Abstain	10	1,156,934.39

The resolution was declared carried with the Chairperson abstaining from exercising general proxies in her favour.

14 Resolution 3: Remuneration of the Administrators of McWilliam's Wines Group

It was proposed by the Chairperson using a special proxy to the Chairperson from Bevchain Pty Ltd:

"That the remuneration of the Administrators of McWilliam's Wines Group Ltd (Administrators Appointed), as set out in the Remuneration Approval Request dated 15 July 2020, for the period from 25 July 2020 to Execution of the DOCA be fixed up to a maximum amount of \$248,400.00 plus any applicable GST, but subject to upward revision by resolution of creditors or the Committee of Inspection, and that the Administrators be authorised to make periodic payments on account of such accruing remuneration as incurred."

The Chairperson advised the meeting of the outcome of the poll as follows:

Description	Number	Value (\$)
For	148	36,507,254.35
Against	1	3,103.30
Abstain	10	1,156,934.39

The resolution was declared carried with the Chairperson abstaining from exercising general proxies in her favour.

15 Resolution 4: Internal Disbursements of the Administrators of McWilliam's Wines Group

It was proposed by the Chairperson using a special proxy to the Chairperson from Bevchain Pty Ltd:

"That the internal disbursements of the Administrators of McWilliam's Wines Group Ltd (Administrators Appointed), as set out in the Remuneration Approval Request dated 15 July 2020, for the period from 29 February 2020 to Execution of the DOCA be fixed up to a maximum amount of \$19,156.62 plus any applicable GST, but subject to upward revision by resolution of creditors or the Committee of Inspection, and that the Administrators be authorised to make periodic payments on account of such accruing disbursements as incurred."

The Chairperson advised the meeting of the outcome of the poll as follows:

Description	Number	Value (\$)
For	148	36,510,357.65
Against	0	0
Abstain	10	1,156,934.39

The resolution was declared carried with the Chairperson abstaining from exercising general proxies in her favour.

16 Resolution 5: Remuneration of the Administrators of Mount Pleasant Wines

It was proposed by the Chairperson using a special proxy to the Chairperson from Total Pumps & Irrigation:

"That the remuneration of the Administrators of Mount Pleasant Wines Pty Ltd (Administrators Appointed), as set out in the Remuneration Approval Request dated 15 July 2020, for the period from 8 January 2020 to 30 June 2020 be fixed in the amount of \$143,066.65 plus any applicable GST, and may be paid."

The Chairperson advised the meeting of the outcome of the poll as follows:

Description	Number	Value (\$)
For	2	9,668.54
Against	0	0
Abstain	0	0

The resolution was declared carried with the Chairperson abstaining from exercising general proxies in her favour.

17 Resolution 6: Remuneration of the Administrators of Mount Pleasant Wines

It was proposed by the Chairperson using a special proxy to the Chairperson from Total Pumps & Irrigation:

"That the remuneration of the Administrators of Mount Pleasant Wines Pty Ltd (Administrators Appointed), as set out in the Remuneration Approval Request dated 15 July 2020, for the period from 1 July 2020 to 24 July 2020 be fixed up to a maximum amount of \$26,600.00 plus any applicable GST, but subject to upward revision by resolution of creditors or the Committee of Inspection, and that the Administrators be authorised to make periodic payments on account of such accruing remuneration as incurred."

The Chairperson advised the meeting of the outcome of the poll as follows:

Description	Number	Value (\$)
For	2	9,668.54
Against	0	0
Abstain	0	0

The resolution was declared carried with the Chairperson abstaining from exercising general proxies in her favour.

18 Resolution 7: Remuneration of the Administrators of Mount Pleasant Wines

It was proposed by the Chairperson using a special proxy to the Chairperson from Total Pumps & Irrigation:

"That the remuneration of the Administrators of Mount Pleasant Wines Pty Ltd (Administrators Appointed), as set out in the Remuneration Approval Request dated 15 July 2020, for the period from 25 July 2020 to Execution of the DOCA be fixed up to a maximum amount of \$23,300.00 plus any applicable GST, but subject to upward revision by resolution of creditors or the Committee of Inspection, and that the Administrators be authorised to make periodic payments on account of such accruing remuneration as incurred."

The Chairperson advised the meeting of the outcome of the poll as follows:

Description	Number	Value (\$)
For	2	9,668.54
Against	0	0
Abstain	0	0

The resolution was declared carried with the Chairperson abstaining from exercising general proxies in her favour.

19 Resolution 8: Internal Disbursements of the Administrators of Mount Pleasant Wines

It was proposed by the Chairperson using a special proxy to the Chairperson from Total Pumps & Irrigation:

"That the internal disbursements of the Administrators of Mount Pleasant Wines Pty Ltd (Administrators Appointed), as set out in the Remuneration Approval Request dated 15 July 2020, for the period from 8 January 2020 to Execution of the DOCA be fixed up to a maximum amount of \$1,671.08 plus any applicable GST, but subject to upward revision by resolution of creditors or the Committee of Inspection, and that the Administrators be authorised to make periodic payments on account of such accruing disbursements as incurred."

The Chairperson advised the meeting of the outcome of the poll as follows:

Description	Number	Value (\$)
For	2	9,668.54
Against	0	0
Abstain	0	0

The resolution was declared carried with the Chairperson abstaining from exercising general proxies in her favour.

20 Resolution 9: Deed of Company Arrangement – McWilliam's Wines Group

It was proposed by the Chairperson using a special proxy to the Chairperson from Bevchain Pty Ltd:

"That, pursuant to Section 439C of the Corporations Act 2001 (the Act), the Company execute a Deed of Company Arrangement, under Part 5.3A of the Act, in the same form as the proposal statement presented to the meeting (even if it differs from the proposed Deed (if any) details of which accompanied the notice of meeting) and Gayle Dickerson, Tim Mableson and Ryan Eagle be appointed as Joint and Several Deed Administrators."

The Chairperson advised the meeting of the outcome of the poll as follows:

Description	Number	Value (\$)
For	151	27,589,638.71
Against	1	8,158,565.00
Abstain	6	561,657.32

The resolution was declared carried with the Chairperson abstaining from exercising general proxies in her favour.

21 Resolution 12: Deed of Company Arrangement – Mount Pleasant Wines

It was proposed by the Chairperson using a special proxy to the Chairperson from Total Pumps & Irrigation:

"That, pursuant to Section 439C of the Corporations Act 2001 (the Act), the Company execute a Deed of Company Arrangement, under Part 5.3A of the Act, in the same form as the proposal statement presented to the meeting (even if it differs from the proposed Deed (if any) details of which accompanied the notice of meeting) and Gayle Dickerson, Tim Mableson and Ryan Eagle be appointed as Joint and Several Deed Administrators."

The Chairperson advised the meeting of the outcome of the poll as follows:

Description	Number	Value (\$)
For	2	9,668.54
Against	0	0
Abstain	0	0

The resolution was declared carried with the Chairperson abstaining from exercising general proxies in her favour.

22 Resolution 15: Remuneration of Deed Administrators of McWilliam's Wines Group

It was proposed by the Chairperson using a special proxy to the Chairperson from Bevchain Pty Ltd:

"That the remuneration of the Deed Administrators of McWilliam's Wines Group Ltd (Subject to DOCA), as set out in the Remuneration Approval Request dated 15 July 2020, for the period from Execution of the DOCA to Completion of the DOCA be fixed up to a maximum amount of \$896,319.00 plus any applicable GST, but subject to upward revision by resolution of creditors or the Committee of Inspection, and that the Deed Administrators be authorised to make periodic payments on account of such accruing remuneration as incurred."

The Chairperson advised the meeting of the outcome of the poll as follows:

Description	Number	Value (\$)
For	144	27,676,874.58
Against	0	0
Abstain	14	9,975,085.75

The resolution was declared carried with the Chairperson abstaining from exercising general proxies in her favour.

23 Resolution 16: Internal Disbursements of Deed Administrators of McWilliam's Wines Group

It was proposed by the Chairperson using a special proxy to the Chairperson from Bevchain Pty Ltd:

"That the internal disbursements of the Deed Administrators of McWilliam's Wines Group Ltd (Subject to DOCA), as set out in the Remuneration Approval Request dated 15 July 2020, for the period from Execution of the DOCA to Completion of the DOCA be fixed up to a maximum amount of \$1,807.00 plus any applicable GST, but subject to upward revision by resolution of creditors or the Committee of Inspection, and that the Deed Administrators be authorised to make periodic payments on account of such accruing disbursements as incurred."

The Chairperson advised the meeting of the outcome of the poll as follows:

Description	Number	Value (\$)
For	148	27,903,249.04
Against	0	0
Abstain	11	9,764,043.00

The resolution was declared carried with the Chairperson abstaining from exercising general proxies in her favour.

24 Resolution 17: Remuneration of Deed Administrators of Mount Pleasant Wines

It was proposed by the Chairperson using a special proxy to the Chairperson from Total Pumps & Irrigation:

"That the remuneration of the Deed Administrators of Mount Pleasant Wines Pty Ltd (Subject to DOCA), as set out in the Remuneration Approval Request dated 15 July 2020, for the period from Execution of the DOCA to Completion of the DOCA be fixed up to a maximum amount of \$53,681.00 plus any applicable GST, but subject to upward revision by resolution of creditors or the Committee of Inspection, and that the Deed Administrators be authorised to make periodic payments on account of such accruing remuneration as incurred."

The Chairperson advised the meeting of the outcome of the poll as follows:

Description	Number	Value (\$)
For	2	9,668.54
Against	0	0
Abstain	0	0

The resolution was declared carried with the Chairperson abstaining from exercising general proxies in her favour.

25 Resolution 18: Internal Disbursements of Deed Administrators of Mount Pleasant Wines

It was proposed by the Chairperson using a special proxy to the Chairperson from Total Pumps & Irrigation:

"That the internal disbursements of the Deed Administrators of Mount Pleasant Wines Pty Ltd (Subject to DOCA), as set out in the Remuneration Approval Request dated 15 July 2020, for the period from Execution of the DOCA to Completion of the DOCA be fixed up to a maximum amount of \$1,507.00 plus any applicable GST, but subject to upward revision by resolution of creditors or the Committee of Inspection, and that the Deed Administrators be authorised to make periodic payments on account of such accruing disbursements as incurred."

The Chairperson advised the meeting of the outcome of the poll as follows:

Description	Number	Value (\$)
For	2	9,668.54
Against	0	0
Abstain	0	0

The resolution was declared carried with the Chairperson abstaining from exercising general proxies in her favour.

26 Resolution 19: Committee of Inspection (COI) for McWilliam's Wines Group

The Chairperson referred to the first meeting of creditors on 20 January 2020, where creditors resolved that a COI be formed with the following members:

Creditor	Representative
QWIL Investments Pty Ltd	Kristen Sagar
Maxsons Pty Ltd	Karen McWilliams
SMYP Pty Ltd	Nathan Cameron
Representing himself	David Pitt
Pipeclay Lawson Ltd ATF Chullora Land Trust	Emil Petar Pahljina
April5 Pty Ltd	Alicia Beachley

The Chairperson advised that in a DOCA, a new COI would need to be nominated and approved by creditors.

The Chairperson advised that the functions of the COI were:

- To consult with the Deed Administrators about matters relating to the external administration; and
- To receive and consider reports by the Deed Administrators.

The Chairperson advised creditors that Section 80-55 of Schedule 2 of the Act provides that a member of a COI must not directly or indirectly derive any profit or advantage from the external administration of the Company unless creditors resolve otherwise. Section 80-55(2) of Schedule 2 of the Act provides that a member of a COI is taken to derive a profit or advantage from the external administration of the Company if:

- the member directly or indirectly derives a profit or advantage from a transaction (including a sale or purchase) entered into for or on account of the Company; or
- the member directly or indirectly derives a profit or advantage from a creditor of the Company; or
- a related entity of the member directly or indirectly derives a profit or advantage from the administration of the Company.

The Chairperson explained that in the event that the Deed Administrators entered into any transaction with a member of the COI that may result in that member deriving a profit or advantage from the external administration of the Company, it would be necessary for creditors to consider a separate resolution to consent to that arrangement.

The Chairperson advised that at this point in time, the Administrators' recommend that a COI only be appointed for McWilliam's Wines Group Ltd (Subject to Deed of Company Arrangement). The Chairperson received nominations from the same six members who formed the COI for the Administration. No other nominations were received.

It was proposed by the Chairperson using a special proxy to the Chairperson from Bevchain Pty Ltd:

"That a Committee of Inspection be appointed for McWilliam's Wines Group Ltd (Subject to Deed of Company Arrangement) comprised as follows:

Committee member name	Representing
Kristen Sagar	QWIL Investments Pty Ltd
Karen McWilliams	Maxsons Pty Ltd
Nathan Cameron	SMYP Pty Ltd
David Pitt	Representing himself
Emil Petar Pahljina	Pipeclay Lawson Ltd ATF Chullora Land Trust
Alicia Beachley	April5 Pty Ltd

The Chairperson advised the meeting of the outcome of the poll as follows:

Description	Number	Value (\$)
For	133	31,548,481.67
Against	4	268,280.50
Abstain	19	5,419,978.72

The resolution was declared carried with the Chairperson abstaining from exercising general proxies in her favour.

27 Creditor approval of transactions with members of the COI

The Chairperson advised that any member of the committee of inspection must not directly or indirectly derive any profit or advantage from the external administration of the company (Section 80-55(1)).

The Chairperson also advised that a member of the COI may derive a profit or advantage if:

- the member directly or indirectly derives a profit or advantage from a transaction (including a sale or purchase) entered into for or on account of McWilliam's Wines Group Ltd (Subject to Deed of Company Arrangement); or
- the member directly or indirectly derives a profit or advantage from a creditor of McWilliam's Wines Group Ltd (Subject to Deed of Company Arrangement); or
- A related entity of the member directly or indirectly derives a profit or advantage from the external administration of McWilliam's Wines Group Ltd (Subject to Deed of Company Arrangement) (Section 80-55(2)).

The Chairperson then read out the details of the transactions for each of the committee members as disclosed during the first meeting of creditors:

- QWIL Investments Pty Ltd: lessor of vineyards to McWilliam's Wines Group Ltd (Administrators Appointed)
- Maxsons Pty Ltd: continued supply on normal trading terms
- SMYP Pty Ltd: continued supply on normal trading terms, lessee of Hanwood premises pursuant to lease and customer of related entity
- David Pitt: continued employment as per employment contract
- Pipeday Lawson Ltd ATF Chullora Land Trust: owner and former lessor of land at 68 Anzac Street, Chullora NSW 2190; and
- April5 Pty Ltd: continued supply on normal trading terms.

The Chairperson advised that for the purposes of considering this next resolution to be proposed by the Chairperson, the committee members were not permitted to vote (Section 80-55(4)).

In accordance with the requirements of Section 80-55 of Schedule 2 to the Act, it was proposed by the Chairperson:

"That, pursuant to Section 80-55(3) of Schedule 2 to the Act, creditors authorise and resolve for the members of the COI appointed on 24 July 2020 to enter into/continue with the transactions set out in the nomination forms tabled at this meeting or otherwise disclosed to this meeting, such that section 80-55(1) of Schedule 2 to the Act no longer applies to the members of the COI for those transactions."

As this resolution was not included in the proxy form circulated with the Report, the Chairperson asked each creditor in attendance by virtue of a general proxy, not a special proxy, how they wished to vote on that resolution. The Chairperson advised the meeting of the outcome of the poll of the general proxy creditors in attendance as follows:

Description	Number	Value (\$)
For	5	1,739,198.89
Against	0	0
Abstain	0	0

The resolution was declared carried with the Chairperson abstaining from exercising general proxies in her favour.

28 Closure of meeting

There being no further business, the Chairperson thanked those present for attending and advised that correspondence would be issued to creditors once the DOCA had been executed and that a copy of the minutes lodged with ASIC would be available via the KPMG website.

The Chairperson declared the meeting closed at 1:50PM (AEST).

Signed as a correct record.

Dated this 7th day of August 2020



Gayle Dickerson
Chairperson



McWilliam's Wines Group Ltd Attendees (in person or by proxy)

Creditor	Representative	Admitted Amount (\$)
A J Freighters	Jade Gooda	20,241.10
Abeyasingha Jayawardana, Jayawardana, (Mr)	Andrew Higgins	2,069.42
Agostino, Rodger (Mr)	Ross Lyman	3,255.46
Ainsworth, Clint (Mr)	Paul Harvey	27,008.98
Amy, Stephen (Mr)	David Pitt	13,700.77
Applied Engineering Services Griffith	Chairperson	10,060.34
April 5 Pty Ltd	Alicia Beachley	96,728.73
Ashton, Lisa (Dr)	Lisa Ashton	712.50
Australian Tartaric Products	Chairperson	290,383.67
Austwine Brokers Pty Ltd	Chairperson	1,163.60
Awards Cleaning Group	Chairperson	5,187.22
Bagiante, Mitch (Mr)	Ross Lyman	3,576.58
Bailo, Robert (Mr)	Paul Harvey	16,728.39
Ball, Guy (Mr)	Ross Lyman	18,818.95
Barbirotto, Daniella (Miss)	Ross Lyman	2,004.61
Becker, Scott (Mr)	Lisa Schipp	13,354.35
Bellato Plumbers Pty Ltd	Chairperson	15,518.90
Bernardino, Megan (Miss)	Adrian Sparks	280.17
Bevchain Pty Limited	Chairperson	455,693.61
Brand Ventures Pty Ltd	Chairperson	985,478.12
Brayne, James (Mr)	David Pitt	16,439.47
Butler, Peter (Mr)	Adrian Sparks	123.93
Byrnes, Reuben (Mr)	Ross Lyman	1,853.93
Calabria, Anthony (Mr)	Paul Harvey	2,052.86
Calabro, Vincent (Mr)	Deb Vallentine	8,387.23
Carr, James (Mr)	Adrian Sparks	5,589.44
Cavanagh, Sarah (Miss)	Ross Lyman	2,600.92
Cfo Plus Pty Ltd	Chairperson	30,867.18
Chapman, Jonathon (Mr)	Lisa Schipp	11,211.53
Chen, Phil (Mr)	Adrian Sparks	753.20
Choy, Robyn (Ms)	Lisa Schipp	6,968.48
Clark, Narelle (Ms)	Deb Vallentine	7,860.12
Cody, Russell (Mr)	Andrew Higgins	34,652.28
Conlin, Daniel (Mr)	Adrian Sparks	2,978.45
Croall, Alistair (Mr)	Deb Vallentine	3,035.98
Denomination Pty Ltd	Chairperson	7,975.00
Deputy Commissioner Of Taxation	Brett Sullivan	1,398,065.41
Dialogue Pr & Communications Pty Ltd	Kathryn Bradley	81,813.00
Dufour, Brendan (Mr)	Andrew Higgins	4,726.25
Duong, Ken (Mr)	Lisa Schipp	22,085.70
E. & J. Gallo Winery	Courtney Locke	1,290,193.60
Ee Muir And Sons Pty Limited (Acn 004 524 387)	Chairperson	7,150.00



Creditor	Representative	Admitted Amount (\$)
Ergos, John (Mr)	Ross Lyman	23,881.90
Ergos, Maria (Mrs)	Ross Lyman	1,039.60
Evans & Tate Pty Ltd	Chairperson	109,138.93
Ferguson, Steven (Mr)	Adrian Sparks	10,375.95
Fitzgerald, Nathan (Mr)	Lisa Schipp	2,381.67
Fogarty Family Wines Pty Ltd	Chairperson	102,898.33
Framingham Wine	Tom Trolove	115,706.52
Fraser, Gordon (Mr)	Andrew Higgins	1,613.89
Frith, Craig (Mr)	Ross Lyman	3,103.30
Fuller, Michael (Mr)	Adrian Sparks	2,838.30
Georgilas, Andromahi (Mrs)	Lisa Schipp	13,682.46
Glorypak. Ast Pty Ltd	Chairperson	20,118.60
Gordon, Bradley (Mr)	David Pitt	5,618.61
Gordon, John (Mr)	David Pitt	3,696.51
Gorman, Rachael (Ms)	Deb Vallentine	2,679.74
Harvey, Paul (Mr)	Paul Harvey	28,567.87
Henkell & Sohnlein	Sean Shortt	1,667,391.69
Higgins, Andrew (Mr)	Andrew Higgins	89,821.78
Higgins, Les (Mr)	Ross Lyman	2,159.56
Houghton, Leanne (Mrs)	Lisa Schipp	3,608.77
Hutchinson, Catherine (Ms)	Ross Lyman	6,416.84
Icare Workers Insurance	Chairperson	117,061.56
J & J Security	Chairperson	8,615.20
J.F. Hillebrand Australia P/L	Chairperson	200,789.45
Kiparizov, Katerina (Ms)	David Pitt	7,241.44
L&M Pittari Transport Pty Ltd	Chairperson	148,265.04
Lednyak & Associates Pty Ltd	Chairperson	18,947.80
Lennox, Beverly (Mrs)	Lisa Schipp	6,185.67
Levu, Graham (Mr)	Ross Lyman	45.33
Liftek Griffith	Vince Staltare	55,986.91
Lindsay, Catherine (Mrs)	Lisa Schipp	441.74
Linney Engineering Services Pty Ltd	Chairperson	17,459.75
Lizzio, Salvatore (Mr)	Lisa Schipp	5,896.10
Lodding, Jody (Mr)	Ross Lyman	3,965.83
Lyman, Alastair (Mr)	Ross Lyman	9,499.02
Macdonald, Ivor (Mr)	David Pitt	8,783.03
Mallas, Anastasia (Miss)	David Pitt	5,655.31
Marchiori Construction Pty Ltd	Chairperson	162,376.40
Martos Oliva, Oliva, (Ms)	David Pitt	7,123.82
Martyn, Jessica (Ms)	Deb Vallentine	8,100.34
Maxsons Pty Limited (Greg Mcwilliam)	Karen Mcwilliam	4,671,952.00
Mccuaig, Rory (Mr)	Paul Harvey	4,694.13
Mcduff, Lorena (Mrs)	Andrew Higgins	1,506.63



Creditor	Representative	Admitted Amount (\$)
Mcgregor, Anita (Ms)	David Pitt	219.96
Mclaughlin, Kenneth (Mr)	Adrian Sparks	14,116.63
Mcmullen, Ange (Ms)	Adrian Sparks	198.28
Mcwilliam, John	Kim Sandford	1,512,288.64
Mcwilliam, Jonathan	Jonathon Mcwilliam	416,433.64
Mcwilliam, Karen (Ms)	Karen Mcwilliam	3,103.30
Mcwilliam, Mel (Miss)	Andrew Higgins	2,034.64
Mcwilliam, Penelope	Penelope Mcwilliam	334,350.00
Mcwilliam, Robyn	Jeffrey Mcwilliam	310,900.00
Mcwilliam, Scott (Mr)	Karen Mcwilliam	15,331.71
Milawa Transport Services P/L	Chairperson	98,067.94
Molasses	Chairperson	85,833.00
Mooremc Pty Ltd	Chairperson	35,960.20
Multi Color Corporation	Chairperson	199,478.58
Nayak, Nikita (Mrs)	Ross Lyman	6,216.67
Negus, Mark (Mr)	Paul Harvey	11,432.97
Neil, Suzella (Miss)	Adrian Sparks	31,151.35
Neville, Paul (Mr)	Paul Harvey	4,645.12
Nile Waters Pty Ltd	Chairperson	11,170.69
Nolan, Liz (Miss)	Lisa Schipp	16,412.76
Nutrien Ag Solutions (Formerly Landmark Operations	Chairperson	59,978.89
Oconnor, Brett (Mr)	Chairperson	6,925.69
Pankhurst, Gregory (Mr)	Adrian Sparks	56.60
Parisotto, Rebecca (Miss)	Chairperson	9,194.37
Parsons, Madelyn (Miss)	Adrian Sparks	2,363.93
Penton, Karen (Mrs)	Adrian Sparks	2,095.77
Perlowski, Joshua (Mr)	Andrew Higgins	4,604.69
Pipeclay Lawson Ltd	David Libling	7,284,000.00
Pisan, Debra (Mrs)	Andrew Higgins	7,680.52
Pitt, David (Mr)	David Pitt	32,520.59
Pma Global Pty Ltd	Chairperson	59,511.61
Power Plus Lighting & Electrical Suppliers	Chairperson	12,341.56
Prominent Fluid Controls Pty Ltd	Chairperson	1,775.95
QWIL Investments Pty Ltd	Chairperson	8,158,565.00
Red Windows Capital Pty Ltd	Chairperson	465,487.02
Richardson, Paul (Mr)	David Pitt	25,017.16
Ryan, Mitchell (Mr)	Andrew Higgins	4,829.04
Sartor, Ivo (Mr)	Ross Lyman	5,599.65
Savoldi, Mark (Mr)	David Pitt	1,585.64
Schipp, Lisa (Mrs)	Lisa Schipp	4,558.92
Sergi, Domenic (Mr)	Paul Harvey	7,408.79
Sergi, Francesco (Mr)	Andrew Higgins	1,436.82
Sergi, Joel (Mr)	Ross Lyman	3,271.24



Creditor	Representative	Admitted Amount (\$)
Serrano, Lililana (Mrs)	Andrew Higgins	1,270.64
Sheather, Brenton (Mr)	Ross Lyman	5,304.26
Smypt Pty Ltd	Chairperson	1,636,603.89
Solano, Steven (Mr)	David Pitt	3,260.25
Spanos, Michael (Mr)	Ross Lyman	5,588.44
Sparks, Adrian (Mr)	Adrian Sparks	61,609.90
Stellmach, Martin (Mr)	Ross Lyman	1,550.52
Stevenson, Glen (Mr)	Andrew Higgins	1,481.26
Stuart, Nesha (Ms)	Adrian Sparks	17,102.52
Taittinger (Secured Claim)	Mark Prechelt	1,357,431.01
Taittinger (Unsecured Claim)	Mark Prechelt	1,769,304.83
Tello Services Pty Ltd	Chairperson	13,037.60
The Joy Agency Pty Ltd	Chairperson	344,416.09
Tilisa Pty Ltd	Lisa Ashton	156,276.00
Travieso, Adrian (Mr)	Deb Vallentine	3,586.60
Turner, Robyn (Mrs)	Chairperson	22,871.77
Valeri, Peter (Mr)	Andrew Higgins	2,840.41
Vallentine, Deborah (Miss)	Deb Vallentine	4,152.17
Vinclaro Pty Ltd	David Pitt	13,749.95
Vivian, Natalie (Mrs)	David Pitt	2,279.72
Warburn Estate Pty Ltd	Justin Massey	251,453.44
Watts, Paul (Mr)	Ross Lyman	1,375.23
Weir, David (Mr)	Chairperson	19,743.97
White, Belinda (Mrs)	Deb Vallentine	24,773.83
White, Jason (Mr)	Adrian Sparks	11,917.59
Whitehouse, Gary (Mr)	Lisa Schipp	2,850.00
Williamson, Alan (Mr)	David Pitt	7,408.40
Wilson, Maddison (Miss)	Deb Vallentine	2,967.68
Wine Collective Holdings Pty Ltd	Chairperson	33,371.47
Woodscannon	Chairperson	14,245.00
Woolfe, Lisa (Miss)	Andrew Higgins	1,462.70
Yates, Sarah (Miss)	Ross Lyman	5,407.72



McWilliam's Wines Group Ltd Observers

Observer	Entity
Grant Whatley	HWL Ebsworth
Naomi Philp	HWL Ebsworth
David Barnaby	McGrath Nicol
Rhyan Stephens	McGrath Nicol
Richard Greig	McGrath Nicol
Samuel Mccombe	McGrath Nicol
James Hutton	Minter Ellison
Catherine Macrae	Minter Ellison
Stephen Clarke	Minter Ellison
Kristen Sagar	QWIL Investments Pty Ltd
Angus Barrington-Case	QWIL Investments Pty Ltd
Marcus Derwin	Nile Waters Pty Ltd
David Napier	Tello Services Pty Ltd
Alastair Clay	Milawa Transport Services P/L
Arthur Theodos	J.F. Hillebrand Australia P/L



Mount Pleasant Wines Pty Ltd Attendees (in person or by proxy)

Creditor	Representative	Admitted Amount (\$)
Roughans Viti-Hort Pty Ltd	Chairperson	1,342.00
Total Pumps & Irrigation	Chairperson	8,326.54
McWilliam's Wines Group Ltd (Administrators Appointed)	Chairperson	178,978.43



McWilliam's Wines Group Ltd
ACN 000 024 108

Mount Pleasant Wines Pty Ltd
ACN 000 024 813

**(Both Administrators Appointed)
(Collectively referred to as "the Group")**

Second Meeting of Creditors

24 July 2020

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kpmg.com.au



Agenda for today's meeting

Introduction and procedural matters

1

Administrators' update to creditors

2

FAQs and other questions

3

Resolutions for consideration by creditors

4



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Introduction and procedural matters

Introduction and procedural matters

- **Chairperson** Gayle Dickerson, Administrator, joined by Tim Mableson, Administrator
- **Meetings being held concurrently**
- **Attendance register**
- **Proofs of debt and proxies** – McWilliam’s Wines and Mount Pleasant
- **Quorum**
- **Notice of meeting**
- **Place of Meeting** – Teleconference
- **Declaration of Independence, Relevant Relationships and Indemnities (“DIRRI”)**

Purpose of today's meeting



Purpose of today's meeting

Update on the Voluntary Administration

Convened under Section 439A of the Corporations Act

- Determine the Group's future by voting on one of the following options:
 - That the Group execute a Deed of Company Arrangement; or
 - That the administration of the Group should end; or
 - That the Group should be wound up (and placed into Liquidation).

Notice of Meeting

C – Notice of meeting of creditors

Notice of meeting of creditors

Insolvency Practice Rules (Corporations) 2016 (IPR), Section 75-225

McWilliam's Wines Group Ltd ACN 000 024 108
Mount Pleasant Wines Pty Ltd ACN 000 024 813
(Both Administrators Appointed) ("the Group")

NOTICE is given that a meeting of creditors of the Group will be held on 24 July 2020 at 11:00AM (AEST). Please note, in line with the Government's safe distancing measures put in place in response to the current COVID-19 pandemic, this meeting will be held via teleconference facilities. Please do not attend at KPMG's offices.

Agenda

1. To consider a statement by the Directors about the Group's business, property, affairs and financial circumstances.
2. To consider the report of the Administrators including the circumstances leading to the appointment of the Administrators to the Group, details of the proposed Deed of Company Arrangement and the various options available to creditors.
3. To fix the remuneration and internal disbursements of the Administrators.
4. To resolve that:
 - a) The Group execute a Deed of Company Arrangement; or
 - b) The Administration should end; or
 - c) The Group be wound up.
5. If it is resolved that the Group execute a Deed of Company Arrangement, to fix the remuneration and internal disbursements of the Deed Administrators.
6. If it is resolved that the Group execute a Deed of Company Arrangement, consider whether a Committee of Inspection is to be appointed, and if so, the members of that Committee.
7. If it is resolved that the Group be wound up, and an alternate Liquidator is proposed, consider whether creditors wish to appoint the alternate Liquidator.
8. If it is resolved that the Group be wound up to fix the remuneration and internal disbursements of the Liquidators.
9. If it is resolved that the Group be wound up, consider whether a Committee of Inspection is to be appointed, and if so, the members of that Committee whether a Committee of Inspection is to be appointed, and if so, the members of that Committee.
10. If it is resolved that the Group be wound up, consider whether, subject to obtaining the approval of the Australian Securities & Investments Commission (ASIC) pursuant to Section 70-35 of Schedule 2 to the Act, the books and records of the Group and of the Liquidators may be disposed of by the Liquidators 12 months after the dissolution of the Group or earlier at the discretion of ASIC.
11. Any other business that may be lawfully brought forward.

For a person to be eligible to attend and vote at the meeting on your behalf, a Form 532, Appointment of Proxy, is to be completed and submitted by no later than 1:00 PM (AEST) on 23 July 2020, to:

McWilliam's Wines Group Ltd (Administrators Appointed)
c/- KPMG
Tel: +61 2 9273 5594
Email: mcwilliams@kpmg.com.au



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Note:

A company may only be represented by proxy or by an attorney appointed pursuant to IPR Sections 75-25 and 75-150 or, by a representative appointed under Section 250D of the Act.

Voting on resolutions to be considered during the meeting will be conducted by a poll. Please note that due to the numbers that may be attending the meeting, to facilitate the recording of attendees and voting, we request all creditors consider submitting a Special Proxy Form no later than 1:00PM (AEST) on 23 July 2020 setting out how you intend to vote on the resolutions to be considered at the meeting.

You must also lodge a POD setting out the particulars of the claim to be eligible to vote. If you have previously lodged a POD with the Administrators, you are not required to lodge a further POD form.

Once you have submitted your POD and Proxy form (if applicable), you will be provided with the teleconference login details. Please contact KPMG on (02) 9273 5594 or via email at mcwilliams@kpmg.com.au if there are any queries.

In the event that you do not have access to technology to enable you to join the teleconference, please contact KPMG on (02) 9273 5594 or via email at mcwilliams@kpmg.com.au at least one business day prior to the meeting and we will attempt to make alternative arrangements for you.

Dated this 15th day of July 2020


Gayle Dickerson
Administrator

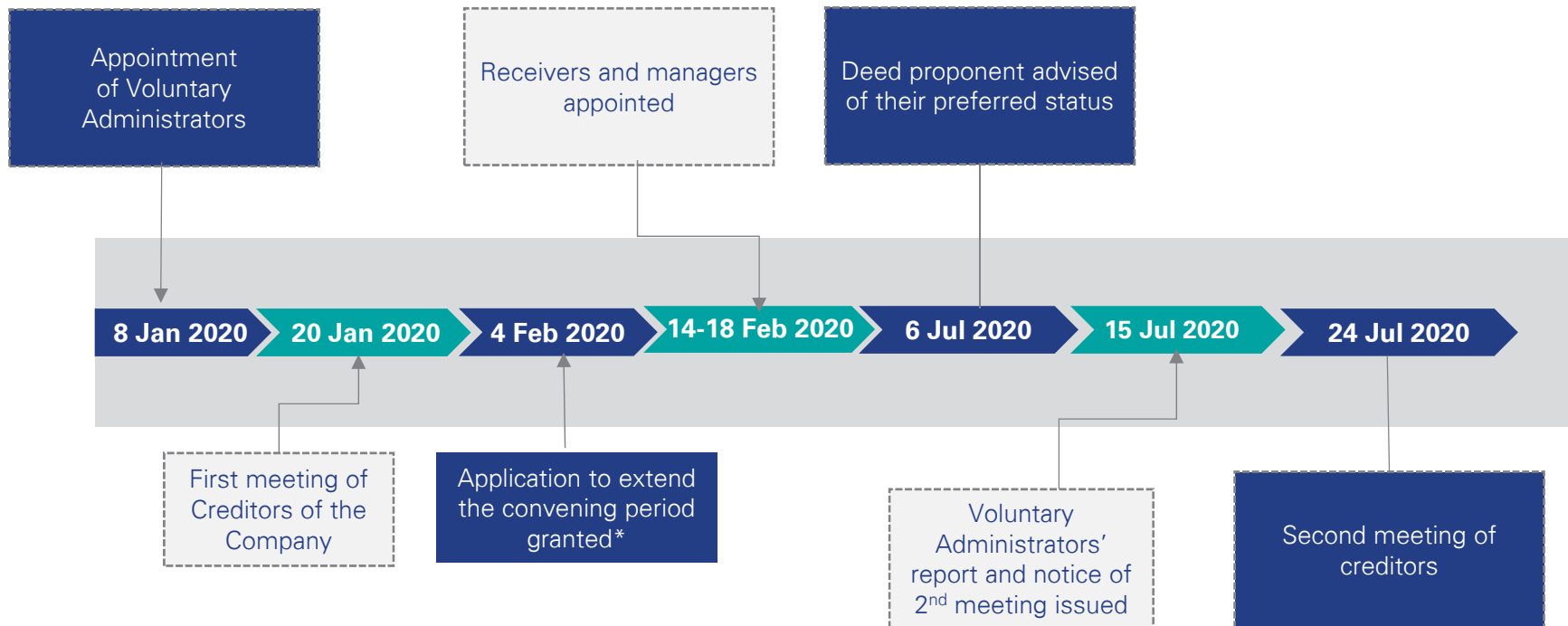
Note: In accordance with IPR Section 75-15(1)(c) please see effect of IPR Section 75-85 Entitlement to vote at meetings of creditors on the following page.

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Administrators' update to creditors

Voluntary Administration timeline



**Subject to an extension of the convening period being sought and granted by the Court*



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Administrators' work to date

Administrators appointed on 8 January 2020. A summary of the major tasks undertaken since the appointment include:



Attended to all statutory lodgements and notifications arising from the appointment of Administrators



Sought suppliers and employees support to allow the Group to continue trading during Administration



Continued to trade on a 'business as usual' basis with the aim of selling the business on a going concern basis or recapitalising the Group through a DOCA



Proceed with vintage 2020 – completed on 26 March 2020, final intake of 12,337 tonnes



Facilitated repayment of whole of secured debt owing to MRWP



Exhaustive and comprehensive sale/recapitalisation process, resulting in Prcstnt's DOCA proposal

Creditors' Trust Amendments

The amendments which have been proposed provide creditors with the protections afforded to them during an external administration under the *Insolvency Practice Schedule (IPS)* and IPR into the Creditors trust deed



DOCA Amendments

In addition to the above amendments to the Creditors' Trust Deed, we have been made aware of several trademarks that had either lapsed or not been included in 'Schedule 4 – M&G Trademarks' and 'Schedule 5 – Other Brands Stock'.

These schedules have been amended accordingly.



DOCA Key Terms

- Key terms
 1. Upon payment of deed contributions and certain conditions precedent, the acquisition of 100% of the shares in McWilliam's Wines Group
 2. Orders pursuant to section 444GA of the Act will need to be obtained in order to effect the transfer of shares
 3. Current employees will continue to be employed by the Deed Companies. The Deed Companies will be responsible for certain claims by continuing employees.
 4. A creditors trust has been proposed to be established to facilitate the distribution of the Fund amount of creditors



DOCA Contributions

Contribution	Description
Cash	Cash contribution of \$30 million minus 70% of the accrued and unpaid annual leave, leave loading and long services leave entitlements of those employees continuing to be employed by the Group at the Implementation Date set out in the DOCA.
Stock	Cash contribution for Stock (estimated to be at least \$16 million at the Implementation Date) subject to a physical stocktake and a stocktake valuation mechanism contained within the DOCA to be calculated and determined immediately prior to the Implementation Date as set out in the DOCA.
VA/DOCA Trading and Receivables	<p>The Deed Fund is to also include:</p> <ul style="list-style-type: none"> – Closing receivables – Any net cash surplus from Administrators/Deed Administrators trading (after liabilities)



Creditors Trust

A creditors' trust is:

“separate legal arrangement used to facilitate the distribution of funds to stakeholders while allowing the Deed Companies to emerge from insolvency in an accelerated manner”

Section 7 of the Voluntary Administrators' report provides further information in relation to:

1. Why the Deed Proponent has proposed a creditors' trust
2. Key events
3. Impact on any return
4. Trustee particulars including remuneration, indemnities and powers
5. Creditor claims
6. Difference between a creditor under a DOCA and beneficiary under a creditors trust
7. Potential tax implications



DOCA and Creditors Trust timeline

Key event	Estimated timing
Execution of Proposed DOCA & creation of Creditors' Trust	On or before 13 August 2020
Preparation of Independent Expert's Report, application to ASIC seeking relief from section 606 of the Act to enable transfer of 100% of shares by Deed Administrator to Deed Proponent and commencement of section 444GA application in Court to s444GA orders.	By mid-September 2020
Obtain s444GA orders from the Court	By October 2020
Complete other conditions precedent	
Execution and termination of DOCA	
Creditor claims against Company released and extinguished and claims converted to rights as beneficiaries of Creditors' Trust	
Adjudication of claims and distribution to beneficiaries of Creditors' Trust	Prior to the end of December 2020



Estimated returns - Comparison

DOCA

Pursuant to the proposed DOCA and Creditors' Trust, creditors of the Companies are expected to receive the following dividends:	Estimated dividend rate (cents in the \$)
Priority employees	100c
Secured	100c
Unsecured	94c to 100c
Interest distribution to creditors	Range of zero to \$2.7 million
Shareholders	Range of zero to \$10.5 million to be distributed dependent on shareholding %

Liquidation

Creditor class	Estimated dividend rate (cents in the \$)	Estimated timing
Priority employees	100c	Prior to the end of December 2020
Secured	100c	Prior to the end of December 2020
Unsecured	52c to 86c	June 2021 or later

Mount Pleasant Wines

Creditor class	Estimated dividend rate (cents in the \$)	Estimated timing
Priority employees	N/A	N/A
Secured	100c	March 2021
Unsecured (if any)	100c	March 2021
Shareholders	Range of \$8.0 to \$8.3 million that would flow to McWilliam's Wines Group as the 100% owner of the shares of Mount Pleasant	March 2021



DOCA vs Liquidation

Advantages

1. The business of the Group would continue as a going concern.
2. Ongoing employment for the Group's current employees.
3. A greater return to creditors than in a liquidation and possible return to shareholders (subject to adjudication of claims).
4. Creditors are likely to receive a dividend prior to the end of December 2020 in a DOCA/Creditors' Trust, compared to a liquidation where any distribution to creditors is not likely for a significant period.
5. The distribution to creditors by virtue of the use of the Creditors' Trust structure allows the Group to return to trading in an accelerated manner and out of an insolvency process.

Disadvantages

1. In a DOCA/Creditors' Trust there would be no recourse for any of the potential recoveries that may be made by any liquidator against Directors, former directors, related entities of the Group or preference/uncommercial transaction creditors
2. A Creditors' Trust results in the loss of Court supervision pursuant to Part 5.3A of the Act. The proposed amendments to the Creditors Trust Deed we discussed earlier in the meeting have now addressed this potential disadvantage with creditors being afforded the same protection under this part of the Act



Administrators opinion on the future of the Group

McWilliam's Wines Group

We are of the opinion that creditors should accept the proposed DOCA/Creditors' Trust.

The Deed Proponent has proposed a DOCA that allows for ongoing employment of the Group's current employees and a full return to priority creditors (i.e. employees) and secured creditors and full or substantial return to unsecured creditors. There also remains the possibility that a distribution to existing shareholders may occur. The DOCA proposal provides a more certain return to creditors than a liquidation, as well as a distribution at an earlier date.

Mount Pleasant Wines

We are of the opinion that creditors should accept the proposed DOCA/Creditors' Trust.

The Deed Proponent has proposed a DOCA that allows for a full return to secured creditors and any unsecured creditors. This will result in a surplus following payment of all classes of creditors, which would result in a distribution to the sole shareholder, McWilliam's Wines Group. Whilst we estimate a liquidation would also provide a similar outcome to creditors, the DOCA proposal provides a more certain outcome to the Group and likely result in a distribution at an earlier date.





FAQs and other questions

1: If the DOCA is approved today, what is the process?

A:

We have 15 business days from the date of the meeting to execute the DOCA proposal. We expect that the DOCA will be signed by the end of next week, being by 31 July 2020.



2: Is there any way that the DOCA can be completed earlier?

A:

As we have noted, there are several conditions precedent that are required to be achieved before the DOCA can be completed. In addition, we expect that we will be required to commission an independent expert report, lodge an application with ASIC to seek relief from section 606 of the Act and obtain s444GA orders from the Court.

If the DOCA proposal is accepted, we will be issuing correspondence to all shareholders following the execution of the DOCA outlining the process required to seek ASIC relief and s444GA orders



3: Who continues to run the business during the DOCA?

A:

In the event that the DOCA proposal is accepted, the Deed Administrators will be required to continue to trade on the business, in a similar manner to the Voluntary Administration to date. This additional time and cost has been factored into the estimated Deed Administrators' proposed fees.

We note that approval for the future remuneration sought is based on an estimate of the work necessary to completion. Should we not incur the full value of remuneration approval, we will only make payment of the remuneration that has been incurred.



4: Why is there such a large range in unsecured creditor claims in the DOCA scenario?

A:

Our estimated return to creditors for unsecured creditor claims ranged between \$31.5 million and \$41.5 million in our Voluntary Administrators report. This is primarily a result of a large contingent claim relating to the Chullora site that will be adjudicated for dividend purposes by the Trustees, should the DOCA proposal be accepted. The Deed Administrators will be reviewing creditors' claims during the period of the DOCA in order to accelerate the dividend process in the Creditors trust.



5: Are the potential claims that were identified able to be pursued?

A:

As detailed in our report, our preliminary investigations into potential claims have identified potential insolvent trading claims and potential unfair preference claims. These claims are only able to be pursued by a Liquidator if the Group were to enter liquidation. We note a liquidator would be required to complete further investigations to determine whether there is a claim, the quantum of the claim and the likely costs and risks of pursuing a claim.



6: What would happen if the DOCA was not approved?

A:

In the event that the DOCA proposal is not approved by creditors, the remaining option would be for the Group to enter liquidation. In this scenario, we would expect the liquidator to shut down the business' operations, which would result in all current staff being terminated. The liquidator would then look to commence an asset sale to enable the realisation of all the Groups' assets. The liquidator would also complete further investigations to identify potential liquidator recoveries.



Other questions?



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Resolutions for consideration

Voting at a meeting

In terms of resolutions, as the meeting is being held virtually via teleconference, each resolution will be decided by a poll. Accordingly, pursuant to IPR 75-110, a resolution is carried if:

- A majority of creditors voting (whether in person, by attorney or by proxy) vote in favour; and
- The value of the debts owed by the corporation to those voting in favour is more than half the total debts owed to all creditors voting (IPR 75-115).

For the purposes of voting on the resolutions, these will be voted on separately so that each creditor will have an opportunity to vote on each of the resolutions. I will go through the attendance register and ask for your vote where a special proxy has not already been submitted.

In accordance with IPR 75-115, I may exercise a casting vote if no result is reached for or against. Should I choose to exercise the casting vote, the decision is subject to review by the Court upon application by a creditor (Sections 75-42 and 75-43 of Schedule 2 to the Act).



McWilliam's Wines Group – Administrators' Remuneration & Disbursements

No.	Voluntary Administration Resolutions (Remuneration & Internal Disbursement) – McWilliam's Wines Group
1	<p>Voluntary Administration (29 February 2020 to 30 June 2020) <i>"That the remuneration of the Administrators of McWilliam's Wines Group Ltd (Administrators Appointed), as set out in the Remuneration Approval Request dated 15 July 2020, for the period from 29 February 2020 to 30 June 2020 be fixed in the amount of \$1,268,505.35 plus any applicable GST, and may be paid."</i></p>
2	<p>Voluntary Administration (1 July 2020 to 24 July 2020) <i>"That the remuneration of the Administrators of McWilliam's Wines Group Ltd (Administrators Appointed), as set out in the Remuneration Approval Request dated 15 July 2020, for the period from 1 July 2020 to 24 July 2020 be fixed up to a maximum amount of \$323,400.00 plus any applicable GST, but subject to upward revision by resolution of creditors or the Committee of Inspection, and that the Administrators be authorised to make periodic payments on account of such accruing remuneration as incurred."</i></p>
3	<p>Voluntary Administration (25 July 2020 to Execution of DOCA) <i>"That the remuneration of the Administrators of McWilliam's Wines Group Ltd (Administrators Appointed), as set out in the Remuneration Approval Request dated 15 July 2020, for the period from 25 July 2020 to Execution of the DOCA be fixed up to a maximum amount of \$248,400.00 plus any applicable GST, but subject to upward revision by resolution of creditors or the Committee of Inspection, and that the Administrators be authorised to make periodic payments on account of such accruing remuneration as incurred."</i></p>
4	<p>Voluntary Administration (29 February 2020 to Execution of DOCA) <i>"That the internal disbursements of the Administrators of McWilliam's Wines Group Ltd (Administrators Appointed), as set out in the Remuneration Approval Request dated 15 July 2020, for the period from 29 February 2020 to Execution of the DOCA be fixed up to a maximum amount of \$19,156.62 plus any applicable GST, but subject to upward revision by resolution of creditors or the Committee of Inspection, and that the Administrators be authorised to make periodic payments on account of such accruing disbursements as incurred."</i></p>

Mount Pleasant Wines- Administrators' Remuneration & Disbursements

No.	Voluntary Administration Resolutions (Remuneration & Internal Disbursement) – Mount Pleasant Wines
5	<p>Voluntary Administration (8 January 2020 to 30 June 2020) <i>"That the remuneration of the Administrators of Mount Pleasant Wines Pty Ltd (Administrators Appointed), as set out in the Remuneration Approval Request dated 15 July 2020, for the period from 8 January 2020 to 30 June 2020 be fixed in the amount of \$143,066.65 plus any applicable GST, and may be paid."</i></p>
6	<p>Voluntary Administration (1 July 2020 to 24 July 2020) <i>"That the remuneration of the Administrators of Mount Pleasant Wines Pty Ltd (Administrators Appointed), as set out in the Remuneration Approval Request dated 15 July 2020, for the period from 1 July 2020 to 24 July 2020 be fixed up to a maximum amount of \$26,600.00 plus any applicable GST, but subject to upward revision by resolution of creditors or the Committee of Inspection, and that the Administrators be authorised to make periodic payments on account of such accruing remuneration as incurred."</i></p>
7	<p>Voluntary Administration (25 July 2020 to Execution of DOCA) <i>"That the remuneration of the Administrators of Mount Pleasant Wines Pty Ltd (Administrators Appointed), as set out in the Remuneration Approval Request dated 15 July 2020, for the period from 25 July 2020 to Execution of the DOCA be fixed up to a maximum amount of \$23,300.00 plus any applicable GST, but subject to upward revision by resolution of creditors or the Committee of Inspection, and that the Administrators be authorised to make periodic payments on account of such accruing remuneration as incurred."</i></p>
8	<p>Voluntary Administration (29 February 2020 to Execution of DOCA) <i>"That the internal disbursements of the Administrators of Mount Pleasant Wines Pty Ltd (Administrators Appointed), as set out in the Remuneration Approval Request dated 15 July 2020, for the period from 8 January 2020 to Execution of the DOCA be fixed up to a maximum amount of \$1,671.08 plus any applicable GST, but subject to upward revision by resolution of creditors or the Committee of Inspection, and that the Administrators be authorised to make periodic payments on account of such accruing disbursements as incurred."</i></p>



Deed of Company Arrangement

McWilliam's Wines Group

Resolution 9

"That, pursuant to Section 439C of the Corporations Act 2001 (the Act), the Company execute a Deed of Company Arrangement, under Part 5.3A of the Act, in the same form as the proposal statement presented to the meeting (even if it differs from the proposed Deed (if any) details of which accompanied the notice of meeting) and Gayle Dickerson, Tim Mableson and Ryan Eagle be appointed as Joint and Several Deed Administrators."

Mount Pleasant Wines

Resolution 12

"That, pursuant to Section 439C of the Corporations Act 2001 (the Act), the Company execute a Deed of Company Arrangement, under Part 5.3A of the Act, in the same form as the proposal statement presented to the meeting (even if it differs from the proposed Deed (if any) details of which accompanied the notice of meeting) and Gayle Dickerson, Tim Mableson and Ryan Eagle be appointed as Joint and Several Deed Administrators."



McWilliam's Wines Group – Deed Administrators' Remuneration & Disbursements

No.	Deed Administrators' Resolutions (Remuneration & Internal Disbursement) – McWilliam's Wines Group
15	<p>Deed of Company Arrangement (Execution of DOCA to Completion of DOCA) <i>“That the remuneration of the Deed Administrators of McWilliam's Wines Group Ltd (Subject to DOCA), as set out in the Remuneration Approval Request dated 15 July 2020, for the period from Execution of the DOCA to Completion of the DOCA be fixed up to a maximum amount of \$896,319.00 plus any applicable GST, but subject to upward revision by resolution of creditors or the Committee of Inspection, and that the Deed Administrators be authorised to make periodic payments on account of such accruing remuneration as incurred.”</i></p>
16	<p>Deed of Company Arrangement (Execution of DOCA to Completion of DOCA) <i>“That the internal disbursements of the Deed Administrators of McWilliam's Wines Group Ltd (Subject to DOCA), as set out in the Remuneration Approval Request dated 15 July 2020, for the period from Execution of the DOCA to Completion of the DOCA be fixed up to a maximum amount of \$1,807.00 plus any applicable GST, but subject to upward revision by resolution of creditors or the Committee of Inspection, and that the Deed Administrators be authorised to make periodic payments on account of such accruing disbursements as incurred.”</i></p>



Mount Pleasant Wines- Deed Administrators' Remuneration & Disbursements

No.	Deed of Company Arrangement Resolutions (Remuneration & Internal Disbursement) – Mount Pleasant Wines
17	<p>Deed of Company Arrangement (Execution of DOCA to Completion of DOCA) <i>"That the remuneration of the Deed Administrators of Mount Pleasant Wines Pty Ltd (Subject to DOCA), as set out in the Remuneration Approval Request dated 15 July 2020, for the period from Execution of the DOCA to Completion of the DOCA be fixed up to a maximum amount of \$53,681.00 plus any applicable GST, but subject to upward revision by resolution of creditors or the Committee of Inspection, and that the Deed Administrators be authorised to make periodic payments on account of such accruing remuneration as incurred."</i></p>
18	<p>Deed of Company Arrangement (Execution of DOCA to Completion of DOCA) <i>"That the internal disbursements of the Deed Administrators of Mount Pleasant Wines Pty Ltd (Subject to DOCA), as set out in the Remuneration Approval Request dated 15 July 2020, for the period from Execution of the DOCA to Completion of the DOCA be fixed up to a maximum amount of \$1,507.00 plus any applicable GST, but subject to upward revision by resolution of creditors or the Committee of Inspection, and that the Deed Administrators be authorised to make periodic payments on account of such accruing disbursements as incurred."</i></p>

Committee of Inspection

Background

- Creditors have the right to appoint a Committee of Inspection (**COI**) under Insolvency Practice Schedule (Corporations) **IPS 80-10**
- The COI is **voluntary** and members are not paid
- It is used as a **consultative advisory board** and is elected to represent the **interests of all creditors**
- Consult** with and receive reports from the Deed Administrators
- Assist the Deed Administrators as a **“sounding board”** for proposals
- Approve** the Deed Administrators’ remuneration



Committee of Inspection

The role of a Committee of Inspection is to:



1

Consult with the Deed Administrators about matters relating to the external administration; and

2

Receive and consider reports by the Deed Administrators (but not instruct the Deed Administrators).

Committee of Inspection

Creditors may nominate to be on the Committee of Inspection.

Resolutions

“That a Committee of Inspection of McWilliam’s Wines Group Ltd (Subject to Deed of Company Arrangement) be established and if so, the appointed members will be...”

“That, pursuant to Section 80-55(3) of Schedule 2 to the Act, creditors authorise and resolve for the members of the COI appointed on 24 July 2020 to enter into/continue with the transactions set out in the nomination forms tabled at this meeting or otherwise disclosed to this meeting, such that section 80-55(1) of Schedule 2 to the Act no longer applies to the members of the COI for those transactions.”





Next steps

Next steps

Execution of DOCA

- DOCA is required to be executed within 15 business days. We expect that the DOCA will be signed by the end of next week, being by 31 July 2020.
- Correspondence will be issued to creditors to advise of the execution of the DOCA.
- Correspondence will be issued to shareholders to seek their consent for transfer of shares
- A copy of the minutes lodged with ASIC will be available via our website.





Thank you





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