

MINUTES OF THE SECOND MEETING OF CREDITORS OF D&G HOISTS & CRANES (AUS) PTY LTD (ADMINISTRATORS APPOINTED), ACN 136 357 054, HELD AT THE HOTEL IBIS, 334 MURRAY STREET PERTH WA 6000 ON 14 September 2012 AT 10:30AM.

PRESENT: As per attendance register (Annexures A and B).

CHAIRMAN: Martin Jones, one of the Administrators of the company, opened the meeting and advised that he would act as Chairman of the meeting in accordance with Regulation 5.6.17(1) of the Corporations Regulations.

The Chairman noted that commercially sensitive matters may be discussed, and that he did not propose to have any members of the media or press in attendance, and asked that any such members leave the meeting.

The Chairman then advised that this was the second meeting of the creditors of D&G Hoists & Cranes Pty Ltd (DGWA) and D&G Hoists & Cranes (Aus) Pty Ltd (DGV)(the Companies) which were to be held contemporaneously and that the purpose of the meetings was:

- for creditors to decide on the future of the Companies, that is whether the Companies should be wound up, or handed back to the control of the Companies Directors;
- should the Companies be wound up, whether or not a Committee of Inspection should be formed;
- whether or not the Voluntary Administrator appointed by the Companies should remain in office.
- approve the Administrators remuneration and the future remuneration of the Liquidator.

NOTICE OF MEETING: The Chairman advised that the notice calling the meeting was published on the ASIC insolvency notices website on Wednesday 5 September 2012 and that the notice had been posted to all known creditors on 6 September 2012.

It was moved by Kelvin Kent of Manitowoc Cranes:

“THAT the notice calling the meeting be taken as read.”

The motion was declared carried on the voices and hands.

ADMISSION OF PROXIES: The Chairman tabled the attendance register (Annexure A) for the meeting and noted that it would be available for inspection after the meeting if any creditor so desired. The Chairman noted that he was required to consider and either admit or reject the proxies submitted for the purpose of voting for the meeting. In that regard, he noted that there were certain other proxies which would be deemed invalid due to them not being creditors of the Company.

Otherwise the Chairman noted that all other proxies were admitted for the purpose of voting at the meeting.

The Chairman noted that he had received a listing of observers (Annexure B) for the meeting and he had no objections to them remaining in attendance.

QUORUM:

The Chairman then determined, in accordance with Regulation 5.6.16(2) of the Corporations Regulations that a quorum was present for both the Companies and that the meeting was being held at a date, time and place convenient to the majority of persons entitled to receive notice of the meeting pursuant to Regulation 5.6.14.

DECLARATION OF INDEPENDENCE, RELEVANT RELATIONSHIPS AND INDEMNITY:

The Chairman tabled his Declaration of Independence, Relevant Relationships and Indemnity (DIRRI), and advised the meeting that no changes had occurred since the Declaration was tabled at the first meeting of creditors.

MOTIONS, RESOLUTIONS AND CASTING VOTE:

The Chairman advised that all motions are to be resolved on the voices, unless a poll was demanded (Regulation 5.6.19) and that in the case of a poll, a resolution would be carried if:

- A majority of the 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.

The Chairman also noted that as there were two meetings being held contemporaneously that for ease of recognition, attendees had been issued with a blue piece of paper to vote on issues concerning DGV, and a pink piece of paper to vote on issues concerning DGWA.

Further the Chairman advised that, as the Chairman, he may exercise a "casting vote" if no result was reached for or against (Regulation 5.6.21). The Chairman's decision to exercise this vote is subject to review by the Court upon application by a creditor (Section 600B and Section 600C) and in the event that a casting vote arises in respect to any resolution put at the meeting, the Chairman would record the reasons for the use of his casting vote in the minutes (Regulation 5.6.21(4A)).

EVENTS SINCE FIRST MEETING:

The Chairman outlined the events which had occurred since the first meeting of creditors which included.

- 10 August 2012 – Administrators appointed.
- 22 August 2012 – First meeting of creditors.
- 27 August 2012 –
 - Major shareholder (JP Nelson) withdrew funding.
 - Business operations ceased and all employees terminated.
- 28 August 2012 – Administrators appointed over related entity, Crane Investments (WA) Pty Ltd.
- 6 September 2012 – Report to creditors issued.
- 14 September 2012 – Second meeting of creditors held.

REPORT TO CREDITORS:

The Chairman briefed the meeting on the key points from his 439A report. He discussed the control of Debtors by either the National Australia Bank for DGWA or Scottish Pacific Business Finance for DGV. The possibility of pursuing preference payments was also touched on, however the

Chairman noted that this can often be difficult and the recovery of funds through this process cannot be guaranteed.

**ADMINISTRATORS
RECOMMENDATION:**

The Chairman then noted his obligation to provide a recommendation to creditors under the Act and that his recommendation to creditors as set out in his Report was for the Company to be wound up. The Chairman discussed the reasoning supporting his recommendation.

- There had been a DOCA proposal put forward, however it was not in a form capable of being recommended to creditors.
- The Companies are considered to be insolvent, and therefore control should not be handed back to the Directors of the Companies
- The liquidation of the Companies allows for employees to claim for their entitlements through GEERS.
- This position allows for the liquidators to look into the pursuit of possible unfair preference payments, made to creditors whilst the Companies were considered to be insolvent.

The Chairman called for questions from the floor.

QUESTIONS:

Q. CLARA LAI - CBUS SUPERANNUATION

Clara asked for confirmation that the business ceased to trade and employees were stood down on 27 August 2012.

A. CHAIRMAN

The Chairman confirmed that this was what took place.

Q. MICHAEL - PEPPER AUSTRALIA

Michael enquired as to the location of particular vehicles.

A. CHAIRMAN

The Chairman advised that he personally did not know the location of the vehicles, however if Michael were to contact the Administrators office, and give details of the vehicles then they may be able to assist.

Q. KELVIN KENT – MANITWOC CRANES

Kelvin queried how they may go about removing their equipment from the Companies yards.

A. CHAIRMAN

The Chairman advised that Administrator is finalising the register of assets, and ensuring that the masts match up with cranes. Before releasing assets from the site, they needed confirmation from the valuers that assets are as listed on the finance documents supplied.

Q. KELVIN KENT – MANITWOC CRANES

Kelvin noted that Manitowoc had provided details of the dollar values for their assets.

A. CHAIRMAN

The Chairman stated that they needed to match these up and confirm with De Lage Landen that, where Manitowoc proposed to remove equipment owned by De Lage Landen, that they could provide evidence of their authority to do so.

Q. GILLES MARTIN - MANITWOC IN SINGAPORE

Gilles stated that his should be easy to reconcile.

A. CHAIRMAN

The Chairman agreed with the process, but said that it was more a matter of the timing required for the process. He accepted that it must be frustrating from Manitowoc's perspective, but stated that the Administrator was accountable to a number of authorities, and therefore has to ensure that equipment released is released to the correct parties.

Q. GILLES MARTIN - MANITWOC IN SINGAPORE

Gilles noted that there had been a DOCA proposal put forward, and asked why it was deemed to be unsuitable, and how did they assess the return to creditors in a liquidation.

A. CHAIRMAN

The Chairman stated that the decision was based largely on the fact that employees needed the same protection under a DOCA as they would have in liquidation. For example the DOCA was proposing a fund of \$350k to be set up for employees, which would have been a few million dollars short of what they may receive in a winding up. There would not have been a pool for creditors under the DOCA, and it would have restricted the liquidators in their investigations.

Q. GILLES MARTIN - MANITWOC IN SINGAPORE

Stated that it might be a good idea for this to be tabled in the final report.

A. CHAIRMAN

The Chairman took this as an observation.

There were no more questions.

FUTURE OF THE COMPANY:

The Chairman then reiterated that the purpose of the meeting is for creditors to consider and resolve whether pursuant to Section 439C of the Act whether:

- (a) The Company execute a DOCA.
- (b) The Company be wound up.
- (c) The Administration of the Company should end.

The Chairman confirmed his recommendation that the creditors vote to wind up the Company, as set out in the Administrators report.

It was moved by Kelvin Kent as proxy for Manitowoc Cranes

“THAT D&G Hoists & Cranes (Aus) Pty Ltd be wound up.”

The motion was declared carried on the voices and a show of hands

COMMITTEE OF INSPECTION: The Chairman discussed the role of a Committee of Inspection, and that committee members could add value to the outcome of a Liquidation process by bringing specific industry knowledge.

It was moved by Kelvin Kent of Manitowoc Cranes

“THAT a committee of inspection be formed for D&G Hoists & Cranes (Aus) Pty Ltd, with the members to be:”

Creditor Represented	Committee Member
JP Nelson Equipment Pty Ltd	Teo Yew Boon, Mona Leong or other representative
Manitowoc Cranes	Kelvin Kent
De Lage Landen	Peter Brotherson
Westpac Banking Corporation	James McCusker

Declared carried on the voices and a show of hands

**ADMINISTRATORS
REMUNERATION:**

The Chairman then sought resolutions in regard to the Administrators remuneration for the period 10 August 2012 to 14 September 2012 and for the Liquidators remuneration from 14 September 2012 until the conclusion of the Liquidation.

It was moved by Mona Leong of JP Nelson:

- i) **“THAT the remuneration of the Administrators for D&G Hoists & Cranes (Aus) Pty Ltd, as set out in the Administrators’ remuneration report dated 6 September 2012 for the period 10 August 2012 to 31 August 2012 be fixed in the amount of \$153,487.50 (exclusive of costs and GST).”**

Declared carried on the voices and a show of hands

It was moved by Mona Leong of JP Nelson:

- ii) **“THAT the Administrators’ remuneration for the period 1 September 2012 to 14 September 2012 be fixed in accordance with the hourly rates of Ferrier Hodgson as detailed in the Administrators’ remuneration report dated 6 September 2012 up to the amount of \$75,000 (exclusive of costs and GST), and that the Administrators be authorised to draw such amount monthly in arrears.”**

Declared carried on the voices and a show of hands

It was moved by Mona Leong of JP Nelson:

- iii) **“THAT the liquidators remuneration, as set out in the Administrators remuneration report dated 6 September 2012 for the period 14 September 2012 to the conclusion of the liquidation be fixed in accordance with the Ferrier Hodgson hourly rates up to the sum of \$250,000 (exclusive of costs and GST), but subject to upward revision by a resolution of creditors, the Committee of Inspection or the Court, and the Liquidators be authorised to make periodic payments on account of such accruing remuneration.”**

Declared carried on the voices and a show of hands

BOOKS AND RECORDS:

The Chairman then discussed his reasoning in calling for a resolution in advance, allowing for the Liquidators to destroy the books and records of the Company 12 months after the finalisation of the liquidation, given that it is often difficult to obtain a quorum at the final meeting.

It was moved by Mona Leong of JP Nelson

“THAT the books and records of D&G Hoists & Cranes (Aus) Pty Ltd be disposed of 12 months after the dissolution of the Company subject to prior approval from the Australian Securities and Investment Commission.”

Declared carried on the voices and a show of hands

CLOSURE:

There being no further business, the Chairman thanked those present for attending.

The Chairman closed the meeting at 11:20am.

Signed as a correct record.

DATED this 27th day of September 2012



Martin Jones
Chairman

ANNEXURE A - Attendance Register

Creditor	Proxy	Manner of Attendance	Amount Claimed (\$)	Amount admitted for (\$)
AMIST Super	Clara Lai	Via Telephone	1.00	1.00
Australian Super	Clara Lai	Via Telephone	1.00	1.00
Australian Taxation Office	Andrew Kovacevic	Via Telephone	1.00	1.00
Autumn Finance	Andrew Cossen	Via Telephone	45,832.60	45,832.60
CBus	Clara Lai	Via Telephone	1.00	1.00
Cedray Pty Ltd	The Chairman	In Person	2,537.13	2,537.13
De Lage Landen	Peter Brotherson	Via Telephone	8,090,429.06	8,090,429.06
Manitowoc Cranes	Kelvin Kent	In Person	1,736,616.13	1,736,616.13
MTAA Superannuation Fund	Clara Lai	Via Telephone	1.00	1.00
JP Nelson Equipment Pty Ltd	Leung Pui Mun	In Person	86,246.00	86,264.00
Westgem Investments Pty Ltd	Tim Davies	Via Telephone	674,931.73	674,931.73
Westpac Banking Corporation	James McCusker	Via Telephone	1.00	1.00

ANNEXURE C – PowerPoint Presentation