

Concurrent Second Meetings of BBY Creditors

BBY Holdings Pty Ltd
BBY Limited
BBY Advisory Services Pty Ltd
(All Receivers & Managers Appointed)

Broker Services Australia Pty Ltd
SmarTrader Limited
BBY Hometrader Pty Ltd

(All Administrators Appointed)

Stephen Vaughan and Ian Hall
Joint and Several Administrators

22 June 2015

BBY Second Meetings of Creditors

Introductions

- Stephen Vaughan, Joint Administrator (Chair), KPMG
- Ian Hall, Joint Administrator, KPMG

Assisting the Administrators:

- Tim Klineberg, Restructuring, Ashurst Lawyers
- Corey McHattan, Securities and Derivatives, Ashurst Lawyers

This slide presentation **should be read in conjunction with our s439A report** to creditors, dated 12 June 2015.

In the event creditors resolve that any BBY entities be wound up, then the **Administrators become the Liquidators**.

We are not addressing the future of the 4 '**nominee**' companies at this meeting, however we can discuss issues relating to these companies as far as possible given the lack of books and records available.

Questions – we will provide opportunities at points during the meeting and at the end.

BBY Second Meetings of Creditors

Key issues for today

- *What happened to BBY and why?*
- *Where are we at in this process and what has happened since the VA report of 12 June?*
- *What is the extent of potential losses?*
- *How will competing claims between classes of clients and creditors be addressed?*
- *How much will it cost to sort out claims and repay money to clients and creditors?*
- *How can the available funds be improved?*
- *How will any recovery actions be funded?*
- *How long will this take and is it possible to make any interim payments?*
- *Who will make key decisions?*
- *How will creditors and clients receive further information?*
- *What are the next steps?*

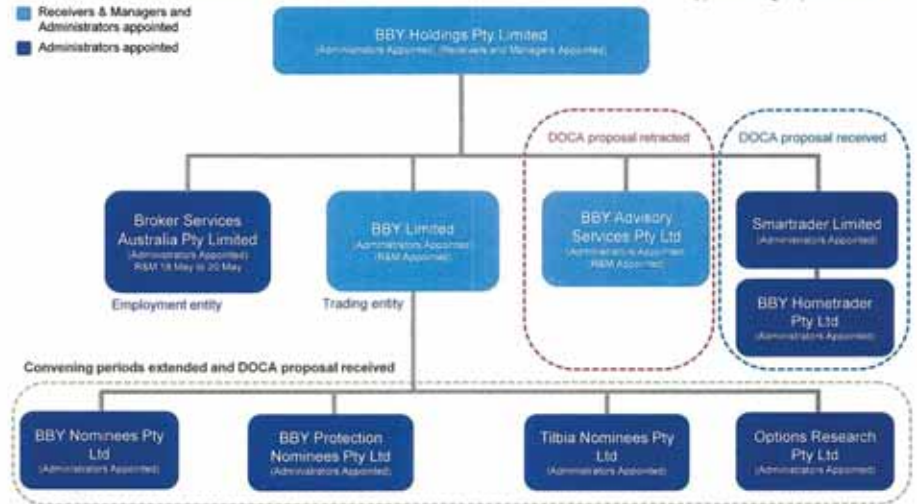


BBY Second Meetings of Creditors

Key

- Receivers & Managers and Administrators appointed
- Administrators appointed

Pre appointment group structure



BBY Second Meetings of Creditors

Introduction

- Voluntary Administrators – Stephen Vaughan & Ian Hall of KPMG
- Appointment date – 17 May 2015

- Voluntary Administration is a statutory procedure and moratorium period which normally runs for about 5 weeks and is essentially designed to allow companies in financial distress time to develop a restructuring plan or, if this is not possible, to allow for a more orderly liquidation.

- Nature of these concurrent meetings (at the conclusion of the VA procedure)
 - Section 439A Corporations Act
 - Second meetings of creditors to decide the future of each of the companies

On Monday, 18 May 2015 PPB Advisory were appointed Receivers & Managers over 4 BBY Companies, BBYH, BBY, BBYAS and BSA. The Receivers assumed control of the business and assets of those companies. They resigned from BSA on 20 May however remain appointed over the 3 other companies.

BBY Second Meetings of Creditors

Agenda

- Purpose of the meeting
- Procedural matters
- Key issues
- Receipts and payments
- Estimated return to creditors in a Liquidation
- DOCA proposal – Smartrader / Hometrader (pooled)
- Resolutions
- Final questions
- Close

BBY Second Meetings of Creditors

Purpose of the meetings

1. To receive a report by the Administrators (refer to our section 439A report to creditors, 12 June 2015)
2. To consider the terms of a proposed Deed of Company Arrangement (Smartrader & Hometrader)
3. To consider, and if thought fit, approve the remuneration of the Administrators.
4. To resolve (on a company by company basis) that:
 - a) That the Companies should execute a Deed of Company Arrangement (where proposed); or
 - b) That the administrations should end; or
 - c) That the Companies be wound up; or
 - d) That the meetings be adjourned for a period of up to forty-five (45) business days.
5. If a Deed of Company Arrangement is approved, to fix the remuneration of the Deed Administrators.
6. If the Companies are wound up, to fix the remuneration of the Liquidators.
7. If the Companies are wound up, to consider appointing a Committee of Inspection.
8. Any other business relevant to the meeting.

BBY Second Meetings of Creditors

Procedural matters

- Chairperson – Stephen Vaughan, Administrator
- Attendance register, Proxies and Proofs of Debt
- Quorums for each company
- Notice convening Meetings (including 33,000 emails and 390 postage)
- Declaration – time & place convenient
- DIRRI – Declaration of Independence, Relevant Relationships & Indemnities
- Entitlement to vote
- Voting on resolutions

BBY Second Meetings of Creditors

What happened to BBY and why?

- Large trading losses, cash flow difficulties, exacerbated due to the loss of the Saxo related business in early 2015, restrictions imposed by the ASX on the Options clearing business and ultimately, in May, the requirement to close that business.
- Attempts to raise capital failed. The Directors determined the BBY Companies may become insolvent and appointed the Administrators at 11pm on Sunday 17 May 2015.
- **We concluded additional factors contributed to the failure of the business including:**
 - poor governance, an inadequate risk management framework, inadequate capital, and
 - an inability of management to foreshadow and appropriately respond to a number of adverse events and margin calls.
- As early as June 2014, in our view, there were indications of possible application by BBY of client trust funds for unauthorised purposes. There is now a shortfall in Client Monies Accounts.
- Since June 2014, inaccurate information may have been provided to BBY's lender to support funding of settlements. This appears to have resulted in funding of working capital.
- The BBY Companies' financial records may not have been maintained in compliance with the requirements of the Corporations Act.
- There are a number of director and related party transactions that require further investigation.
- The above and other findings led us to conclude that the BBY Companies may have been insolvent since June 2014.

BBY Second Meetings of Creditors

What happened to BBY and why? (continued)

- Following the appointment of Administrators on 17 May 2015
 - **St George Bank** appointed Receivers & Managers from PPB Advisory on 18 May 2015 and took possession of the business and assets to recover its secured debt.
 - **ASX Clear**, the ASX clearing house for all shares, structured products, warrants and ASX Equity Derivatives, declared an event of default and BBY's participation in the ASX market, ASX Clear and Austraclear (the settlement facility used by BBY for cash settlements) was suspended.
 - The **Australian Securities and Investments Commission** suspended the Australian financial services licences (AFSLs) held by BBY, BAS and STL.
 - BBY effectively ceased trading shortly after the Receivers' appointment.
 - **ASX Clear** carried out a process to close out open derivatives positions and unsettled cash market transactions other than open derivatives positions transferred to another participant or which proceeded to expiry. In some cases ASX Clear liquidated clients' non-cash collateral to recover associated costs. ASX's web page refers former clients with losses to the National Guarantee Fund.
 - The **R&Ms** commenced attending to requests for transfers to other brokers of CHESS sponsored holdings (HINs), in conjunction with settling of any client debts, as well as transferring any other remaining open positions.
 - **Other counterparties** have also chosen to close out positions in relation to futures and FX.

BBY Second Meetings of Creditors

Where are we at in this process and what has happened since the VA report of 12 June?

- Voluntary administration is an insolvency procedure that normally runs for a period of 5 weeks during which time the Administrator is to investigate the company's affairs, report to creditors and make recommendations regarding the future of a company. We issued our report on 12 June 2015 and called this **second meeting of creditors**.
- On 18 June we advised there may be a **shortfall in the BBY Limited client monies accounts** in the order of **\$16 million** against total client trust account obligations of over **\$30 million**.
- We lodged a **statutory report with ASIC** on the outcome of investigations in respect of the main operating entity, BBY Limited. This report is confidential and is not available to creditors. We continue to be in contact with ASIC on various aspects of the Administrations. It is ASIC's role to determine what if any further action may be warranted in relation to any possible breaches of the Corporations Act.
- We applied to the Supreme Court of NSW for an **extension of convening periods** for calling a second meeting of creditors for the following 4 BBY companies to allow time to carry out further investigations into the assets and liabilities of each company and to assess a Deed proposal:
 - BBY Nominees Pty Ltd
 - BBY Protection Nominees Pty Ltd
 - Options Research Pty Ltd
 - Tibia Nominees Pty Ltd
- The Court granted an extension to 30 September 2015 although we hope this length of time is not required. We will obtain and review further records before reporting to affected creditors.
- **BBY Advisory Services Pty Ltd** – DOCA proposal by BBYAP withdrawn on evening of 18 June 2015.

BBY Second Meetings of Creditors

What is the extent of potential losses? (across all companies)

- **Employees** – \$2.7 million due to 180 employees. Entitled to claim against Fair Entitlements Guarantee scheme (Department of Employment) if the company is liquidated.
- **Former clients** – \$16 million in client monies shortfalls, across all products and over 5,800 clients, and unquantified client losses on close outs of trading positions. Potential recourse to schemes such as National Guarantee Fund (Securities Exchanges Guarantee Corporation), and possibly ASX Supplemental Compensation Fund and Sydney Futures Exchange Fidelity Fund.
- **Secured creditors**
 - St George Bank – gross debt \$13 million, estimated recovery and any shortfall not yet advised.
 - Others including lessors – not fully quantified but understood to be over \$3 million.
- **Unsecured (trade) creditors** – \$8 million due to 150 creditors (according to records)

Total known gross losses appear to be over \$40 million, not including client close out losses and before secured creditor asset realisations and potential liquidator recoveries on behalf of creditors.

The situation has impacted confidence in the industry and many people have been severely affected in other ways including clients moving to other brokers and transferring positions, dealers trying to assist their clients and clients that may or may not have beneficial claims to securities held by the nominee companies.

BBY Second Meetings of Creditors

How will competing claims between classes of clients and creditors be addressed?

- The position of BBY clients is different to that of general creditors.
- Clients who have an entitlement to money held on trust in a CMA will have a **direct claim as beneficiary of a trust**, not as a creditor of BBY.
- However, to the extent that there are not funds available in the relevant CMA to pay out a client's entitlement in full, affected clients may have a contractual **claim against BBY for the amount of any shortfall**. This contractual claim would be an unsecured creditor claim.
- Clients may also have a claim as a creditor in respect to any losses suffered as a consequence of BBY ceasing to trade, or open market positions being closed out by various counterparties.
- To the extent that clients may be reimbursed by schemes such as the NGF then that party would step into their shoes as a subrogated creditor.
- **Available assets and claims of various classes of creditors may be considered either on a discrete basis or in 'pools' depending on orders of the Court.** For example clients entitled to equities trust funds may be pooled and treated discretely from futures clients and other creditors such as, secured creditors, employees and unsecured trade creditors.

BBY Second Meetings of Creditors

Client account position

- BBY maintained over 60 CMAs totalling \$11 million at the time of our appointment across different currencies and for different lines of business. The CMAs broadly fall into 5 product groups covering approximately 5,800 clients.

BBY Group - Trust Account Reconciliation Summary by Product						
£'000						
Product	Equity/ETF	Futures	FX	Saxo	Other	Total
Client Money Account Balances 15 May	8,753	618	1,395	90	247	11,102
Counterparty balances at 15 May 2015						
ABN Clearing House	-	1,800	-	-	-	1,800
ADM Clearing House	-	1,803	-	-	-	1,803
Total client funds	8,753	4,221	1,395	90	247	14,705
Client Trust Obligations (per Dealer Reports)	7,154	13,297	2,389	5,987	1,937	30,764
Estimated Surplus/(Shortfall)	1,599	(9,076)	(994)	(5,897)	(1,690)	(16,059)
Percentage cash coverage	122%	32%	58%	2%	13%	49%
Allocation still to be determined						
ASX cash margin on client related derivatives	3,400	-	-	-	-	3,400
Estimated Surplus/(Shortfall) if ASX funds pooled						(12,659)
Percentage cash coverage						59%
<i>Note: Excludes impact (to be determined) of Receivers distribution of £2.8m to clients on 18 May 2015</i>						

BBY Second Meetings of Creditors

How will potentially competing claims between classes of clients and creditors be addressed? (continued)

- The **CMA were frozen** upon our appointment except for receipts of counter party funds. They **remain segregated** for the purposes of subsequent adjudications on client entitlements and distributions pending any court directions. The Receivers may claim various "House" monies not subject to trust.
- The **total potential shortfall** in client monies in the vicinity of \$16 million although the cash coverage on the various pools ranges from 2% to 122%.
- **Potential reasons for the shortfall include:**
 - Poor financial records including unreconciled accounts across various product groups
 - Apparent transfers of trust funds across various product groups
 - Apparent transfers of trust funds to BBY general operating accounts
 - An apparent transfers of trust funds to third parties.
- The precise entitlement of each client to money in the CMAs is not currently clear and the position is made more complex due to these issues above.

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How will potentially competing claims between classes of clients and creditors be addressed? (continued)

- Corporations regulations provide that in an insolvency client money in a CMA is to be paid to each client out of the CMA in accordance with their "entitlement", and if there are insufficient funds in the CMA to do so, then in proportion to their entitlement. No funds would flow to other creditors out of the CMAs unless all valid client entitlement claims have been paid out in full.
- There appears to be evidence of transfers of funds between CMAs which may have resulted in CMAs have a lower or higher balance than would otherwise be the case. One approach in this case is that **affected CMAs could be "pooled" together**, so that no group of clients is unfairly advantaged or disadvantaged. Foreign currencies may also need to be converted into Australian dollars. The decision of the NSW Supreme Court in MF Global [2012] is expect to assist in expediting the BBY court application.
- There is **an argument to the effect that the entitlement of all clients should be valued as at the time the administrators were appointed**, with open positions valued on a mark-to-market basis at that time, disregarding the price at which positions may have subsequently been closed out.
- To the extent that there are not funds available in the relevant CMA(s) to pay out a client's entitlement in full, **affected clients may also have a contractual claim against BBY** for any shortfall which will be treated as an unsecured creditor claim.

BBY Second Meetings of Creditors

How will potentially competing claims between classes of clients and creditors be addressed? (continued)

Court directions

- Given these circumstances it will be necessary for the Liquidators to apply to court regarding
 - How client entitlements should be calculated
 - The appropriate method for distribution of funds from the various CMAs
 - If required, an order to draw some costs and expenses from client funds (subject to notice and any objections)
- Clients and creditors **will be advised of the court application** and the orders being sought, as well as any subsequent orders made by the court. The committee of inspection will have close supervision of the process.
- The **court will determine the matter** with all information and the benefit of argument from all relevant stakeholders.
- We intend to approach the Court for initial directions within the **next few weeks**.

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How will potentially competing claims between classes of clients and creditors be addressed? (continued)

Employees

- Employees normally have a priority entitlement to proceeds from realisation of circulating (“floating charge”) assets (such as debtor receipts). This is complicated in the case of BBY because assets did not sit within the employment company, Broker Services Australia Pty Ltd (BSA).
- Once companies are placed into liquidation BSA employees will be entitled to lodge a claim for entitlements with FEG, the Fair Entitlements Guarantee scheme including for
 - Wages, up to 13 weeks
 - annual leave
 - long service leave
 - payment in lieu of notice, maximum of 5 weeks
 - redundancy pay, maximum of 4 weeks per full year of service
- FEG has established a dedicated email contact – bby@employment.gov.au.

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How much will it cost to sort out claims and repay money to clients and creditors?

- Administrators and liquidators can only draw remuneration for the work they perform once remuneration has been approved.
- The Administrators have not drawn any remuneration to date, an approval is sought today for VA remuneration and a limited amount of liquidation remuneration.
- The **client monies issues need to be managed and resolved**, any additional funds recovered and ultimately funds paid to clients.
- To the extent that other funds are available to facilitate the reconciliation of the CMAs and any necessary Court application, we would intend to use those funds to do so. However there are minimal funds on hand to meet our costs.
- **We intend to seek court directions** in relation to our costs and expenses in relation to recovery, preservation and ultimate distribution of client monies so that these can, if necessary, be drawn from client funds.
- Costs to date are discussed in the following slides.
- Future costs can not yet be estimated but depend on a variety of factors and the extent of actions taken to deal with these issues and pursue any causes of action.

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How much will it cost to sort out claims and repay money to clients and creditors?

Funds available – BBY Limited

- Set out here is a summary of receipts and payments as well as accruals providing an indication of how funds on hand will be disbursed and what will be available for Administrators' fees.
- Receipts, including the AIMS working capital advance and the VA's portion of asset sale proceeds have essentially been used to fund the short period of employment and maintaining some status quo as well as substantial costs of dealing with creditors, for instance, a total of over 66,000 emails (2 mail outs), postage, responding to thousands of emails and calls, and venue hire for 2 meetings.

BBY Limited - Analysis of estimated available funds			
\$'000	Working Capital	Other	Total VA
Receipts			
AIMS WC advance	250	-	250
AIMS contribution to VA costs	-	250	250
VA allocation from asset sale	-	200	200
GST receipt on asset sale	-	63	63
	250	513	763
Payments			
Employees	(61)	-	(61)
	(61)	-	(61)
Cash on hand	189	513	702
Accruals and provisions (excl VA fees)			
Employees	(47)	-	(47)
GST on asset sale	-	(63)	(63)
Legal costs provision	-	(250)	(250)
Creditors' mail, meetings and call centre costs	-	(154)	(154)
Insurance, other & contingency	(39)	(9)	(47)
	(86)	(475)	(561)
Net available funds			140
Net available funds in VA			38
Est WC surplus due to AIMS	102		

BBY Second Meetings of Creditors

How much will it cost to sort out claims and repay money to clients and creditors?

Total fee costs to date – 6 BBY Companies

- We provided a remuneration report dated 12 June 2015 as part of our report setting out details of our fees. Set out below is a summary of our fee costs to date across the 6 BBY Companies excluding the nominee companies, totalling \$1.3 million.

Voluntary Administrators Remuneration			
\$'000	17 May 2015 - 5 June 2015	6 June 2015 - 22 June 2015	Total – VA
BBY Group company			
BBY Holdings Pty Limited	17.4	7.6	25.0
BBY Limited	482.0	463.6	945.6
Broker Services Australia Pty Ltd	133.8	82.7	216.5
BBY Advisory Services Pty Ltd	13.9	6.3	20.2
SmarTrader Ltd	17.2	28.9	46.1
BBY Hometrader Pty Ltd	17.2	28.6	45.8
Total remuneration	681.5	617.8	1,299.2

\$1,162k

BBY Second Meetings of Creditors

How much will it cost to sort out claims and repay money to clients and creditors?

Fee costs to date – BBY Limited and BSA

- Set out below is a summary of our fee costs to date for
 - BBY Limited \$945k** (72% of the total across the 6 BBY Companies) and
 - BSA \$216k** (17%).
- We have recorded time by 'phases' to reflect where effort has been directed. We included a phase for 'clients' (CMA work) however we also note that clients relating to CMAs represent over 90% of 'creditors'. Various work in other phases such as 'creditors' and 'investigations' in reality relates closely to client issues. The court may ultimately decide on an appropriate apportionment to client monies.

Voluntary Administrators Remuneration								
\$'000	Assets	Creditors	Employees	Trade On	Investigation	Administration	Client	Total – VA
BBY company								
BBY Limited	112.9	78.1	0.0	40.4	65.3	24.3	161.0	482.0
Broker Services Australia Pty Ltd	4.9	46.9	54.8	10.1	3.3	13.9	0.0	133.8
Total remuneration - 17 May to 5 June	117.8	125.0	54.8	50.6	68.6	38.1	161.0	615.8
BSA								
BBY Limited	7.3	169.2	0.0	2.4	95.0	33.4	156.3	463.6
Broker Services Australia Pty Ltd	0.0	53.2	1.8	0.0	12.2	15.6	0.0	82.7
Total remuneration - 6 June to 22 June	7.3	222.4	1.8	2.4	107.2	49.0	156.3	546.3
Total VA remuneration	125.1	347.4	56.6	53.0	175.7	87.1	317.2	1,162.1

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How can the available funds be improved?

- A secured creditor has a priority in respect to realisation of assets in order to repay its debt. It is possible however appears unlikely that the secured creditor, St George Bank, will be repaid in full from realisations of company assets.
- Liquidators have powers to pursue recovery in respect of certain types of 'insolvent' transactions on behalf of unsecured creditors including
 - Unfair preferential payments to creditors (6 months)
 - Uncommercial transactions (2 years)
 - Transactions designed to obstruct creditor rights (4 years)
 - Unreasonable director related transactions (4 years)
 - And unfair loans (any time)
 - Relation back periods are longer for related party claims
- For a transaction to be voidable it must have been entered into when the company was insolvent or became insolvent as a consequence of the transaction.
- We have identified transactions of interest and investigations are continuing to determine whether they may form a basis for a recovery action.

BBY Second Meetings of Creditors

How will any recovery actions be funded?

- Generally a liquidator is **not required to incur an expense in relation to a winding up unless there is sufficient available property**. We have incurred expenses that may not be paid unless there are further recoveries.
- In considering the merits of proceeding with any recovery action, a liquidator must have regard to the relative **costs and benefits** together with the prospects of success and the financial ability of defendants to meet claims. Recovery actions are often expensive and can involve lengthy delays if court proceedings are required.
- There are a number of **potential avenues to fund further action**, including
 - A liquidator **may apply to ASIC** for funding to carry out a further investigations into possible breaches of the law (the Assetless Administration Fund). Findings from such investigations could also be useful in civil recovery actions.
 - If one or more **creditors agree to reimburse a liquidator's costs** and additional assets are recovered, the liquidator or particular creditor can apply to the court for the creditor to be compensated for the risk involved in funding the liquidator's recovery action.
 - There are a number of financiers who offer **'litigation funding'** to covering certain costs of investigating and pursuing larger claims in return for a fee, usually in the form of a percentage of recoveries.
 - Recoveries from one successful action may assist in funding other actions

BBY Second Meetings of Creditors

How long will this take and is it possible to make any interim payments?

- As noted earlier, we intend to approach the court for initial directions within the next few weeks.
- The timetable beyond that can not yet be estimated with any accuracy however the process will take at least months.
- We will explore whether there is any possibility that certain pools of client monies can be dealt with earlier. We will also consider the position of stock which may be able to be allocated to specific client entitlements.
- It is too soon to predict when an initial distribution could be made to clients.
- There are currently no funds available for distribution to unsecured creditors.

BBY Second Meetings of Creditors

Who will make key decisions?

- Creditors of **Smartertrader and Hometrader** may decide to vote in favour of a Deed of Company Arrangement, in which case their claims will be dealt with in accordance with the Deed by a Deed Administrators (the current Administrators).
- For **those companies facing liquidation**, including BBY Holdings, BBY Limited, BSA and BBYAS, the Administrators will become the Liquidators.
- We propose that there be formed a **Committee of Inspection (COI)**, at least in the case of BBY Limited, to assist the Liquidators, made up from creditor representatives including clients.
 - There must be at least 2 members and ideally no more than say 5 to 10 to avoid the committee becoming inefficient. Committee members should not place themselves in a position where their personal interests could conflict with their committee membership. It is an unpaid position.
 - A liquidator must have regard to the views and direction of a COI but is obliged to exercise his or her own discretion in management of the affairs and property of a company.
 - We would anticipate holding COI meetings on a regular basis, probably every 2nd month, with occasional reporting and communications in the interim.
- We also anticipate **directions and orders from the court** in relation to dealing with client monies.

BBY Second Meetings of Creditors

How will we receive further information?

- There has been a large volume of inquiries which have been mostly directed to the BBY creditor telephone line and email in our report (Link Insolvency Services).
- Understandably there has been frustration at delays in responding to individual inquiries and being able to provide answers to questions when the issues remain to be determined.
- Future information will continue to be provided on a regular basis via
 - KPMG's dedicated BBY web page (found on the KPMG home page)
 - Emails and circulars
 - Market announcements

BBY Second Meetings of Creditors

What are the next steps?

- Dealing with the **resolutions at this meeting**, including voting on our fees and the future of the companies (voting for liquidations of deeds of company arrangement)
- If BBY Limited and other companies are placed into liquidation, we intend as next steps to:
 - Apply to the **court** for initial directions
 - Apply to **ASIC** for funding under from the Assetless Administration Fund
 - Explore **other funding avenues**
 - Finalise **reconciliation** of the CMA's
 - Conduct **further investigations** (which have been continuing up to this meeting) to identify possible recovery opportunities on behalf of clients and creditors and assess these on a case by case basis
 - **Commence actions** such as applications for formal examinations of individuals to pursue our inquiries (subject to funding)
 - Liaise further with the **ASX and NGF** regarding their dealing with client claims
 - **Explore interest of specialist funders to buy claims** of clients, as a means of providing an early exit for those seeking an alternative way of obtaining funds earlier. (Note any purchasers would no doubt require a discount against the face value of a claim, which could be substantial).
- If the DOCA proposal for **Smartertrader / Hometrader** is approved, finalise and execute the DOCA.

BBY Second Meetings of Creditors

Receipts and Payments

Set out below is a summary of receipts and payments in the various administrations from 17 May 2015 to 11 June 2015:

BBY Group - Receipts and Payments 17 May 2015 to 11 June 2015				
\$'000	BBY Limited	Broker Services Australia	SmarTrader limited	BBY Hometrader
Receipts				
Pre-appointment bank account		10.3	51.0	11.8
Sale proceeds - AIMS Group	262.5			
AIMS funding	450.1	49.9		
Total receipts	712.6	60.2	51.0	11.8
Payments				
Post-appointment wages		(58.4)		
Employee expense reimbursements		(1.8)		
Total payments	-	(60.2)	-	-
Closing cash as at 11 June 2015	712.6	-	51.0	11.8

Source: Voluntary Administrators MYOB Accounts

Note: Other entities did not have cash balances and did not trade during the period

BBY Second Meetings of Creditors

Estimated outcomes from liquidation (refer to page 53 of section 439A report)

Below is a summary of the expected distributions to each class of creditor:

BBY Group - Estimated Outcome Summary													
\$ cents in dollar	BBY		BBYH		BBYAS		BSA		BBYHT		STL		Key L = Low H = High ND = Not disclosed NA = Not applicable
	L	H	L	H	L	H	L	H	L	H	L	H	
Secured creditor	ND	ND	ND	ND	ND	ND	ND	ND	NA	NA	ND	ND	
Employees / Priority	NA	NA	NA	NA	NA	NA	100%	100%	NA	NA	NA	NA	
Unsecured creditors	0%	24%	0%	0%	0%	0%	0%	1%	0%	0%	0%	0%	

Full details of the attached calculation are provided in Appendix E of the section 439A report

- Unsecured creditors are estimated to receive between 0 and 24 cents in the dollar for BBY.
- The Receivers have not yet advised of likely recoveries for St George Bank or associated costs
- Employees of BSA will be able to claim against the FEG scheme if BSA's creditors resolve that BSA is wound up (we have not assessed eligibility or likely returns)
- Any recovery actions that may be pursued in liquidation may be protracted
- A key issue which may influence the extent of further recoveries is available funding

BBY Second Meetings of Creditors

SmarTrader and Hometrader Proposal – "Pooled" Deed of Company Arrangement

Set out below is a summary of estimated outcome from the BBYAP proposed "pooled" DOCA for SmarTrader and Hometrader:

Summary of BBY DOCA Proposals		
\$'000	SmartHome	Advisory
Deed fund composition and distribution		
Composition		
Cash at appointment	60	-
Deed contribution	95	85
Total deed fund	155	85
Distribution of deed fund		
VA/DOCA fees	(45)	(45)
Legal fees	(15)	(13)
Total fees	(60)	(58)
Funds Available for Creditors	95	30
Participating Creditors	(304)	(496)
c/s (Approximate)	31%	6%

- A pooled DOCA has been proposed by BBYAP which would have the effect of grouping Smartrader and Hometrader creditors into one pool. In the alternative we estimated zero return in a liquidation.
- In our opinion, the DOCA proposed for Smartrader and Hometrader provides for the continuation of the business and a reasonable compromise with creditors of those businesses which we have recommended.

BBY Second Meetings of Creditors

BBY Advisory Services DOCA Proposal (refer section 14 of S439A report) (WITHDRAWN)

BBYAP proposed a Deed of Company Arrangement in respect to BBYAS however this was withdrawn on the evening of 18 June 2015.

Summary of BBY DOCA Proposals		
\$'000	SmartHome	Advisory
Deed fund composition and distribution		
Composition		
Cash at appointment	60	-
Deed contribution	95	85
Total deed fund	155	85
Distribution of deed fund		
VA/DOCA fees	(45)	(45)
Legal fees	(15)	(13)
Total fees	(60)	(58)
Funds Available for Creditors	95	30
Participating Creditors	(304)	(496)
c/s (Approximate)	31%	6%

- BBYAS remains insolvent, in particular it has guaranteed the debt owed to St George and has other unpaid unsecured obligations.
- Therefore the only viable choice for creditors is to place BBYAS into liquidation.

BBY Second Meetings of Creditors

Resolution – 1

Administrators' fees from 17 May 2015 to 5 June 2015

"That the Administrators' remuneration for the period 17 May 2015 to 5 June 2015 in respect of the voluntary administration of **RELEVANT COMPANY** be approved in the sum of **AMOUNT** plus GST and disbursements and that such fees are authorised for payment from the assets of the Company, or otherwise"

Voluntary Administrators Remuneration			
\$'000	17 May 2015 - 5 June 2015	6 June 2015 - 22 June 2015	Total – VA
BBY Group company			
BBY Holdings Pty Limited	17.4	7.6	25.0
BBY Limited	482.0	463.6	945.6
Broker Services Australia Pty Ltd	133.8	82.7	216.5
BBY Advisory Services Pty Ltd	13.9	6.3	20.2
SmarTrader Ltd	17.2	28.9	46.1
BBY Hometrader Pty Ltd	17.2	28.6	45.8
Total remuneration	681.5	617.8	1,299.2

BBY Second Meetings of Creditors

Resolution – 2

Administrators' prospective fees from 6 June 2015 to 22 June 2015

"That the Administrators' remuneration for the period 6 June 2015 to 22 June 2015 in respect of the voluntary administration of **RELEVANT COMPANY** be approved in the sum of **AMOUNT** plus GST and disbursements and that such fees are authorised for payment from the assets of the Company, or otherwise"

Voluntary Administrators Remuneration			
\$'000	17 May 2015 - 5 June 2015	6 June 2015 - 22 June 2015	Total – VA
BBY Group company			
BBY Holdings Pty Limited	17.4	7.6	25.0
BBY Limited	482.0	463.6	945.6
Broker Services Australia Pty Ltd	133.8	82.7	216.5
BBY Advisory Services Pty Ltd	13.9	6.3	20.2
SmarTrader Ltd	17.2	28.9	46.1
BBY Hometrader Pty Ltd	17.2	28.6	45.8
Total remuneration	681.5	617.8	1,299.2

BBY Second Meetings of Creditors

Options available to creditors

- Creditors can determine either:
 - That the Company should execute a Deed of Company Arrangement; or
 - That the administration should end; or
 - That the Company be wound up; or
 - That the meeting be adjourned for a period of up to forty-five (45) business days.

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BBY Second Meetings of Creditors

Resolution – 3

Resolve to execute a Deed of Company Arrangement

SmarTrader Limited and BBY Hometrader Pty Ltd

- Resolution for each company

“That pursuant to Section 439C of the Corporations Act 2001 that the Company execute a pooled Deed of Company Arrangement including SmarTrader Limited and BBY Hometrader Pty Ltd in substantially the same terms as included in the s439A report to creditors, and that Stephen Vaughan and Ian Hall be confirmed as Joint and Several Deed Administrators of the Companies.”

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BBY Second Meetings of Creditors

Resolution – 4

Deed Administrators' estimated prospective remuneration

SmarTrader Limited and BBY Hometrader Pty Ltd

- Resolution for each company

*"That the Deed Administrators' remuneration in respect of **RELEVANT COMPANY** be approved for the sum the lesser of \$45,000 or the cost of time spent by the Administrators and Deed Administrators and their partners and staff, calculated at rates set under the KPMG Restructuring Services guide to hourly rates, plus GST, and that such fees are authorised for payment from the assets of the Deed or its Companies, or otherwise."*

BBY Second Meetings of Creditors

Resolution – 5

Resolve to wind up

- Resolution for each company

*"THAT pursuant to Section 446A of the Corporations Act 2001 that the **RELEVANT COMPANY** be wound up and that Stephen Vaughan and Ian Hall be confirmed as Joint and Several Liquidators of the Company".*

- BBY Holdings Pty Limited
- BBY Limited
- Broker Services Australia Pty Ltd
- BBY Advisory Services Pty Ltd

BBY Second Meetings of Creditors

Resolution – 6

Liquidators' prospective remuneration

- Resolution for each company

*"That the Liquidators' remuneration in respect of **RELEVANT COMPANY** be approved in a sum equal to the cost of time spent by the Liquidators and their partners and staff, calculated at rates set under the KPMG Restructuring Services guide to hourly rates, of an amount up to **AMOUNT** plus GST and disbursements, and that such fees are authorised for payment from the assets of the Company, or otherwise."*

BBY Holdings Pty Limited	\$50,000
BBY Limited	\$200,000
Broker Services Australia Pty Ltd	\$100,000
BBY Advisory Services Pty Ltd	\$50,000
SmarTrader Limited (if liquidated)	\$50,000
BBY Hometrader Pty Ltd (if liquidated)	\$50,000

BBY Second Meetings of Creditors

Resolution - 7

Appointment of a Committee of Inspection

- Resolution for each company

"That no Committee of Inspection of the Companies be formed."

OR

"That:

..... representing
..... representing
..... representing

be appointed to the Committee of Inspection of

BBY Second Meetings of Creditors

Final questions?

Close



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**CONCURRENT
SECOND MEETINGS OF CREDITORS
PURSUANT TO SECTION 439A OF THE CORPORATIONS ACT 2001**

BBY Holdings Pty Limited (Receivers and Managers Appointed) ACN 075 187 432
BBY Limited (Receivers and Managers Appointed) ACN 006 707 777
BBY Advisory Services Pty Ltd (Receivers and Managers Appointed) ACN 102 761 008
Broker Services Australia Pty Ltd ACN 074 976 364
BBY Hometrader Pty Ltd ACN 134 838 207
SmarTrader Limited ACN 115 752 102
(All Administrators Appointed)
("BBY Companies")

Minutes of Meetings

Held at the Grand Lodge, Sydney Masonic Centre, 66 Goulburn St, Sydney NSW on 22 June 2015 at 2:00pm with webcast facilities.

Attendance

- Stephen Vaughan, Joint Administrator
- Ian Hall, Joint Administrator
- Corey McHattan, Partner – Ashurst, legal advisors to the Administrators
- Tim Klineberg, Partner Ashurst, legal advisors to the Administrators
- Refer to attendance register attached
- Observers – refer to attendance register attached

Open

Stephen Vaughan of KPMG welcomed all parties present to the concurrent second meeting of creditors of the BBY Companies and introduced himself and his staff to the meeting. Mr Vaughan noted that the concurrent second meeting of creditors were only for the BBY Companies (as defined above) and not the future of the 4 'nominee' companies (set out below) however noted that issues relating to these companies could be discussed. The 4 'nominee' companies are:

- BBY Nominees Pty Ltd ACN 007 001 443
- BBY Protection Nominees Pty Ltd ACN 007 001 710
- Options Research Pty Ltd ACN 006 770 627
- Tilbia Nominees Pty Ltd ACN 007 001 578

Mr Vaughan requested that any media present leave the meetings unless they held a valid proxy and respect the privacy of those present. An update would be provided to the media shortly after the meeting.

Mr Vaughan declared the concurrent meetings open and tabled an agenda. He referred to PowerPoint slides on a projector to assist in conducting the concurrent meetings and provision of information for creditors. Mr Vaughan advised that the slide presentation should be read in conjunction with the s439A report to creditors, dated 12 June 2015.

Mr Vaughan noted that in the event creditors resolve that any BBY entities be wound up, then the Administrators may become the Liquidators.

Mr Vaughan noted that there is a lot of material that needed to be covered at the meeting including statutory matters and resolutions regarding the future of the companies. Mr Vaughan expected the meeting to run well over an hour. Therefore it was proposed to keep the meeting focus on key issues of concern to clients and creditors.

Key issues for today

The Administrators met with the Committee of Creditors (of BBY Ltd and BSA) ("COC") on 2 occasions during the Administrations. Based on feedback from the COC and inquiries received the Administrators identified key points that should form part of today's address and which would hopefully deal with many questions.

In the interests of time, Mr Vaughan proposed not to go through the 439A report in detail however he would take questions on the report and procedural points would be dealt with first then the key issues. After that he would provide an opportunity for questions before moving to resolutions that creditors will vote upon. Mr Vaughan noted that there would be a second opportunity for questions before the meetings concluded.

Chairperson

Mr Vaughan, as one of the Administrators, took the Chair in accordance with Regulation 5.6.17 of the Act.

Introduction

The Chairperson noted that the meetings for each of the BBY companies have been convened concurrently for the sake of convenience and efficiency. As at the date of the Administrators appointment, BBY Holdings Pty Ltd was the parent entity in the BBY Group and BBY Ltd was the main trading entity. The majority of creditors will have dealt with BBY Ltd.

Unless there are objections, the Chairperson proposed to hold these meetings concurrently. In doing so it was noted that any resolutions put to creditors for consideration will be voted upon on an individual company by company basis.

The Chairperson noted that Administrators were appointed on 17 May 2015. The Voluntary Administration process is a statutory procedure and moratorium period which normally runs for about 5 weeks and is essentially designed to allow companies in financial distress time to develop a restructuring plan or, if this is not possible, to allow for a more orderly liquidation.

Nature of these concurrent meetings (at the conclusion of the VA procedure)

- Section 439A Corporations Act
- Second meetings of creditors to decide the future of each of the companies

The Chairperson noted that on Monday, 18 May 2015 PPB Advisory were appointed Receivers & Managers over 4 BBY Companies, BBYH, BBY, BBYAS and BSA. The Receivers assumed control of the business and assets of those companies. They resigned from BSA on 20 May however remained appointed over the 3 other companies.

Purpose of the meeting

The Chairperson noted that the purpose of the second creditors meeting was:

- To receive the report by the Administrators
- To consider the terms of a proposed Deed of Company Arrangement (SmarTrader & Hometrader)
- To consider, and if thought fit, approve the remuneration of the Administrators.
- To resolve (on a company by company basis) that:
 - That the Companies should execute a Deed of Company Arrangement (where proposed); or
 - That the administrations should end; or
 - That the Companies be wound up; or
 - That the meetings be adjourned for a period of up to forty-five (45) business days.
- If a Deed of Company Arrangement is approved, to fix the remuneration of the Deed Administrators.
- If the Companies are wound up, to fix the remuneration of the Liquidators.
- If the Companies are wound up, to consider appointing a Committee of Inspection.
- Any other business relevant to the meeting.

Proxies & Proofs of Debt

The Chairperson tabled the Attendance Register, including the webcast (attached) as a record of creditors in attendance at the meeting. The following proxies and formal proofs of debt were received:

Company	Clients and Creditors	Admitted vote
BBY Holdings Pty Ltd	2	\$72,568
BBY Limited	50	\$2,718,442
Broker Services Australia Pty Ltd	29	\$437,023
BBY Advisory Services Pty Ltd	3	\$249,001
BBY Hometrader Pty Ltd	2	\$3,648
SmarTrader Pty Ltd	3	\$175,001

The Chairperson held the following proxies (included above):

- BBY Holdings Pty Ltd – 2 proxies in the amount of \$72,568;
- BBY Limited – 14 proxies in the amount of \$690,141.
- Broker Services Australia Pty Ltd – 9 proxies in the amount of \$180,544.
- BBY Advisory Services Pty Ltd – 3 proxies in the amount of \$249,001.
- BBY Hometrader Pty Ltd – 2 proxies in the amount of \$3,648.
- SmarTrader Pty Ltd – 2 proxies in the amount of \$175,000.

For the purposes of voting at the meeting Clients were admitted for \$1, and creditor and employees based on substantiated proof of debts or company information. This was for the purposes of voting only, with those present made aware this would not impact assessment of claims which would need to be formally dealt with through another process if a dividend is declared.

Quorum

The Chairperson declared that a quorum was present for the following companies in accordance with Regulation 5.6.16(2) of the Act:

- BBY Holdings Pty Ltd
- BBY Limited
- Broker Services Australia Pty Ltd
- BBY Advisory Services Pty Ltd
- BBY Hometrader Pty Ltd
- SmarTrader Pty Ltd

Notice of Concurrent Meetings

The Chairperson advised that notice of the second concurrent meetings was published on the ASIC Insolvency Notices website on 15 June 2015 and accompanied the Circular to Creditors which was posted on 12 June 2015 to all known existing or possible creditors and employees as well as being emailed to 33,000 existing and former clients identified from the BBY Companies' books and records, in accordance with an order of the Supreme Court of NSW dated 20 May 2015.

The Chairperson tabled the advertisement, the circular to creditors and Form 530 Statement in Writing of Posting of Creditors' Circular.

The Chairperson noted that the BBY Companies head office team and the company directors are based in Sydney whilst creditors and clients were widely spread, however the most convenient place to hold the meeting was in Sydney. Webcast facilities had been made available to creditors upon request.

The Chairperson declared that the concurrent meetings had been convened at a time and place convenient to the majority of creditors, in accordance with Regulations 5.6.14 of the Act.

Declaration of Independence, Relevant Relationships and Indemnities

The Chairperson discussed and tabled a copy of the Administrators' Declaration of Independence, Relevant Relationships and Indemnities ("DIRRI") dated 27 May 2015 which was included in the report to creditors in the Circulars to Creditors dated 12 June 2015.

The Chairperson notified all creditors present that since providing creditors with the that declaration, he have not become aware of any independence issues that should be brought to creditors' attention or which prevented the Administrators from acting in their role as Voluntary Administrators or subsequent roles, such as liquidators or deed administrators, to be decided at these meetings. There were no questions or objections in relation to the DIRRI.

Voting at the Meeting

The Chairperson outlined the procedure for voting at the concurrent meetings in accordance with the Corporations Regulations.

Key issues

The Chairperson acknowledged creditors and clients would have a number of questions, which he asked be held over until the Key Issues (below) had been discussed. The Chairperson asked that those on the webcast send questions through the webcast, which would be answered later in the meeting if questions had not been covered.

The Chairperson then addressed the key issues, as set out in the slide presentation, including:

- What happened to BBY and why?
- Where we are in this process and what has happened since the VA report of 12 June?
- What is the extent of potential losses?
- How will competing claims between classes of clients and creditors be addressed?
- Client account position
- How much will it cost to sort out claims and repay money to clients and creditors?
- How can the available funds be improved?
- How will any recovery actions be funded?
- How long will this take and is it possible to make any interim payments?
- Who will make key decisions?
- How will we receive further information?
- What are the next steps?

Receipts and payments

The Chairperson discussed and tabled a summary of the results of trading during the Administrations and the receipts and payments for the period 17 May 2015 to 11 June 2015:

Estimated returns to creditors (liquidation)

The Chairperson discussed and tabled a summary of the estimated return to creditors, noting this was set out in sections 10, 12 and Appendix E of the 439A report included the calculations of estimated returns to the various classes of creditors and clients.

DOCA Proposals

The Chairperson noted that, in the 439A report, the Administrators had recommended acceptance of the proposed DOCA made by BBY Asia Pacific Group Holdings Pty Ltd (a subsidiary of the AIMS financial group) ("BBYAP") in relation to the following companies on the basis that estimated returns would be higher than in a liquidation:

- BBY Advisory Services Pty Ltd (which was withdrawn on the evening of 18 May)
- Smartrader Limited and BBY Hometrader Pty Ltd (a 'pooled' deed proposal)

The Chairperson noted that an analysis comparing the outcomes to creditors is included in the 439A report.

SmarTrader and Hometrader Proposal – "Pooled" Deed of Company Arrangement

The Chairperson noted that a pooled DOCA was proposed by BBYAP which would have the effect of grouping Smartrader and Hometrader creditors into one pool. In the alternative the Administrator estimated zero return in a liquidation. The Chairperson noted that the DOCA proposed for Smartrader and Hometrader provides for the continuation of the business and a reasonable compromise with creditors of those businesses which the Administrators have recommended.

BBY Advisory Services

The Chairperson noted that the BBYAP proposed a Deed of Company Arrangement in respect to BBYAS however this was withdrawn on the evening of 18 June 2015. The Chairperson noted that the only viable choice for creditors, therefore, was to place BBY Advisory Services Pty Ltd into liquidation.

Administrators' recommendation

The Chairperson noted that in the 439A report the Administrators recommended that each of the following 3 companies be placed into liquidation and wound up:

- BBY Holdings Pty Ltd (the parent company),
- BBY Limited (the main trading company) and
- Broker Services Australia Pty Ltd (the employment company)

The Chairperson also recommended that BBY Advisory Services Pty Ltd be liquidated given withdrawal of the DOCA proposal.

It was recommended that the proposal for a Pooled Deed of Company Arrangement made by BBY Asia Pacific Group Holdings Pty Ltd in relation to Smartrader Limited and BBY Hometrader Pty Ltd be accepted.

Questions

Questions were invited from the floor. There were a number of questions and discussion in relation to the following issues:

- Status of the Nominee companies
- ASX close out process
- Client trust accounts
- FX trust accounts
- Client settlements pre-appointment
- Additional debits on client accounts post-appointment, when no positions were held
- FX accounts
- IB platform and positions
- Reconciliation of Nominee companies assets and liabilities

Remuneration of Administrators

The Chairperson referred to the ARITA Code of Professional Practice and tabled the Remuneration Reports attached to the circular of 12 June 2015, asking the meeting to consider and approve the fees of the Administrators including actual fees from 17 May to 5 June 2015 and prospective remuneration from 6 June to 22 June 2015.

The Chairperson noted that general proxies held by the Chair would not be used in relation to any resolutions relating to remuneration of the Administrators or Liquidators (regulation 5.6.33) although specific proxies would be utilised as directed.

The Chairperson proposed the following resolutions:

Actual remuneration

"That the Administrators' remuneration for the period 17 May 2015 to 5 June 2015 in respect of the voluntary administration of BBY Limited (Administrators Appointed) (Receivers & Managers Appointed) be approved in the sum of \$481,954 plus GST and disbursements and that such fees are authorised for payment from the assets of the Company, or otherwise"

The Chairperson declared the resolution carried unanimously on the voices.

"That the Administrators' remuneration for the period 17 May 2015 to 5 June 2015 in respect of the voluntary administration of Broker Services Australia Pty Ltd (Administrators Appointed) be approved"

in the sum of \$133,838 plus GST and disbursements and that such fees are authorised for payment from the assets of the Company, or otherwise"

The Chairperson declared the resolution carried unanimously on the voices.

"That the Administrators' remuneration for the period 17 May 2015 to 5 June 2015 in respect of the voluntary administration of **BBY Holdings Pty Ltd** (Administrators Appointed) (Receivers & Managers Appointed) be approved in the sum of \$17,379 plus GST and disbursements and that such fees are authorised for payment from the assets of the Company, or otherwise"

The Chairperson declared the resolution carried unanimously on the voices.

"That the Administrators' remuneration for the period 17 May 2015 to 5 June 2015 in respect of the voluntary administration of **BBY Advisory Services Pty Ltd** (Administrators Appointed) (Receivers & Managers Appointed) be approved in the sum of \$13,912 plus GST and disbursements and that such fees are authorised for payment from the assets of the Company, or otherwise"

The Chairperson declared the resolution carried unanimously on the voices.

"That the Administrators' remuneration for the period 17 May 2015 to 5 June 2015 in respect of the voluntary administration of **SmarTrader Ltd** (Administrators Appointed) be approved in the sum of \$17,184 plus GST and disbursements and that such fees are authorised for payment from the assets of the Company, or otherwise"

The Chairperson declared the resolution carried unanimously on the voices.

"That the Administrators' remuneration for the period 17 May 2015 to 5 June 2015 in respect of the voluntary administration of **BBY Hometrader Pty Ltd** (Administrators Appointed) be approved in the sum of \$17,184 plus GST and disbursements and that such fees are authorised for payment from the assets of the Company, or otherwise"

There were only 2 creditors of BBY Hometrader Pty Ltd including a proxy held by the Chairperson on behalf of Broker Services Australia Pty Ltd and a general proxy in favour of the Chairperson by Norgate Investor Services Pty Ltd. In accordance with regulation 5.6.33 the Chairperson did not exercise the proxy and the Chairperson declared the resolution lost.

Prospective remuneration

"That the Administrators' remuneration for the period 6 June 2015 to 22 June 2015 in respect of the voluntary administration of **BBY Limited** (Administrators Appointed) (Receivers & Managers Appointed) be approved in the sum of \$463,613 plus GST and disbursements and that such fees are authorised for payment from the assets of the Company, or otherwise"

The Chairperson declared the resolution carried unanimously on the voices.

"That the Administrators' remuneration for the period 6 June 2015 to 22 June 2015 in respect of the voluntary administration of **Broker Services Australia Pty Ltd** (Administrators Appointed) be approved in the sum of \$82,691 plus GST and disbursements and that such fees are authorised for payment from the assets of the Company, or otherwise"

The Chairperson declared the resolution carried unanimously on the voices.

"That the Administrators' remuneration for the period 6 June 2015 to 22 June 2015 in respect of the voluntary administration of **BBY Holdings Pty Ltd** (Administrators Appointed) (Receivers & Managers Appointed) be approved in the sum of \$7,637 plus GST and disbursements and that such fees are authorised for payment from the assets of the Company, or otherwise"

The Chairperson declared the resolution carried unanimously on the voices.

"That the Administrators' remuneration for the period 6 June 2015 to 22 June 2015 in respect of the voluntary administration of **BBY Advisory Services Pty Ltd** (Administrators Appointed) (Receivers & Managers Appointed) be approved in the sum of \$6,303 plus GST and disbursements and that such fees are authorised for payment from the assets of the Company, or otherwise"

The Chairperson declared the resolution carried unanimously on the voices.

"That the Administrators' remuneration for the period 6 June 2015 to 22 June 2015 in respect of the voluntary administration of **SmarTrader Ltd** (Administrators Appointed) be approved in the sum of \$28,887 plus GST and disbursements and that such fees are authorised for payment from the assets of the Company, or otherwise"

The Chairperson declared the resolution carried unanimously on the voices.

"That the Administrators' remuneration for the period 6 June 2015 to 22 June 2015 in respect of the voluntary administration of **BBY Hometrader Pty Ltd** (Administrators Appointed) be approved in the sum of \$28,637 plus GST and disbursements and that such fees are authorised for payment from the assets of the Company, or otherwise"

There were only 2 creditors of BBY Hometrader Pty Ltd including a proxy held by the Chairperson on behalf of Broker Services Australia Pty Ltd and a general proxy in favour of the Chairperson by Norgate Investor Services Pty Ltd. In accordance with regulation 5.6.33 the Chairperson did not exercise the proxy and the Chairperson declared the resolution lost.

Future of the BBY Companies

DOCA - SmarTrader Limited and BBY Hometrader Pty Ltd

The Chairperson tabled the pooled DOCA proposal for SmarTrader and Hometrader and proposed the following resolutions, separately on a company by company basis, for both of SmarTrader Limited and BBY Hometrader Pty Ltd:

"That pursuant to Section 439C of the Corporations Act 2001 that the Company execute a pooled Deed of Company Arrangement including SmarTrader Limited and BBY Hometrader Pty Ltd in substantially the same terms as included in the s439A report to creditors, and that Stephen Vaughan and Ian Hall be confirmed as Joint and Several Deed Administrators of the Companies"

The Chairperson declared separately for each of SmarTrader Limited and BBY Hometrader Pty Ltd the resolution carried unanimously on the voices.



"That the Deed Administrators' remuneration in respect of SmarTrader Limited and BBY Hometrader Pty Ltd (all subject to Deed of Company Arrangement) be approved for the sum the lesser of \$45,000 or the cost of time spent by the Deed Administrators and their partners and staff, calculated at rates set under the KPMG Restructuring Services guide to hourly rates, plus GST, and that such fees are authorised for payment from the assets of the Deed or its Companies, or otherwise"

The Chairperson declared the resolution carried unanimously on the voices in respect to SmarTrader Limited. However there were only 2 creditors of BBY Hometrader Pty Ltd including a proxy held by the Chairperson on behalf of Broker Services Australia Pty Ltd and a general proxy in favour of the Chairperson by Norgate Investor Services Pty Ltd. In accordance with regulation 5.6.33 the Chairperson did not exercise the proxy and therefore the resolution was lost in respect to BBY Hometrader Pty Ltd, meaning that the remuneration resolution in respect to the pooled Deed was not passed.

Liquidations

The Chairperson proposed the following resolutions in relation to the future of the remaining BBY companies:

*"THAT pursuant to Section 446A of the Corporations Act 2001 that **BBY Limited** be wound up and that Stephen Vaughan and Ian Hall be confirmed as Joint and Several Liquidators of the Company"*.

The Chairperson declared the resolution carried unanimously on the voices.

*"THAT pursuant to Section 446A of the Corporations Act 2001 that **Broker Services Australia Pty Ltd** be wound up and that Stephen Vaughan and Ian Hall be confirmed as Joint and Several Liquidators of the Company"*.

The Chairperson declared the resolution carried unanimously on the voices.

*"THAT pursuant to Section 446A of the Corporations Act 2001 that **BBY Holdings Pty Ltd** be wound up and that Stephen Vaughan and Ian Hall be confirmed as Joint and Several Liquidators of the Company"*.

The Chairperson declared the resolution carried unanimously on the voices.

*"THAT pursuant to Section 446A of the Corporations Act 2001 that **BBY Advisory Services Pty Ltd** be wound up and that Stephen Vaughan and Ian Hall be confirmed as Joint and Several Liquidators of the Company"*.

The Chairperson declared the resolution carried unanimously on the voices.

Remuneration of Liquidators

As noted earlier, general proxies held by the Chairperson were not used in relation to any resolutions relating to remuneration of the Administrators or Liquidators (regulation 5.6.33) although specific proxies were utilised as directed.



The Chairperson proposed the following resolutions regarding remuneration of the Liquidators:

*"That the Liquidators' remuneration in respect of **BBY Limited** (in Liquidation) (Receivers and Managers Appointed) be approved in a sum equal to the cost of time spent by the Liquidators and their partners and staff, calculated at rates set under the KPMG Restructuring Services guide to hourly rates, of an amount up to \$200,000 plus GST and disbursements, and that such fees are authorised for payment from the assets of the Company, or otherwise"*

The Chairperson declared the resolution carried unanimously on the voices.

*"That the Liquidators' remuneration in respect of **Broker Services Australia Pty Ltd** (in Liquidation) be approved in a sum equal to the cost of time spent by the Liquidators and their partners and staff, calculated at rates set under the KPMG Restructuring Services guide to hourly rates, of an amount up to \$100,000 plus GST and disbursements, and that such fees are authorised for payment from the assets of the Company, or otherwise"*

The Chairperson declared the resolution carried unanimously on the voices.

*"That the Liquidators' remuneration in respect of **BBY Holdings Pty Limited** (in Liquidation) (Receivers and Managers Appointed) be approved in a sum equal to the cost of time spent by the Liquidators and their partners and staff, calculated at rates set under the KPMG Restructuring Services guide to hourly rates, of an amount up to \$50,000 plus GST and disbursements, and that such fees are authorised for payment from the assets of the Company, or otherwise"*

The Chairperson declared the resolution carried unanimously on the voices.

*"That the Liquidators' remuneration in respect of **BBY Advisory Services Pty Ltd** (in Liquidation) (Receivers and Managers Appointed) be approved in a sum equal to the cost of time spent by the Liquidators and their partners and staff, calculated at rates set under the KPMG Restructuring Services guide to hourly rates, of an amount up to \$50,000 plus GST and disbursements, and that such fees are authorised for payment from the assets of the Company, or otherwise"*

The Chairperson declared the resolution carried unanimously on the voices.

Committee of Inspection

The Chairperson noted that pursuant to Part 5.6, Division 5 of the Act, creditors of each company may resolve at the concurrent meetings to appoint a Committee of Inspection and discussed the role of the Committee. The Chairperson noted that the main operating entity, BBY Limited and the main employment vehicle Broker Services Australia Pty Ltd, would be the two main companies which would ideally each have a Committee. Creditors indicated they supported forming these Committees. There were a number of creditors (names as noted in table below) who nominated.



The Chairperson read out the names of the persons who had nominated for membership of the Committees and invited the following resolutions:

"That each of the persons nominated (as set out in the table below for BBY Limited) be appointed to a Committee of Inspection of BBY Limited (In Liquidation) (Receivers and Managers Appointed) ACN 006 707 777."

The Chairperson declared the resolution carried unanimously on the voices.

"That each of the persons nominated (as set out in the table below for BSA) be appointed to a Committee of Inspection of Broker Services Australia Pty Ltd (In Liquidation) (Receivers and Managers Appointed) ACN 006 707 777 be formed"

The Chairperson declared the resolution carried unanimously on the voices.

The table below includes the names of persons nominated, referred to in the resolutions above and appointed to the Committees of Inspection:

Committee of Inspection			
BBY Limited			
Member	Company name	On behalf of	Entity
Richard Howes	Richard Howes Pty Ltd	Richard Howes Pty Ltd	BBY Limited
Craig Morris	Spectrum Live Pty Ltd	Spectrum Live Pty Ltd	BBY Limited
Paul Biggs	Agility Applications Pty Ltd	Agility Applications Pty Ltd	BBY Limited
Heather Cullen	N/A	Heather Cullen	BBY Limited
Trent Mackie	Phantom Management Pty Ltd	Phantom Management Pty Ltd	BBY Limited
Clive Riseam	Derivative Management & Consulting Pty Ltd	Derivative Management & Consulting Pty Ltd	BBY Limited
Enzo Pirillo	Hamilton Securities Limited	Hamilton Securities Limited	BBY Limited
Drew Medcalf	N/A	Drew Medcalf	BBY Limited
Julian Peters	Alchemy Trading Pty Ltd	Alchemy Trading Pty Ltd	BBY Limited
Gavin Long	N/A	Gavin Long	BBY Limited
Derrick Sutton	N/A	Derrick Sutton	BBY Limited
Long Vo/luoc	Denant Pty Limited	Denant Pty Limited	BBY Limited
Broker Services Australia Pty Ltd			
Member	Company name	On behalf of	Entity
Trent Mackie	N/A	Trent Mackie	BSA
Drew Medcalf	N/A	Drew Medcalf	BSA
Andrew Harrington	Indexys Pty Ltd	Indexys Pty Ltd	BSA
Gavin Long	N/A	Gavin Long	BSA



Further Questions

The Chairperson opened the concurrent meetings to further questions.

There were a number of questions in relation to options for legal action to recover voidable transactions, FEG claims, NGF claims, reconciliation of option accounts, open positions in foreign markets, obtaining future updates and timing on payments in respect of client trust funds.

Closure

There being no further business, the Chairperson thanked all present for their attendance and declared the concurrent meetings closed at 4:17pm.

Signed as a true and accurate record:

Stephen Vaughan
Chairperson

Dated: 6 July 2015



BBY GROUP (ADMINISTRATORS APPOINTED) (R & M APPOINTED)
 BBY LTD 2ND CREDITOR MEETING
 Monday, 22 June, 2015

HOLDERS REPORT BY PROXY

Card No	Holder Name	Holder Type	HRN	Represented By	Holder RATA Amount (\$)	Holder Claimed Amount (\$)	Admitted to Vote for (\$)
3	GORDON ELKINGTON	CONTINGENT CREDITOR	M0093754371		0.00	0.00	1.00
7	JACKIE MASTRONDES	CONTINGENT CREDITOR	M0094105091		0.00	0.00	1.00
9	ADRIAN LEPPINUS	CONTINGENT CREDITOR	M0094032913		0.00	0.00	1.00
11	MARK MANGINI	UNSECURED CREDITOR	M0094450961		0.00	9,287.02	1.00
12	JOSEPH CARNEY	CONTINGENT CREDITOR	M0093722835		0.00	0.00	1.00
14	RONNIE LOW	CONTINGENT CREDITOR	M0094048038		0.00	0.00	1.00
15	GRAHAM JENKINS	UNSECURED CREDITOR	M0093705545		0.00	49,265.04	1.00
18	GREGORY CHALOM	CONTINGENT CREDITOR	M0093690500		0.00	0.00	1.00
19	DAVID LINDEN-SMITH	CONTINGENT CREDITOR	M0093925639		0.00	0.00	1.00
22	JUN LI	EMPLOYEE	M0094195653		0.00	0.00	1.00
24	HEATHER CULLEN	SECURED CREDITOR	M0094154318		0.00	25,599.26	1.00
25	JESSE KEEN	UNSECURED CREDITOR	M0094117692		0.00	74,822.00	1.00
32	WAGNER CARDOSO	UNSECURED CREDITOR	M0094212792		0.00	140,149.00	1.00

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BBY GROUP (ADMINISTRATORS APPOINTED) (R & M APPOINTED)
 BBY LTD 2ND CREDITOR MEETING
 Monday, 22 June, 2015

HOLDERS REPORT BY PROXY

Card No	Holder Name	Holder Type	HRN	Represented By	Holder RATA Amount (\$)	Holder Claimed Amount (\$)	Admitted to Vote for (\$)
53	WING LI	UNSECURED CREDITOR	M0094056006		0.00	61,424.36	1.00
10	AKL GLOBAL PTY LTD	UNSECURED CREDITOR	M0093657620	ALFRED LAU	0.00	456,553.21	1.00
23	CH-X AUSTRALIA PTY LTD	UNSECURED CREDITOR	M0094190934	ALICE BURNIE	0.00	29,096.68	29,096.68
13	CURRAN DOOLEY PTY LIMITED	CONTINGENT CREDITOR	M0093782790	ANTHONY DUNLOP	0.00	0.00	1.00
26	BRAVE HEART INVESTMENTS PTY LTD	CONTINGENT CREDITOR	M0093726717	CARSTEN HUEBNER	0.00	0.00	1.00
1	CHELMER LTD	HOT SPECIFIED	M0091411930	CHAIRMAN OF THE MEETIN	0.00	0.00	0.00
1	JAMES MORONEY	UNSECURED CREDITOR	M0093720379	CHAIRMAN OF THE MEETIN	0.00	21,443.78	1.00
1	DAVES RENAISSANCE SUPER FUND PTY LTD	SECURED CREDITOR	M0093750383	CHAIRMAN OF THE MEETIN	0.00	349,303.30	1.00
1	ANTHONY KOCH	UNSECURED CREDITOR	M0093751860	CHAIRMAN OF THE MEETIN	0.00	43,000.00	1.00
1	NAZMUL DASTOOR	UNSECURED CREDITOR	M0093767707	CHAIRMAN OF THE MEETIN	0.00	500.00	1.00
1	JEFFREY GAME	CONTINGENT CREDITOR	M0093797223	CHAIRMAN OF THE MEETIN	0.00	0.00	1.00
1	GERALDINE NAPIER	CONTINGENT CREDITOR	M0093838370	CHAIRMAN OF THE MEETIN	0.00	0.00	1.00
1	LYNNE NAPIER	UNSECURED CREDITOR	M0093640528	CHAIRMAN OF THE MEETIN	0.00	746.08	1.00

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BBY GROUP (ADMINISTRATORS APPOINTED) (R & M APPOINTED)

HOLDERS REPORT BY PROXY

BBY LTD 2ND CREDITOR MEETING
Monday, 22 June, 2015

Card No	Holder Name	Holder Type	HRN	Represented By	Holder RATA Amount (\$)	Holder Claimed Amount (\$)	Admitted to Vote for (\$)
1	DEUTSCHE BANK AG SYDNEY BRANCH	UNSECURED CREDITOR	H0000051172	CHAIRMAN OF THE MEETIN	0.00	138,544.00	1.00
1	BRIAN SHERMAN	UNSECURED CREDITOR	H0000919787	CHAIRMAN OF THE MEETIN	0.00	3,741.15	1.00
1	NEW YORK SECURITIES PTY LTD	UNSECURED CREDITOR	H0004070645	CHAIRMAN OF THE MEETIN	0.00	6,804.41	6,804.41
1	CHARLES KIM	UNSECURED CREDITOR	H0004060690	CHAIRMAN OF THE MEETIN	0.00	19,255.32	1.00
1	GBST HOLDINGS LIMITED	UNSECURED CREDITOR	H0004191264	CHAIRMAN OF THE MEETIN	0.00	643,327.59	643,327.59
1	V8 PTY LIMITED	UNSECURED CREDITOR	H0004192732	CHAIRMAN OF THE MEETIN	0.00	40,000.00	40,000.00
48	SPECTRUM LIVE PTY LTD	UNSECURED CREDITOR	H0004192660	CRAIG MORRIS	0.00	42,517.25	42,517.25
6	COLIN THOMPSON	UNSECURED CREDITOR	H0003768088	DEAN THOMPSON	0.00	64,642.50	1.00
104	HAMILTON CAPITAL PTY LIMITED	UNSECURED CREDITOR	H0004210684	ENZO PIRRELO	0.00	161,653.67	161,653.67
103	HUB24 CUSTODIAL SERVICES LTD	UNSECURED CREDITOR	H0003736582	JOSEPH JOFFREY	0.00	5,167,617.12	1.00
8	ALCHEMY TRADING PTY LTD	UNSECURED CREDITOR	H0003769033	JULIAN PETERS	0.00	24,902.00	1.00
20	IBESS MARKET TECHNOL	UNSECURED CREDITOR	H0004191388	KRISTY GROSS	0.00	0.00	787,809.24
100	LAZORNE GROUP PTY LTD	UNSECURED CREDITOR	H0004191451	LARRY SIMON	0.00	9,625.00	9,625.00

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BBY GROUP (ADMINISTRATORS APPOINTED) (R & M APPOINTED)

HOLDERS REPORT BY PROXY

BBY LTD 2ND CREDITOR MEETING
Monday, 22 June, 2015

Card No	Holder Name	Holder Type	HRN	Represented By	Holder RATA Amount (\$)	Holder Claimed Amount (\$)	Admitted to Vote for (\$)
4	LL PHOENIX PTY LTD	UNSECURED CREDITOR	H0004213136	LINO VO-PUKOK	0.00	210,046.17	1.00
2	DENANT PTY LIMITED	UNSECURED CREDITOR	H0004213144	LONG CVO-PHUOC	0.00	171,900.24	1.00
21	ACCESS NETWORKS & COMMUNICATIONS PTY LTD	UNSECURED CREDITOR	H0004190632	MANISH GOKLANEY	0.00	296,201.44	296,201.44
101	AGILITY APPLICATIONS PTY LTD	UNSECURED CREDITOR	H0004143060	PAUL BIGGS	0.00	715,110.86	715,110.86
5	SCOTT SUPERANNUATION FUND	CONTINGENT CREDITOR	X00000061014	PAUL SCOTT	0.00	84,777.17	1.00
17	RICHARD HOWES PTY LTD	UNSECURED CREDITOR	H0004215732	RICHARD HOWES	0.00	845,835.59	1.00
16	JEAT LOW	SECURED CREDITOR	H0004033421	RONNIE LOW	0.00	168,687.67	1.00
27	UNITED ISRAEL APPEAL	CONTINGENT CREDITOR	X00000061016	SAGI BENYOSEF	0.00	0.00	1.00
99	BROKER SERVICES AUSTRALIA PTY LTD	UNSECURED CREDITOR	X00000061015	STEPHEN VAUGHAN (PFMG)	0.00	1.00	1.00
103	PRITCHARD & PARTNERS PTY LIMITED	UNSECURED CREDITOR	H0004064366	STEVEN PRITCHARD	0.00	26,155.36	26,155.36
51	O EXCHANGE PTY LTD	UNSECURED CREDITOR	H0003773065	WAGNER CADOSO	0.00	66,049.32	1.00

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**BBY GROUP (ADMINISTRATORS APPOINTED) (R & M APPOINTED)****HOLDERS REPORT BY PROXY**BBY LTD 2ND CREDITOR MEETING
Monday, 22 June, 2015

Card No	Holder Name	Holder Type	HRN	Represented By	Holder RATA Amount (\$)	Holder Claimed Amount (\$)	Admitted to Vote for (\$)
Number of holders with a zero admitted balance		1					
Number of holders with an admitted balance > 0		49					
Number of holders represented on floor		50					
Total Votes - All Categories (\$)		2,718,441.50					

Note: A holder is defined as a creditor, debentureholder, noteholder, member or securityholder who is eligible to vote at the meeting.

**BBY GROUP (ADMINISTRATORS APPOINTED) (R & M APPOINTED)****HOLDERS REPORT BY PROXY**BROKER SERVICES AUSTRALIA 2ND CREDITOR MEETING
Monday, 22 June, 2015

Card No	Holder Name	Holder Type	HRN	Represented By	Holder RATA Amount (\$)	Holder Claimed Amount (\$)	Admitted to Vote for (\$)
2	ADRIAN LEPPINUS	EMPLOYEE	H0001425027		0.00	106,128.03	1.00
6	JIAOU CHEN	EMPLOYEE	H0004188855		0.00	7,448.53	16,718.34
7	ANDREW ROSE	NOT SPECIFIED	H0004230481		0.00	0.00	1.00
8	ELI EKMAN	EMPLOYEE	H0004189243		0.00	23,105.54	17,039.56
29	PETER CAMERON	EMPLOYEE	H0004189570		0.00	5,564.00	14,919.09
31	LISA RIGBY	UNSECURED CREDITOR	H0004190055		0.00	433.00	1.00
32	ELIZABETH DOYLE	EMPLOYEE	H0004188881		0.00	17,788.00	9,138.90
33	MICHAEL HARROWELL	CONTINGENT CREDITOR	H0003773233		0.00	0.00	1.00
34	GAVIN LONG	EMPLOYEE	H0003620721		0.00	48,153.84	73,493.85
35	DARRELL SEETO	CONTINGENT CREDITOR	H0003762926		0.00	0.00	1.00
36	ALISTER SCHLAZ	NOT SPECIFIED	H0004230430		0.00	0.00	1.00
74	ADAM DE MICHEL	EMPLOYEE	H0004189936		0.00	7,975.13	18,218.58
75	SEBASTIAN JURD	EMPLOYEE	H0004189464		0.00	0.00	1.00



BBY GROUP (ADMINISTRATORS APPOINTED) (R & M APPOINTED)
 BROKER SERVICES AUSTRALIA 2ND CREDITOR MEETING
 Monday, 22 June, 2015

HOLDERS REPORT BY PROXY

Card No	Holder Name	Holder Type	HRN	Represented By	Holder RATA Amount (\$)	Holder Claimed Amount (\$)	Admitted to Vote for (\$)
76	TIMOTHY WILSON	EMPLOYEE	H0004189061		0.00	98,942.50	18,714.40
4	LANDPATH PTY LTD	UNSECURED CREDITOR	H0004192473	ALVIN BILUMENTHAL	0.00	42,411.00	1.00
54	INDEXYS PTY LTD	SECURED CREDITOR	H0004192233	ANDREW HARRINGTON	0.00	32,815.00	1.00
3	CURRANDOOLEY PTY LIMITED	CONTINGENT CREDITOR	H0003782790	ANTHONY DUNLOP	0.00	0.00	1.00
1	CHLOE WONG	EMPLOYEE	H0004189227	CHAIRMAN OF THE MEETIN	0.00	7,716.21	25,080.46
1	RAHN CATO	EMPLOYEE	H0004189286	CHAIRMAN OF THE MEETIN	0.00	11,592.73	21,993.97
1	LINDA PAPEZ	EMPLOYEE	H0004189316	CHAIRMAN OF THE MEETIN	0.00	8,050.00	27,108.88
1	SUE ELLEN BRIGGS	UNSECURED CREDITOR	H0004189341	CHAIRMAN OF THE MEETIN	0.00	1,053.91	26,822.67
1	LINCOLN POON	EMPLOYEE	H0004189375	CHAIRMAN OF THE MEETIN	0.00	12,084.10	33,181.04
1	DREW METCALFE	UNSECURED CREDITOR	H0004189715	CHAIRMAN OF THE MEETIN	0.00	30,000.00	15,143.24
1	RUSSELL LESNA	UNSECURED CREDITOR	H0004189782	CHAIRMAN OF THE MEETIN	0.00	5,709.05	20,819.08
1	WING LEUNG	EMPLOYEE	H0004189880	CHAIRMAN OF THE MEETIN	0.00	2,220.75	10,285.05
1	MARK INGLIS	EMPLOYEE	H0004182791	CHAIRMAN OF THE MEETIN	0.00	0.00	0.00

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BBY GROUP (ADMINISTRATORS APPOINTED) (R & M APPOINTED)
 BROKER SERVICES AUSTRALIA 2ND CREDITOR MEETING
 Monday, 22 June, 2015

HOLDERS REPORT BY PROXY

Card No	Holder Name	Holder Type	HRN	Represented By	Holder RATA Amount (\$)	Holder Claimed Amount (\$)	Admitted to Vote for (\$)
50	DERIVATIVE MANAGEMENT & CONSULTING PTY LTD	CONTINGENT CREDITOR	H0004076481	CLIVE RISAM	0.00	0.00	1.00
8	DLS CONSULTING SERVICES PTY LTD	UNSECURED CREDITOR	H0003745509	DAVID LINDEN SMITH	0.00	27,129.04	1.00
30	PAUL BRYAN	EMPLOYEE	H0004189824	TRENT MACKIE	0.00	54,800.00	87,121.59

Number of holders with a zero admitted balance 1
 Number of holders with an admitted balance > 0 28
 Number of holders represented on floor 29
 Total Votes - All Categories (\$) 437,022.70

Note: A holder is defined as a creditor, debentureholder, noteholder, member or securityholder who is eligible to vote at the meeting.

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BBY GROUP (ADMINISTRATORS APPOINTED) (R & M APPOINTED)
 BBY HOLDINGS PTY LTD 2ND CREDITOR MEETING
 Monday, 22 June, 2015

HOLDERS REPORT BY PROXY

Card No	Holder Name	Holder Type	HRN	Represented By	Holder RATA Amount (\$)	Holder Claimed Amount (\$)	Admitted to Vote for (\$)
1	IDO EAST COAST PARTNERSHIP	UNSECURED CREDITOR	140091411017	CHAIRMAN OF THE MEETING	0.00	72,567.00	72,567.00
2	BROKER SERVICES AUSTRALIA PTY LTD	UNSECURED CREDITOR	X00000009005	STEPHEN VAUGHAN (KPMG)	0.00	1.00	1.00

Number of holders with a zero admitted balance	0
Number of holders with an admitted balance > 0	2
Number of holders represented on floor	2
Total Votes - All Categories (\$)	72,568.00

Note: A holder is defined as a creditor, debentureholder, noteholder, member or securityholder who is eligible to vote at the meeting.



BBY GROUP (ADMINISTRATORS APPOINTED) (R & M APPOINTED)
 BBY ADVISORY SERVICES PTY LTD 2ND CREDITOR MEETING
 Monday, 22 June, 2015

HOLDERS REPORT BY PROXY

Card No	Holder Name	Holder Type	HRN	Represented By	Holder RATA Amount (\$)	Holder Claimed Amount (\$)	Admitted to Vote for (\$)
1	JAMES MCINTOSH	EMPLOYEE	H0093722037	CHAIRMAN OF THE MEETING	0.00	9,340.71	1.00
1	FIONA BILTON	EMPLOYEE	H0094188972	CHAIRMAN OF THE MEETING	0.00	0.00	0.00
2	BROKER SERVICES AUSTRALIA PTY LTD	UNSECURED CREDITOR	X00000009004	STEPHEN VAUGHAN (KPMG)	0.00	248,000.00	248,000.00

Number of holders with a zero admitted balance	1
Number of holders with an admitted balance > 0	2
Number of holders represented on floor	3
Total Votes - All Categories (\$)	248,001.00

Note: A holder is defined as a creditor, debentureholder, noteholder, member or securityholder who is eligible to vote at the meeting.



BBY GROUP (ADMINISTRATORS APPOINTED) (R & M APPOINTED)
 BBY HOMETRADER PTY LTD 2ND CREDITOR MEETING
 Monday, 22 June, 2015

HOLDERS REPORT BY PROXY

Card No	Holder Name	Holder Type	HRN	Represented By	Holder RATA Amount (\$)	Holder Claimed Amount (\$)	Admitted to Vote for (\$)
1	NORDATE INVESTOR SERVICES PTY LTD	UNSECURED CREDITOR	H0094252921	CHAIRMAN OF THE MEETIN	0.00	3,646.50	3,646.50
2	BROKER SERVICES AUSTRALIA PTY LTD	UNSECURED CREDITOR	XXXXXXXX0909	STEPHEN VAUGHAN (KPMG)	0.00	1.00	1.00

Number of holders with a zero admitted balance 0
 Number of holders with an admitted balance > 0 2
 Number of holders represented on floor 2
 Total Votes - All Categories (\$) 3,647.50

Note: A holder is defined as a creditor, debentureholder, noteholder, member or securityholder who is eligible to vote at the meeting.

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BBY GROUP (ADMINISTRATORS APPOINTED) (R & M APPOINTED)
 SMARTRADER LTD 2ND CREDITOR MEETING
 Monday, 22 June, 2015

HOLDERS REPORT BY PROXY

Card No	Holder Name	Holder Type	HRN	Represented By	Holder RATA Amount (\$)	Holder Claimed Amount (\$)	Admitted to Vote for (\$)
1	VENTURE OPTIONS LIMITED (VENTURE OPTIONS LTD AC)	UNSECURED CREDITOR	H0094117978	CHAIRMAN OF THE MEETIN	0.00	2,345.20	0.00
3	STONEBRIDGE SECURITIES LIMITED	CONTINGENT CREDITOR	H0093880193	DAMEN HODGKINSON	0.00	0.00	1.00
2	BROKER SERVICES AUSTRALIA PTY LTD	UNSECURED CREDITOR	XXXXXXXX0909	STEPHEN VAUGHAN (KPMG)	0.00	175,000.00	175,000.00

Number of holders with a zero admitted balance 1
 Number of holders with an admitted balance > 0 2
 Number of holders represented on floor 3
 Total Votes - All Categories (\$) 175,001.00

Note: A holder is defined as a creditor, debentureholder, noteholder, member or securityholder who is eligible to vote at the meeting.

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Our ref: JKM\DGE\02 3003 3013
Partner: James Marshall
Direct line: +61 2 9258 6508
Email: james.marshall@ashurst.com
Contact: David Greenberg, Senior Associate
Direct line: +61 2 9258 6492
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05 August 2015

BY EMAIL

Attention: Gary Ferguson
Regulatory Obligation & Coordination Division
Clean Energy Regulator
GPO Box 621
Canberra ACT 2601
gary.ferguson@cleanenergyregulator.gov.au

ashurst

Dear Sirs

BBY Limited (Receivers & Managers Appointed)(in Liquidation) ACN 006 707 777 (BBY)

We act for Ian Hall and Stephen Vaughan of KPMG in their capacity as joint and several liquidators of BBY and have been provided with a copy of your letter dated 27 July 2015.

Whilst our clients do not oppose the proposed suspension of BBY from the Australian National Registry of Emissions Units (**Registry**) they would like to obtain additional information concerning BBY's relationship with the Clean Energy Regulator.

It has been agreed between our clients and Stephen Parbery and Brett Lord of PPB Advisory (**Receivers**) (the solicitors for whom have been copied) that our clients are solely authorised to deal with all clients monies held by BBY or owing to BBY or BBY's clients and that our clients rather than the Receivers should take the lead in recovering all client monies owing by relevant financial services counterparties to BBY.

So our clients can better understand the nature of BBY's relationship with the Clean Energy Regulator could you please provide us with:

- copies of any terms of business, agreements or any other contracts entered into by BBY with the Clean Energy Regulator in respect of, or relevant to, BBY's participation in the Registry;
- a schedule of all positions which have been entered into by BBY or BBY's clients which are currently open in the Registry (if any);
- a schedule of all positions which were entered into by BBY or BBY's clients which have been closed or otherwise dealt with by the Clean Energy Regulator since our clients were appointed on 17 May 2015;
- confirmation as to what (if any) funds are still held by the Clean Energy Regulator on behalf of BBY or BBY's clients;
- a schedule providing a list of all funds (if any) which have been paid out by the Clean Energy Regulator to BBY or BBY's clients since our clients were appointed on 17 May 2015, including details as to in which bank account those monies have been paid and when.

It would be helpful if this information could be provided to us by on or before **14 August 2015**. Further instructions as to what to do with any funds owing to BBY or BBY's clients (if any) will be provided to you upon receipt of this information.

AUSTRALIA BELGIUM CHINA FRANCE GERMANY HONG KONG SAR INDONESIA (ASSOCIATED OFFICE) ITALY JAPAN PAPIA NEW GUINEA SAUDI ARABIA (ASSOCIATED OFFICE) SINGAPORE SPAIN SWEDEN UNITED ARAB EMIRATES UNITED KINGDOM UNITED STATES OF AMERICA

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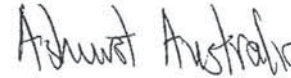
Clean Energy Regulator

05 August 2015

Page 2

We are happy to discuss should you have any queries regarding this correspondence.

Yours faithfully



James Marshall
Partner
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David Greenberg
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Cc: Jason Opperman
K&L Gates
Jason.Opperman@klgates.com

ashurst

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Our ref: JKM\DGE\02 3003 3013
Partner: James Marshall
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Email: James.marshall@ashurst.com
Contact: David Greenberg, Senior Associate
Direct line: +61 2 9258 6492
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05 August 2015

BY EMAIL

Attention: Graziella Zulian
Deutsche Bank Australia
Level 16, Deutsche Bank Place
Corner of Huntebter and Phillip Streets
SYDNEY NSW 2000
graziella.zulian@db.com

ashurst

Dear Sirs

BBY Limited (Receivers & Managers Appointed)(in Liquidation) ACN 006 707 777 (BBY)

We act for Ian Hall and Stephen Vaughan of KPMG in their capacity as joint and several liquidators of BBY.

Our clients' investigations reveal that BBY placed trades with and otherwise dealt with Deutsche Bank Australia (**DB**) on behalf of BBY's clients in conducting its financial services business.

It has been agreed between our clients and Stephen Parbery and Brett Lord of PPB Advisory (**Receivers**) (the solicitors for whom have been copied) that our clients are solely authorised to deal with all clients monies held by BBY or owing to BBY or BBY's clients and that our clients rather than the Receivers should take the lead in recovering all client monies owing by relevant financial services counterparties to BBY.

So our clients can better understand the nature of BBY's relationship with DB could you please provide us with:

- copies of any terms of business, agreements or any other contracts entered into by BBY with DB in respect of, or relevant to, the futures contracts or other financial products traded by BBY with DB;
- a schedule of all positions which have been entered into by BBY or BBY's clients which are currently open (if any);
- a schedule of all positions which were entered into by BBY or BBY's clients which have been closed by DB since our clients were appointed on 17 May 2015;
- confirmation as to what (if any) funds are held by DB on behalf of BBY or BBY's clients;
- a schedule providing a list of all funds (if any) which have been paid out by DB to BBY or BBY's clients since our clients were appointed on 17 May 2015, including details as to in which bank account those monies have been paid and when.

It would be helpful if this information could be provided to us by on or before **14 August 2015**. Further instructions as to what to do with any funds owing to BBY or BBY's clients (if any) will be provided to you upon receipt of this information.

AUSTRALIA BELGIUM CHINA FRANCE GERMANY HONG KONG SAR INDONESIA (ASSOCIATED OFFICE) ITALY JAPAN PAPUA NEW GUINEA SAUDI ARABIA (ASSOCIATED OFFICE) SINGAPORE SPAIN SWEDEN UNITED ARAB EMIRATES UNITED KINGDOM UNITED STATES OF AMERICA

Ashurst Australia (ABN 75 304 286 095) is a general partnership constituted under the laws of the Australian Capital Territory and is part of the Ashurst Group. The Ashurst Group has an office in each of the places listed above.
236218219.01

448

Deutsche Bank

05 August 2015

Page 2

We are happy to discuss should you have any queries regarding this correspondence.

Yours faithfully

Ashurst Australia

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David Greenberg
Senior Associate
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E: david.greenberg@ashurst.com

Cc: Jason Opperman
K&L Gates
Jason.Opperman@klgates.com

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449

236218219.01

Our ref: JKM\JDGE\02 3003 3013
Partner: James Marshall
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Contact: David Greenberg, Senior Associate
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05 August 2015

BY EMAIL

Attention: Amanda Cain
Societe Generale - NewEdge USA
245 Park Avenue
New York NY 10167
USA
Amanda.Cain@newedge.com

ashurst

Dear Sirs

BBY Limited (Receivers & Managers Appointed)(in Liquidation) ACN 006 707 777 (BBY)

We act for Ian Hall and Stephen Vaughan of KPMG in their capacity as joint and several liquidators of BBY.

Our clients' investigations reveal that BBY placed trades with and otherwise dealt with NewEdge USA LLC (**NewEdge**) on behalf of BBY's clients in conducting its financial services business.

It has been agreed between our clients and Stephen Parbery and Brett Lord of PPB Advisory (**Receivers**) (the solicitors for whom have been copied) that our clients are solely authorised to deal with all clients monies held by BBY or owing to BBY or BBY's clients and that our clients rather than the Receivers should take the lead in recovering all client monies owing by relevant financial services counterparties to BBY.

So our clients can better understand the nature of BBY's relationship with NewEdge could you please provide us with:

- copies of any terms of business, agreements or any other contracts entered into by BBY with NewEdge in respect of, or relevant to, the futures contracts or other financial products traded by BBY with NewEdge;
- a schedule of all positions which have been entered into by BBY or BBY's clients which are currently open (if any);
- a schedule of all positions which were entered into by BBY or BBY's clients which have been closed by NewEdge since our clients were appointed on 17 May 2015;
- confirmation as to what (if any) funds are held by NewEdge on behalf of BBY or BBY's clients;
- a schedule providing a list of all funds (if any) which have been paid out by NewEdge to BBY or BBY's clients since our clients were appointed on 17 May 2015, including details as to in which bank account those monies have been paid and when.

It would be helpful if this information could be provided to us by on or before **14 August 2015**. Further instructions as to what to do with any funds owing to BBY or BBY's clients (if any) will be provided to you upon receipt of this information.

AUSTRALIA BELGIUM CHINA FRANCE GERMANY HONG KONG SAR INDONESIA (ASSOCIATED OFFICE) ITALY JAPAN PAPUA NEW GUINEA
SAUDI ARABIA (ASSOCIATED OFFICE) SINGAPORE SPAIN SWEDEN UNITED ARAB EMIRATES UNITED KINGDOM UNITED STATES OF AMERICA

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236218527.01

New Edge USA LLC

05 August 2015

Page 2

We are happy to discuss should you have any queries regarding this correspondence.

Yours faithfully

Ashurst Australia

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K&L Gates
Jason.Opperman@klgates.com

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236218527.01

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DX 388 Sydney
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05 August 2015

BY EMAIL

Attention: Mr David Lawrence
Asia Pacific Stock Exchange Limited
Level 16, 323 Castlereagh St
SYDNEY NSW 2000
david.lawrence@apx.com.au

ashurst

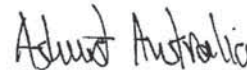
APX

05 August 2015

Page 2

We are happy to discuss should you have any queries regarding this correspondence.

Yours faithfully



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T: +61 2 9258 6508
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David Greenberg
Senior Associate
T: +61 2 9258 6492
E: david.greenberg@ashurst.com

Cc: Jason Opperman
K&L Gates
Jason.Opperman@klqates.com

Dear Sirs

BBY Limited (Receivers & Managers Appointed)(in Liquidation) ACN 006 707 777 (BBY)

We act for Ian Hall and Stephen Vaughan of KPMG in their capacity as joint and several liquidators of BBY.

Our clients' investigations reveal that BBY placed trades with and otherwise dealt with Asia Pacific Stock Exchange Limited (**APX**) on behalf of BBY's clients in conducting its financial services business.

It has been agreed between our clients and Stephen Parbery and Brett Lord of PPB Advisory (**Receivers**) (the solicitors for whom have been copied) that our clients are solely authorised to deal with all clients monies held by BBY or owing to BBY or BBY's clients and that our clients rather than the Receivers should take the lead in recovering all client monies owing by relevant financial services counterparties to BBY.

So our clients can better understand the nature of the BBY's relationship with APX could you please provide us with:

- copies of any terms of business, agreements or any other contracts entered into by BBY with APX in respect of, or relevant to, the shares, options or other financial products traded by BBY with APX;
- a schedule of all positions which have been entered into by BBY or BBY's clients which are currently open (if any);
- a schedule of all positions which were entered into by BBY or BBY's clients which have been closed by APX since our clients were appointed on 17 May 2015;
- confirmation as to what (if any) funds are held by APX on behalf of BBY or BBY's clients;
- a schedule providing a list of all funds (if any) which have been paid out by APX to BBY or BBY's clients since our clients were appointed on 17 May 2015, including details as to in which bank account those monies have been paid and when.

It would be helpful if this information could be provided to us by on or before **14 August 2015**. Further instructions as to what to do with any funds owing to BBY or BBY's clients (if any) will be provided to you upon receipt of this information.

AUSTRALIA BELGIUM CHINA FRANCE GERMANY HONG KONG SAR INDONESIA (ASSOCIATED OFFICE) ITALY JAPAN PAPUA NEW GUINEA SAUDI ARABIA (ASSOCIATED OFFICE) SINGAPORE SPAIN SWEDEN UNITED ARAB EMIRATES UNITED KINGDOM UNITED STATES OF AMERICA

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ashurst

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Our ref: JKM\DGE\02 3003 3013
Partner: James Marshall
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Contact: David Greenberg, Senior Associate
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05 August 2015

BY EMAIL

Attention: Mr Michael Somes
Chi-X Australia Pty Ltd
Level 23, Governor Phillip Tower
1 Farrer Place
SYDNEY NSW 2000
michael.somes@chi-x.com

ashurst

Dear Sirs

BBY Limited (Receivers & Managers Appointed)(in Liquidation) ACN 006 707 777 (BBY)

We act for Ian Hall and Stephen Vaughan of KPMG in their capacity as joint and several liquidators of BBY.

Our clients' investigations reveal that BBY placed trades with and otherwise dealt with Chi-X Australia Pty Ltd (**Chi-X**) on behalf of BBY's clients in conducting its financial services business.

It has been agreed between our clients and Stephen Parbery and Brett Lord of PPB Advisory (**Receivers**) (the solicitors for whom have been copied) that our clients are solely authorised to deal with all clients monies held by BBY or owing to BBY or BBY's clients and that our clients rather than the Receivers should take the lead in recovering all client monies owing by relevant financial services counterparties to BBY.

So our clients can better understand the nature of the BBY's relationship with Chi-X could you please provide us with:

- copies of any terms of business, agreements or any other contracts entered into by BBY with Chi-X in respect of, or relevant to, the shares, options or other financial products traded by BBY with Chi-X;
- a schedule of all positions which have been entered into by BBY or BBY's clients which are currently open (if any);
- a schedule of all positions which were entered into by BBY or BBY's clients which have been closed by Chi-X since our clients were appointed on 17 May 2015;
- confirmation as to what (if any) funds are held by Chi-X on behalf of BBY or BBY's clients;
- a schedule providing a list of all funds (if any) which have been paid out by Chi-X to BBY or BBY's clients since our clients were appointed on 17 May 2015, including details as to in which bank account those monies have been paid and when.

It would be helpful if this information could be provided to us by on or before **14 August 2015**. Further instructions as to what to do with any funds owing to BBY or BBY's clients (if any) will be provided to you upon receipt of this information.

Chi-X Australia Pty Ltd

05 August 2015

Page 2

We are happy to discuss should you have any queries regarding this correspondence.

Yours faithfully



James Marshall
Partner
T: +61 2 9258 6508
E: james.marshall@ashurst.com

David Greenberg
Senior Associate
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Cc: Jason Opperman
K&L Gates
Jason.Opperman@kigates.com

AUSTRALIA BELGIUM CHINA FRANCE GERMANY HONG KONG SAR INDONESIA (ASSOCIATED OFFICE) ITALY JAPAN PAPUA NEW GUINEA
SAUDI ARABIA (ASSOCIATED OFFICE) SINGAPORE SPAIN SWEDEN UNITED ARAB EMIRATES UNITED KINGDOM UNITED STATES OF AMERICA

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Our ref: JKM\DGE\02 3003 3013
Partner: James Marshall
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Email: james.marshall@ashurst.com
Contact: David Greenberg, Senior Associate
Direct line: +61 2 9258 6492
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05 August 2015

BY EMAIL

Attention: Anthony Griffin
Saxo Capital Markets (Australia) Pty Ltd
Level 25, 2 Park St
SYDNEY NSW 2000
AIG@saxomarkets.com.au

ashurst

Dear Sirs

BBY Limited (Receivers & Managers Appointed)(in Liquidation) ACN 006 707 777 (BBY)

We act for Ian Hall and Stephen Vaughan of KPMG in their capacity as joint and several liquidators of BBY.

Our clients' investigations reveal that prior to November 2014 BBY placed trades with and otherwise dealt with Saxo Capital Markets (Australia) Pty Ltd (**Saxo**) on behalf of BBY's clients in conducting its financial services business.

It has been agreed between our clients and Stephen Parbery and Brett Lord of PPB Advisory (**Receivers**) (the solicitors for whom have been copied) that our clients are solely authorised to deal with all clients monies held by BBY or owing to BBY or BBY's clients and that our clients rather than the Receivers should take the lead in recovering all client monies owing by relevant financial services counterparties to BBY.

So our clients can better understand the nature of BBY's relationship with Saxo could you please provide us with:

- copies of any terms of business, agreements or any other contracts entered into by BBY with Saxo in respect of, or relevant to, the contracts for difference, options or other financial products traded by BBY with Saxo;
- a schedule of all positions which have been entered into by BBY or BBY's clients which are currently open (if any);
- a schedule of all positions which were entered into by BBY or BBY's clients which have been closed by Saxo since our clients were appointed on 17 May 2015;
- confirmation as to what (if any) funds are still held by Saxo on behalf of BBY or BBY's clients;
- a schedule providing a list of all funds (if any) which have been paid out by Saxo to BBY or BBY's clients since our clients were appointed on 17 May 2015, including details as to in which bank account those monies have been paid and when.

It would be helpful if this information could be provided to us by on or before **14 August 2015**. Further instructions as to what to do with any funds owing to BBY or BBY's clients (if any) will be provided to you upon receipt of this information.

Saxo Capital Markets (Australia) Pty Ltd

05 August 2015

Page 2

We are happy to discuss should you have any queries regarding this correspondence.

Yours faithfully



James Marshall
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T: +61 2 9258 6508
E: james.marshall@ashurst.com

David Greenberg
Senior Associate
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Cc: Jason Opperman
K&L Gates
Jason.Opperman@klgates.com

AUSTRALIA BELGIUM CHINA FRANCE GERMANY HONG KONG SAR INDONESIA (ASSOCIATED OFFICE) ITALY JAPAN PAPUA NEW GUINEA SAUDI ARABIA (ASSOCIATED OFFICE) SINGAPORE SPAIN SWEDEN UNITED ARAB EMIRATES UNITED KINGDOM UNITED STATES OF AMERICA

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ashurst

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05 August 2015

BY EMAIL

Attention: Ms Tracy Hetherington
ADM Investor Services International Limited
Millennium Bridge House
2 Lambeth Hill
LONDON EC4V 3TT
Patrick.McBurney@admisi.com
Tracy.Hetherington@admisi.com

ashurst

Dear Sirs

BBY Limited (Receivers & Managers Appointed)(In Liquidation) ACN 006 707 777 (BBY)

We act for Ian Hall and Stephen Vaughan of KPMG in their capacity as joint and several liquidators of BBY.

Our clients' investigations reveal that BBY placed trades with and otherwise dealt with ADM Investor Services International Limited (**ADMI**) on behalf of BBY's clients in conducting its financial services business.

It has been agreed between our clients and Stephen Parbery and Brett Lord of PPB Advisory (**Receivers**) (the solicitors for whom have been copied) that our clients are solely authorised to deal with all clients monies held by BBY or owing to BBY or BBY's clients and that our clients rather than the Receivers should take the lead in recovering all client monies owing by relevant financial services counterparties to BBY.

So our clients can better understand the nature of BBY's relationship with ADMI could you please provide us with:

- copies of any terms of business, agreements or any other contracts entered into by BBY with ADMI in respect of, or relevant to, the futures contracts or other financial products traded by BBY with ADMI;
- a schedule of all positions which have been entered into by BBY or BBY's clients which are currently open (if any);
- a schedule of all positions which were entered into by BBY or BBY's clients which have been closed by ADMI since our clients were appointed on 17 May 2015;
- confirmation as to what (if any) funds are held by ADMI on behalf of BBY or BBY's clients;
- a schedule providing a list of all funds (if any) which have been paid out by ADMI to BBY or BBY's clients since our clients were appointed on 17 May 2015, including details as to in which bank account those monies have been paid and when.

AUSTRALIA BELGIUM CHINA FRANCE GERMANY HONG KONG SAR INDONESIA (ASSOCIATED OFFICE) ITALY JAPAN PAPUA NEW GUINEA SAUDI ARABIA (ASSOCIATED OFFICE) SINGAPORE SPAIN SWEDEN UNITED ARAB EMIRATES UNITED KINGDOM UNITED STATES OF AMERICA

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236217578.01

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ADM Investors International Limited

05 August 2015

Page 2

It would be helpful if this information could be provided to us by on or before **14 August 2015**. Further instructions as to what to do with any funds owing to BBY or BBY's clients (if any) will be provided to you upon receipt of this information.

We are happy to discuss should you have any queries regarding this correspondence.

Yours faithfully

Ashurst Australia

James Marshall
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T: +61 2 9258 6508
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David Greenberg
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E: david.greenberg@ashurst.com

Cc: Jason Opperman
K&L Gates
Jason.Opperman@klgates.com

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459

Our ref: JKM/DGE\02 3003 3013
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Interactive Brokers

06 August 2015

Page 2

06 August 2015

BY EMAIL

Attention: Mr Brian Yeung
Interactive Brokers Group
Suite 1512, Two Pacific Place
88 Queensway, Admiralty
Hong Kong
byeung@interactivebrokers.com

ashurst

We are happy to discuss should you have any queries regarding this correspondence.

Yours faithfully

Ashurst Australia

James Marshall
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T: +61 2 9258 6508
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David Greenberg
Senior Associate
T: +61 2 9258 6492
E: david.greenberg@ashurst.com

Cc: Jason Opperman
K&L Gates
Jason.Opperman@klgates.com

Dear Sirs

BBY Limited (Receivers & Managers Appointed)(in Liquidation) ACN 006 707 777 (BBY)

We act for Ian Hall and Stephen Vaughan of KPMG in their capacity as joint and several liquidators of BBY.

Our clients' investigations reveal that BBY placed trades with and otherwise dealt with Interactive Brokers (**IB**) on behalf of BBY's clients in conducting its financial services business.

It has been agreed between our clients and Stephen Parbery and Brett Lord of PPB Advisory (**Receivers**) (the solicitors for whom have been copied) that our clients are solely authorised to deal with all clients monies held by BBY or owing to BBY or BBY's clients and that our clients rather than the Receivers should take the lead in recovering all client monies owing by relevant financial services counterparties to BBY.

So our clients can better understand the nature of BBY's relationship with IB could you please provide us with:

- copies of any terms of business, agreements or any other contracts entered into by BBY with IB in respect of, or relevant to, the futures contracts or other financial products traded by BBY with IB;
- a schedule of all positions which have been entered into by BBY or BBY's clients which are currently open (if any);
- a schedule of all positions which were entered into by BBY or BBY's clients which have been closed by IB since our clients were appointed on 17 May 2015;
- confirmation as to what (if any) funds are held by IB on behalf of BBY or BBY's clients;
- a schedule providing a list of all funds (if any) which have been paid out by IB to BBY or BBY's clients since our clients were appointed on 17 May 2015, including details as to in which bank account those monies have been paid and when.

It would be helpful if this information could be provided to us by on or before **14 August 2015**. Further instructions as to what to do with any funds owing to BBY or BBY's clients (if any) will be provided to you upon receipt of this information.

AUSTRALIA BELGIUM CHINA FRANCE GERMANY HONG KONG SAR INDONESIA (ASSOCIATED OFFICE) ITALY JAPAN PAPUA NEW GUINEA
SAUDI ARABIA (ASSOCIATED OFFICE) SINGAPORE SPAIN SWEDEN UNITED ARAB EMIRATES UNITED KINGDOM UNITED STATES OF AMERICA

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ashurst



Asia Pacific Stock Exchange Limited
Bridging Australian and Asian Capital Markets

Level 16, Central Square
323 Castlereagh Street
Sydney NSW 2000
Phone: +61 2 9217 2723
Fax: +61 2 9215 2833
Email: info@apx.com.au
Web: www.apx.com.au

5 August 2015

Mr James Marshall
Partner
Ashurst Australia
5 Martin Place
Sydney NSW 2000

BY EMAIL: james.marshall@ashurst.com
david.greberg@ashurst.com

Dear Sirs,

BBY Limited (Receivers and Managers Appointed)(In Liquidation) ("BBY")

We refer to your letter of 5 August 2015.

We can advise as follows:

- We enclose a copy of the application form lodged by BBY at the time of application to become a market participant on the APX market. All other terms of business, agreements and contracts in respect of, or relevant to, the shares traded by BBY are as set out in the APX Business Rules available at http://www.apx.com.au/APX/Public/EN/Market_Participants/Business_Rules.aspx;
- There are no currently open positions entered into by BBY or BBY's clients in relation to the APX market of which we are aware;
- There are no positions entered into by BBY or BBY's clients in relation to the APX market since 17 May 2015 of which we are aware;
- APX holds no funds on behalf of BBY or BBY's clients; and
- There have been no funds paid out by APX to BBY or BBY's clients since 17 May 2015.



BBY's trading permission on the APX market was suspended on 18 May 2015. All unexecuted orders entered by BBY were removed from the APX market. BBY was removed as an APX Participant on 20 July 2015.

Regards

David Lawrence
Chief Operating Officer

Copy Jason Opperman
K&L Gates
Jason.opperman@klgates.com

APX MARKET PARTICIPANT APPLICATION AND AGREEMENT

INSTRUCTIONS FOR COMPLETING THIS APPLICATION AND AGREEMENT

Applicants seeking to become **market participants** approved by the Asia Pacific Exchange Limited (**APX**) must complete this application form.

It is essential that you read this application form in conjunction with the APX Business Rules (**the Rules**) as published by **APX** from time to time.

This form is for use by an **Applicant** seeking to be recognised as an **APX market participant**. You must complete the relevant sections. You must submit a completed application form together with appropriate supporting documents. Attach additional sheets if there is not enough space.

Answers must be printed or typed in black.

Terms in **bold** have the meanings set out in the **Rules**.

The form is in 3 parts:

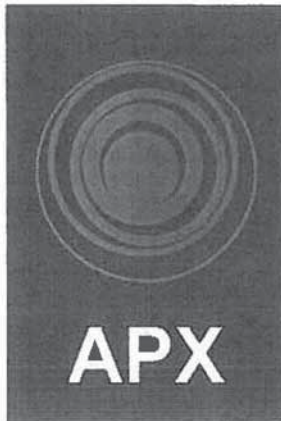
1. Application for recognition;
2. Agreement to be completed; and
3. Information to be completed.

Applicants' are reminded that they must apply to **ASIC** for approval of their risk calculation methods under Chapters 8 and 9 of the Market Integrity Rules for each market that they wish to be a **market participant**. For current market participants of ASX and Chi-X Australia, this may comprise a simple letter requesting **ASIC** approval of the methods they are currently approved for ASX / Chi-X Australia, and any additional methods they may choose to use for admission to **APX**. For further information, email ASIC on: market.participants@asic.gov.au.

If you would like to discuss the application process or the **Rules** in more detail please contact APX Business Development on +61 2 9217 2705.

Please return the completed application form to:

APX Business Development
Level 16, Central Square
323 Castlereagh Street
Sydney NSW 2000 Australia
Tel: +61 2 9217 2705



APX MARKET PARTICIPANT APPLICATION AND AGREEMENT



DISCLOSURES

DISCLOSURE STATEMENT

This application form is to be used to apply to be a **market participant** of Asia Pacific Exchange Limited ABN 19 080 399 220 ("APX"). Information and documents (including this application and agreement) given to APX in support of an application become APX's property. APX will keep confidential all information provided by the **Applicant**, except to the extent that disclosure is:

- necessary for the exercise of its supervisory functions;
- required to be provided to an **approved settlement facility** in order to facilitate settlement of trades on the **APX trading system**;
- provided to a Service Provider as defined in the **APX Australian Market Licence**;
- permitted by the **Rules** (including **Procedures** and **Appendix**); or
- otherwise required by law.

PRIVACY STATEMENT

In making this application you may be required to provide personal information about persons involved in or associated with the **Applicant**. This information is required for APX to assess, in accordance with its obligations as an Australian Market Licensee, whether or not the **Applicant** does, and will continue to, satisfy its obligations under the **Rules**.

APX collects information about users of its services and is bound by the National Privacy Principles (**NPP**) contained in the Privacy Act 1988 (Cth). Any personal information we have about individuals is managed in compliance with the NPP. APX will take reasonable steps to protect the personal information entrusted to it (other than information already in the public domain) from misuse and loss and from unauthorised access, modification or disclosure at all times.

Details of **APX's** systems and procedures in relation to information about individuals are set out in the **APX Privacy Statement** available on the **APX website** (www.apx.com.au). It provides information on all relevant issues, including the individuals' rights to access and correct the information we have about them.

- By completing this application or continuing to do business with APX, the **Applicant** is:
- acknowledging that it has obtained consent from any individual whose personal information is included in this application or otherwise provided to APX in relation to the application or the **Applicant's** ongoing participation in the **APX market**; and
 - consenting to APX collecting, using and disclosing information in accordance with the provisions of the **APX Privacy Statement**.



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PART 1 - APPLICATION

Applicant:	BBY Limited
ACN, ARBN or ARSN:	ACN 006 707 777

The Applicant applies for recognition as a market participant of Asia Pacific Exchange Limited (APX).

PART 2 - AGREEMENT

The Applicant:

1. acknowledges and agrees that its application is on the terms of and subject to the APX Business Rules (the Rules) as amended from time to time;
2. acknowledges and agrees that terms used in this application have the same meaning as set out in the Rules;
3. represents and warrants to Asia Pacific Exchange Limited (APX) that the information provided in this application, or subsequently provided in relation to this application, (including attachments and annexures) is true and correct;
4. acknowledges that APX will rely upon the information provided in this application, or subsequently provided in relation to this application (including attachments and annexures) when considering the application and acknowledges that any wilful error, omission or misstatement in or in conjunction with the application may lead to APX rejecting the application or, if the application is approved, may result in the subsequent cessation of recognition as a market participant;
5. acknowledges and agrees that if it becomes aware that information previously given by or on behalf of it to APX was incomplete, inaccurate or misleading, it will notify APX and provide complete and accurate information promptly and without delay;
6. acknowledges that the giving of false or misleading information to APX may be an offence pursuant to section 1309 of the Corporations Act 2001 (the Act);
7. acknowledges and agrees that its recognition as an APX market participant is at the absolute discretion of APX;
8. indemnifies APX and its related bodies corporate and their respective employees to the fullest extent permitted by law in respect of any claim, action or expense arising from or in connection with any breach of this agreement, warranties or undertakings by the Applicant or resulting from reliance on the information contained in this application;
9. consents to APX obtaining any additional information it considers relevant to this application or to the Applicant (including personal information, credit worthiness information or any other information) from an investigative agency, a credit agency, regulatory agency or any other source permitted by law in Australia or elsewhere and acknowledges that this application authorises such a source to release information to APX or its service provider;
10. represents and warrants that the Applicant is aware of and understands the Rules at the date of this application;



11. represents and warrants that the Applicant is aware of and understands the Market Integrity Rules and the Act at the date of this application as they apply to the business of the Applicant as a market participant;
12. agrees it will comply with the Rules as in force from time to time, even if its recognition as a market participant is suspended;
13. acknowledges and agrees that the Rules are to be interpreted so as to promote the purpose and object of the underlying Rule;
14. acknowledges and agrees APX has discretion to take no action in response to a breach of the Rules. APX may also waive a Rule either on request by the Applicant or of its own accord on any conditions. APX may at any time vary or revoke a decision on request by the Applicant or of its own accord;
15. agrees to obtain from ASIC any necessary licence or relief from any requirement to hold a licence and to provide a copy to APX prior to the commencement of trading activities and that, if not provided within 3 months of the date of approval (conditional or otherwise) of this application, APX may withdraw any recognition of the Applicant as a market participant;
16. represents and warrants to APX that it has no reason to believe that any employee or other person who is or will be involved in the business of the Applicant in connection with its activities as a market participant or that any person who is or will be involved in control (as that term is defined in section 50AA of the Act) of the Applicant is not of good fame and character and high business integrity, having regard to the matters set out in the Rules;
17. represents and warrants to APX that it has organisational competencies which are adequate for the performance of its obligations as a market participant under the Rules;
18. represents and warrants to APX that it has organisational competencies sufficient to prevent any action or inaction which results in the APX market not being both fair and orderly;
19. represents and warrants to APX that it has organisational competencies sufficient to prevent any action or inaction which interferes with the operational efficiency or proper functioning of the trading system;
20. acknowledges and agrees that any document given to APX by the Applicant, or on its behalf, becomes and remains the property of APX to deal with in accordance with the Rules;
21. acknowledges and agrees that in any proceedings, a copy or extract of any document or information given to APX is of equal validity in evidence as the original;
22. represents and warrants to APX that it is not aware of any fact or circumstance that may adversely impact upon its ability to comply with its obligations
 - a. as a market participant;
 - b. as a financial services licensee;
 - c. under the market integrity rules; and/ or
 - d. under the laws, rules and regulations of its home jurisdiction (if incorporated outside Australia);
23. consents to APX obtaining details about any refusal of an application by the Applicant or its related bodies corporate for market participant (or equivalent) status on another market operator or trading venue from that market operator or trading venue operator;
24. represents and warrants to APX that it:
 - a. has provided written notification and details to APX of any actual or proposed overseas activity, especially any overseas activity which may result in APX being subject to any jurisdiction or regulatory oversight of any relevant government agency or authority outside Australia;



- b. has obtained all necessary regulatory approvals from any relevant governmental agency or regulatory authority in Australia or elsewhere, and
 - c. will comply with the directions of APX and any relevant governmental agency or regulatory authority in Australia or elsewhere concerning the supervision of the overseas activity; and
25. represents and warrants to APX that it has provided details of any service level agreements in relation to the outsourcing of functions to a third party where those functions are material to the Applicant's compliance with the Rules.

Executed in accordance with section 127(1) of the Corporations Act 2001.



 Director signature

Glenn Rosewall

Director name

 27/11/2013

 Date

OR if sole Director & Company Secretary

Sole Director & Company Secretary signature

Sole Director & Company Secretary name

OR if signed under Power of Attorney

Signed for and on behalf of

Applicant name

Applicant ACN

by


Signature

Signatory name

who is authorised by Power of Attorney dated



and who declares that at the time of execution of this document he/ she has not received any notice of its revocation.
In the presence of



 Witness signature

APRIL YUEN

 Witness name



PART 3 - INFORMATION TO ACCOMPANY AN APPLICATION FOR RECOGNITION AS A MARKET PARTICIPANT

3.1 GENERAL INFORMATION ON THE APPLICANT

Information to be provided	Response <small>Indicate N/A if not applicable or identify the document name and page where the relevant information is located. If it is in another document.</small>	Internal APX use only
A Company Name	BBY Limited	
B Place of Incorporation	Victoria	
C ABN/ACN/other company registration number	80 006 707 777	
D Certified copy of Certificate of Registration (or equivalent) <small>Refer Rule 3.4</small>	To be included	
E Registered Office Address	LEVEL 17, 60 MARGARET STREET SYDNEY NSW 2000	
F Principal Place of Business	LEVEL 17, 60 MARGARET STREET SYDNEY NSW 2000	
G Website address	www.bby.com.au	
H Principal contact in relation to this application	Peter Clavin	
- Name	0292260267	
- Phone number	plc@bby.com.au	
- Email address		

3.2 STRUCTURE

Information to be provided	Response <small>Indicate N/A if not applicable or identify the document name and page where the relevant information is located. If it is in another document.</small>	Internal APX use only
A Is the Applicant applying in the capacity of a trustee of a trust? <small>Refer Rule 3.4</small>	No	
B Details of each entity that controls the Applicant including the percentage of each shareholding. <small>Control is defined in section 50AA of the Act.</small>	BBY Holdings Pty Ltd, 100%	
C Details of each entity that the Applicant controls including the percentage of each shareholding. <small>Control is defined in section 50AA of the Act.</small>	BBY Nominees Pty Ltd, 100%; BBY Protection Nominees Pty Ltd, 100%; Tibilia Nominees Pty Ltd, 100%, Options Research Pty Ltd, 100%	
D A group ownership structure chart reflecting the above.	Attached	
E Is the Applicant a related body corporate of APX? <small>Refer Rule 14.1 Related body corporate is defined in section 9 of the Act.</small>	No	
F Does the Applicant conduct or participate in a business in competition with a business conducted by APX (or a related body corporate of APX)? <small>Refer Rule 14.1 Related body corporate is defined in section 9 of the Act.</small>	No	

3.3 MANAGEMENT

Information to be provided	Response <small>Indicate N/A if not applicable or identify the document name and page where the relevant information is located. If it is in another document.</small>	Internal APX use only
A Details of each Director	Director 1 - Ken Rosewall, ph: N/A, email: N/A Director 2 - Glenn Rosewall, ph: 02 9226 0032, email: gar@bby.com.au Director 3 - David Perkins, ph: 02 9226 0131 email: djp@perkinssolicitors.com.au	
- Name		
- Phone number		
- Email address		



- B** Has any Director ever been: No
- disqualified from managing a corporation under the Act or under the law of another country;
 - declared bankrupt or an insolvent under administration or its equivalent in another country;
 - charged with or convicted of any offence in Australia or under the law of another country;
 - disciplined or adversely mentioned in a report made by, or at the request of any government or governmental authority or agency in Australia or another country;
 - adversely mentioned in a report made by, or at the request of APX, or any other exchange, market operator or clearing and/or settlement facility in Australia or another country;
 - disciplined by APX, or any other exchange, market operator or clearing and/or settlement facility in Australia or another country; or
 - disqualified from holding prudentially significant roles within APRA-regulated entities?

If the answer to any of the above is yes, provide details.

Refer Rule 3.4



C	Details of Company Secretary - Name - Phone number - Email address	Arun Maharaj, ph: 02 9266 0108; email anm@bby.com.au
D	Details of the senior executive responsible for the compliance function - Name - Phone number - Email address	Peter Clavin, ph: 02 9266 0267; email plc@bby.com.au
E	Details of the senior executive responsible for the risk function - Name - Phone number - Email address	Glen Weinert, ph: 02 9226 0223, email: grw@bby.com.au



F

Has the Company Secretary ever been: No

- disqualified from managing a corporation under the Act or under the law of another country;
- declared bankrupt or an insolvent under administration or its equivalent in another country;
- charged with or convicted of any offence in Australia or under the law of another country;
- disciplined or adversely mentioned in a report made by, or at the request of any government or governmental authority or agency in Australia or another country;
- adversely mentioned in a report made by, or at the request of APX, or any other exchange, market operator or clearing and/or settlement facility in Australia or another country;
- disciplined by APX, or any other exchange, market operator or clearing and/or settlement facility in Australia or another country; or
- disqualified from holding prudentially significant roles within APRA-regulated entities?

If the answer to any of the above is yes, provide details.



G

Has the senior executive responsible for the compliance function ever been: No

- disqualified from managing a corporation under the Act or under the law of another country;
- declared bankrupt or an insolvent under administration or its equivalent in another country;
- charged with or convicted of any offence in Australia or under the law of another country;
- disciplined or adversely mentioned in a report made by, or at the request of any government or governmental authority or agency in Australia or another country;
- adversely mentioned in a report made by, or at the request of APX, or any other exchange, market operator or clearing and/or settlement facility in Australia or another country;
- disciplined by APX, or any other exchange, market operator or clearing and/or settlement facility in Australia or another country; or
- disqualified from holding prudentially significant roles within APRA-regulated entities?

If the answer to any of the above is yes, provide details.



H	Has the senior executive responsible for the risk function ever been: <ul style="list-style-type: none"> - disqualified from managing a corporation under the Act or under the law of another country; - declared bankrupt or an insolvent under administration or its equivalent in another country; - charged with or convicted of any offence in Australia or under the law of another country; - disciplined or adversely mentioned in a report made by, or at the request of any government or governmental authority or agency in Australia or another country; - adversely mentioned in a report made by, or at the request of APX, or any other exchange, market operator or clearing and/or settlement facility in Australia or another country; - disciplined by APX, or any other exchange, market operator or clearing and/or settlement facility in Australia or another country; or - disqualified from holding prudentially significant roles within APRA-regulated entities? 	No
If the answer to any of the above is yes, provide details.		



I	Provide an internal management structure chart. <small>Include names and roles</small>	Attached
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3.4 AUSTRALIAN FINANCIAL SERVICES LICENCE

	Information to be provided	Response	Internal APX use only
A	Is the Applicant required to hold an Australian Financial Services Licence (AFSL) to participate in the APX market under the Act? If not, why is the Applicant not required to hold an AFSL. <small>Refer Rule 3.4</small> <small>Note: Rule 3.4 does not include an Authorised Representative of an AFSL holder. Authorised Representative is defined in section 761A of the Act.</small>	Yes	
B	Does the Applicant hold a current AFSL? If yes, provide the AFSL number.	Yes, 238 095	
C	A complete copy of the AFSL.	Attached	
D	Does the AFSL require amendment to participate in the APX market? If yes, has an application been made to ASIC for an amendment?	No	
E	Does the Applicant have any reason to believe that it is currently not in compliance with its AFSL?	No	
F	A list of all current Authorised Representatives. <small>Authorised Representative is defined in section 761A of the Act.</small>	Attached	
G	A copy of a Certificate of Currency for the Applicant's Professional Indemnity Insurance. <small>Refer Rule 3.4</small>	Attached	



3.5 BUSINESS PROFILE

	Information to be provided	Response <small>Indicate N/A if not applicable or identify the document name and page where the relevant information is located. If it is in another document.</small>	Internal APX use only
A	An outline of the nature and scope of business activities currently undertaken by the Applicant.	stockbroking, asset management, corporate advisory	
B	An outline of the type and size of the client base the Applicant services. <small>(eg, wholesale clients, retail, number, AFSL holders for which the Applicant provides trade execution services, etc)</small>	BBY provides services to raft of different clients including full retail clients, high net worth private clients, wholesale clients, AFSL holders using DMA access etc.	
C	An outline of any business the Applicant proposes to conduct as principal in relation to the APX market.	N/A	
D	An outline of any business activities currently undertaken by the Applicant as a market operator, clearing facility operator or settlement facility operator whether in Australia or overseas.	N/A	
E	Details of any other market facility, clearing facility or settlement facility of which the Applicant is currently a participant or member.	Market, Clearing and Settlement Participant of ASX, Market Participant of Chi-X.	
F	If the Applicant is subject to regulation by a non-Australian regulator, the name and country of that regulator and the reason why the Applicant is subject to that regulation.	Financial Services Authority (FSA) Registration No. 146367. Regulated by FSA because of London presence	
G	Details of all offices in Australia in which the Applicant will conduct business.	<small>SYDNEY - HEAD OFFICE Level 17 60 Margaret St Sydney NSW 2000 ADELAIDE Suite 5, 148 Greenhill Rd Parkside Adelaide SA 5063 GOLD COAST Suite E318 Orca East 3 Orca Blvd Broadbeach QLD 4218 MELBOURNE Level 13, 8 Exhibition St Melbourne VIC 3000 PERTH Level 5, 105 St Georges Ter Perth WA 6000 WELLINGTON Level 8 Equinox House 111 The Terrace Wellington 9011</small>	
H	Details of all offices outside Australia in which the Applicant will conduct business. <small>Refer Rule 15.41</small>	N/A	

I	A copy of the most recent audited financial accounts and audit report of the Applicant. <small>(This must include a copy of the report required pursuant to section 989B(3) of the Act and Regulation 7.8.13(2) of the Corporations Regulations 2001.)</small>	Attached
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3.6 MARKET INTEGRITY RULES

	Information to be provided	Response <small>Indicate N/A if not applicable or identify the document name and page where the relevant information is located. If it is in another document.</small>	Internal APX use only
A	Does the Applicant have any reason to believe that it would not be in compliance with the Market Integrity Rules if recognised as an APX Market Participant? <small>Refer Rule 3.4</small>	No	
B	Does the Applicant warrant that it is in compliance with the management requirements as set out in the Market Integrity Rules? <small>Refer Rule 3.4</small>	Yes	
C	A copy of the most recent management structure document provided by the Applicant to ASIC in accordance with the Market Integrity Rules. <small>Refer Rule 3.4</small>	Attached	



D	<p>Does the Applicant confirm that it is in compliance with the provisions of the Act (including Chapters 2M and 7), the Market Integrity Rules and its AFSL in relation to:</p> <ul style="list-style-type: none"> - the preparation and audit of financial reports and consolidated financial statements; - the preparation of director's reports; - the lodgement of financial reports, director's reports and audit reports with ASIC; and - the keeping of financial records? <p>If no, provide details.</p> <p><i>Refer Rule 4.2</i></p>	Yes
E	<p>Does the Applicant confirm that it is in compliance with the capital requirements of the Market Integrity Rules?</p> <p>If the answer to the above is yes, provide a copy of the authorisation from ASIC under Market Integrity Rule S1A.2.3A.</p>	Yes
F	<p>Does the Applicant warrant that its Responsible Executives are currently in compliance with the education requirements as set out in the Market Integrity Rules?</p> <p><i>Refer Rule 3.4</i></p>	Yes

3.7 TRADING ARRANGEMENTS: APX CLIENT - SERVER APPLICATION

	Information to be provided	Response <small>Indicate MR Rule applicable or specify the document name and page where the relevant information is located. If it is in another document.</small>	Internal APX use only												
A	<p>Does the Applicant propose to access the APX market via the APX client - server application (APeX)?</p> <p><i>Refer Rule 5.64.</i></p>	Yes.													
B	<p>The name(s) and office address of each person who will access the APX market.</p> <p><i>A Schedule 5-1 for each of these persons must accompany this application.</i></p>	<table border="1"> <thead> <tr> <th>DTR Name:</th> <th>Physical Address</th> </tr> </thead> <tbody> <tr> <td>Trent Mackie:</td> <td>Level 18 60 Margaret Street, Sydney, NSW, 2000</td> </tr> <tr> <td>Raffy Margarian:</td> <td>Level 18 60 Margaret Street, Sydney, NSW, 2000</td> </tr> <tr> <td>Gavin Long:</td> <td>Level 17 60 Margaret Street, Sydney, NSW, 2000</td> </tr> <tr> <td>Robert Wood:</td> <td>Level 13, 5 Exhibition Street, Melbourne VIC, 3000</td> </tr> <tr> <td>Katerina Matsoukas:</td> <td>Level 18 60 Margaret Street, Sydney, NSW, 2000</td> </tr> </tbody> </table> <p><i>Refer Rule 5.6.</i></p>	DTR Name:	Physical Address	Trent Mackie:	Level 18 60 Margaret Street, Sydney, NSW, 2000	Raffy Margarian:	Level 18 60 Margaret Street, Sydney, NSW, 2000	Gavin Long:	Level 17 60 Margaret Street, Sydney, NSW, 2000	Robert Wood:	Level 13, 5 Exhibition Street, Melbourne VIC, 3000	Katerina Matsoukas:	Level 18 60 Margaret Street, Sydney, NSW, 2000	
DTR Name:	Physical Address														
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Gavin Long:	Level 17 60 Margaret Street, Sydney, NSW, 2000														
Robert Wood:	Level 13, 5 Exhibition Street, Melbourne VIC, 3000														
Katerina Matsoukas:	Level 18 60 Margaret Street, Sydney, NSW, 2000														
C	<p>Details of the IP address for each computer of each person who will access the APX market.</p>	<table border="1"> <tbody> <tr> <td>Trent Mackie:</td> <td>192.168.205.242</td> <td>Raffy Margarian:</td> <td>192.168.205.239</td> </tr> <tr> <td>Gavin Long:</td> <td>192.168.205.243</td> <td>Robert Wood:</td> <td>192.168.100.121</td> </tr> <tr> <td>Katerina Matsoukas:</td> <td>192.168.205.15</td> <td></td> <td></td> </tr> </tbody> </table>	Trent Mackie:	192.168.205.242	Raffy Margarian:	192.168.205.239	Gavin Long:	192.168.205.243	Robert Wood:	192.168.100.121	Katerina Matsoukas:	192.168.205.15			
Trent Mackie:	192.168.205.242	Raffy Margarian:	192.168.205.239												
Gavin Long:	192.168.205.243	Robert Wood:	192.168.100.121												
Katerina Matsoukas:	192.168.205.15														
D	<p>Principal contact person for establishing trading connectivity with the APX trading system</p> <ul style="list-style-type: none"> - Name - Phone number - Email address 	<p>James Dillon 02 9226 0273 jfd@bby.com.au</p>													
E	<p>Does the Applicant agree to be bound by the terms of the end user licence agreement applicable to any trading software made available by APX in the form notified by APX or the relevant licensee to market participants from time to time?</p> <p><i>Refer Rule 5.63</i></p>	Yes													



3.8 TRADING ARRANGEMENTS: APX FIX INTERFACE

3.10 SETTLEMENT AGENT ARRANGEMENTS

If the Applicant indicated that it proposes to settle its trades through a settlement agent which is a participant in ASXS it must complete this section.

Information to be provided	Response	Internal APX use only
<p>A Does the Applicant propose to access the APX market via the APX FIX interface?</p> <p><i>Note: the FIX interface is not presently available. Hence, Automated Order Processing (as defined in the Market Integrity Rules) is not presently available.</i></p>	No.	

Information to be provided	Response	Internal APX use only
<p>A Identity of the settlement agent which is a participant in ASXS including the Participant Identification Number (PID). <i>Refer Rules 3.4 and 8.10</i></p>	N/A	
<p>B Does the settlement agent hold an AFSL? If not, provide an outline of why the settlement agent is not required to hold an AFSL. <i>Refer Rule 8.9</i></p> <p><i>Note: Rule 8.9 does not include an Authorised Representative of an AFSL holder. Authorised Representative is defined in section 761A of the Act.</i></p>	N/A	
<p>C Is the settlement agent an APX Market Participant? <i>Refer Rule 8.6</i></p>	N/A	
<p>D An executed copy of the settlement agreement contract between the Applicant and the settlement agent. <i>Refer Rules 3.4 and 8.13</i></p>	N/A	
<p>E A copy of a Certificate of Currency for the settlement agent's Professional Indemnity Insurance. <i>Refer Rule 8.17</i></p>	N/A	
<p>F Does the Applicant acknowledge that a failure by its settlement agent to comply with a Rule is a breach of that Rule by the Applicant? <i>Refer Rule 8.3</i></p>	N/A	

3.9 TRADE SETTLEMENT ARRANGEMENTS

Information to be provided	Response	Internal APX use only
<p>B Is the Applicant a participant in the ASX Settlement Pty Limited (ASXS) facility? If yes, what is the Participant Identification Number (PID)? <i>Refer Rule 3.4</i></p>	1124	
<p>C Is the Applicant intending to settle its own trades in ASXS? <i>Refer Rule 3.4</i></p>	Yes	
<p>D Is the Applicant intending to settle its trades through a settlement agent which is a Participant in ASXS? <i>Refer Rules 3.4 and 8.10</i></p>	No	
<p>E Principal contact person for establishing settlement arrangements in relation to the APX market</p> <ul style="list-style-type: none"> - Name - Phone number - Email address 	<p>Fiona Bilton 03 8660 7212 fmb@bby.com.au</p>	



G	Principal contact person at the settlement agent for establishing settlement arrangements in relation to the APX market - Name - Phone number - Email address	N/A
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3.11 ORGANISATIONAL COMPETENCIES

	Information to be provided	Response	
		Indicate N/A, not applicable or identify the document name and page where the relevant information is located. If it is in another document.	Internal APX use only
A	A director and the senior executive responsible for the compliance function of the Applicant (other than an Applicant which is acting as principal only) must sign the warranty set out in Schedule 1 to this application. <i>Refer Rule 3.4</i>	ok	
B	A director and the senior executive responsible for the compliance function of the Applicant (if the Applicant is acting as principal only) must sign the warranty set out in Schedule 2 to this application. <i>Refer Rule 3.4</i>	ok	
C	Is the Applicant outsourcing any functions relevant to the APX market to a third party? If yes, details of any service agreements which are material to the Applicant's compliance with the Rules . <i>Refer Rule 3.4</i> Note: APX may require a copy of relevant service agreements to be provided.	We understand that IRESS are currently working with APX on access, however there is nothing in place at this time and we do not know of the expected ETA.	



D	Has the Applicant completed testing sufficient to demonstrate to APX that it can comply with the technical specifications (as published by APX from time to time) for access to the trading system ? <i>Refer Rule 3.4</i> Note: details of technical specifications and testing requirements can be obtained from APX Operations.	Not as yet
E	Has the Applicant completed testing sufficient to demonstrate to APX that it can conform with the mechanism(s) for placing, amending and cancelling orders on the trading system ? <i>Refer Rule 3.4</i> Note: details of testing requirements can be obtained from APX Operations.	Not as yet
F	An outline of the Applicant's technology (including hardware, software and network) change management processes (including comprehensive testing programs) for all technology related to the Applicant's business as a market participant including, in particular, access to the trading system . <i>Refer Rule 3.4</i>	Changes on the infrastructure are performed by the Change Management Process ensuring the changes are planned, documented, approved and performed outside of business hours. All trading system changes go through a testing phase on test systems before being put into production.
G	An outline of the Applicant's technology (including hardware, software and network) security and access arrangements, controls and monitoring programs for all technology related to its business as a market participant including, in particular, access to the trading system . <i>Refer Rules 3.4 and 5.4.</i>	BBY has an infrastructure platform consisting of Microsoft Active Directory and HP Blades and HP Storage Area Networking and Cisco Networking. Security is via Cisco firewalls, proxy servers and Symantec filtering and anti-virus. All server hardware is located within two tier 3 data centres. Access to trading systems is restricted by IP address ACLs and firewalls. Monitoring is via the IMS and IMS Flow systems which proactively alerts the service desk.



H	An outline of the Applicant's internal controls sufficient to demonstrate conformance with Market Integrity Rule 5.9.1 . <i>Refer Rule 3.4.</i>	BBY access ASX & CHI-X Exchange via IRESS. IRESS Group and Filter limits are approved by Compliance. Compliance monitors trading activity through NASDAQ OMX SMARTS Broker in conjunction with DTR's in order to comply with ASIC MIR 5.9.1.
I	An outline of the Applicant's internal controls sufficient to demonstrate ongoing compliance with the technical specifications (as published by APX from time to time) for access to the trading system . <i>Refer Rule 3.4.</i> <i>Note: details of technical specifications can be obtained from APX Operations.</i>	BBY's Automated Order Client Processing (ACOP) Procedures set down all the internal controls in terms of OI connection, application of market filters, surveillance through SMARTS Broker and Compliance ACOP Monitoring.
J	An outline of the Applicant's internal controls sufficient to demonstrate the ability to readily disable the connectivity of some or all of its systems (hardware or software) connected to the trading system . <i>Refer Rule 3.4.</i>	All trading systems are connected through the BBY firewalls. Network physical and logical ports can be readily shutdown in case of a need to disable connectivity and therefore trading ability.
K	An outline of the Applicant's internal controls sufficient to demonstrate the Applicant has, and continuously maintains, details and plans of the location(s) of infrastructure, communications lines, fibre and networks for access to the trading system . <i>Refer Rule 3.4.</i>	BBY maintains all critical infrastructure within two tier-3 data centres. Trading connectivity is via fibre services including dark fibre for low latency and inter-office connectivity is also via fibre services. Proactive monitoring is via the IMS and IMS Flow systems that monitor the services 24*7 and also give trend analysis to assist with capacity planning.
L	An outline of the Applicant's internal controls sufficient to demonstrate conformance with Market Integrity Rule 5.5.2 . <i>Refer Rule 3.4.</i>	In terms of Automatic Order Placement (AOP), Group Limits, Compliance Filters are approved by BBY senior management. Execution and trade rejection is monitored and approved by DTR's in conjunction with Compliance. Internally, all orders are reviewed and approved by DTR's and all trading is monitored by Compliance through SMARTS Broker.

3.12 EMAIL

Information to be provided	Response	Internal APX use only
A Email address to which APX may send notices under the Rules. <i>Refer Rule 15.14.</i> <i>APX recommends establishing a generic email address such as apn@participantname.com.au.</i>	plc@bby.com.au	

3.13 FEES

Information to be provided	Response	Internal APX use only
A Is payment of \$500 (made payable to the "APX Fidelity Fund") attached?	N/A	
B Is payment of the initial participant fee (made payable to "Asia Pacific Exchange Limited") attached or been electronically deposited?	N/A	
C Principal contact in relation to future payments - Name - Phone number - Email address	April Yuen 02 9226 0152 ayy@bby.com.au	
D Entity to which invoices are to be directed (if different to the Applicant) - Name - Phone number - ACN	N/A	



SCHEDULE 1 – WARRANTY BY DIRECTOR AND SENIOR COMPLIANCE EXECUTIVE

In accordance with the Business Rules of Asia Pacific Exchange Limited ("APX"), we

Glenn Rosewall

[name of director] and

Peter Clavin

[name of senior compliance executive] of

BBY Limited

[name of the Applicant]

hereby represent and warrant to APX that, based on our reasonable enquiries,

- (1) the Applicant, having regard to the nature and scale of its business as a market participant, has developed processes and procedures that are reasonably designed and that, when implemented, will function so as to achieve compliance by the Applicant with the Rules;
- (2) if requested by APX, the Applicant can and will provide evidence of the basis on which this warranty is given, including the provision of evidence that it:
 - (A) has the necessary regulatory approvals to trade on APX, including that the Applicant's Australian financial services licence (or other regulatory approval) enables it to trade the quoted securities that it intends to trade on APX;
 - (B) has a compliance program designed, implemented and continually improved in accordance with the Australian Standard AS3806:2006, Compliance Programs;
 - (C) has a risk management program designed, implemented and continually improved in accordance with the Australian Standard AS/NZS ISO 31000:2009, Risk management - Principles and Guidelines;
 - (D) has made all employees involved in its business as a market participant aware of, and they understand, the obligations contained in the Rules and that it has ongoing processes (including training) in place for maintaining, enhancing and assessing the level of their awareness and understanding;
 - (E) has determined, implemented and monitors the human, technological and financial resource requirements and standards for the adequate performance of its obligations as a market participant;
 - (F) has technology (including hardware, software and network) change management processes (including comprehensive testing programs) for all technology related to its business as a market participant including, in particular, access to the trading system; and
 - (G) has technology (including hardware, software and network) security and access arrangements, controls and monitoring programs for all technology related to its business as a market participant including, in particular, access to the trading system;
- (3) the Applicant satisfies Part 2.1 of the Market Integrity Rules in relation to management requirements; and
- (4) the Applicant will maintain appropriate compliance controls and processes to ensure that it continues to comply with its obligations under the Rules and Part 2.1 of the Market Integrity Rules.



[signature of director]

Glenn Rosewall

[date] 27/11/2013



[signature of senior compliance executive]

Peter Clavin

27/11/2013 [date]



SCHEDULE 2 – WARRANTY BY DIRECTOR AND SENIOR COMPLIANCE EXECUTIVE

In accordance with the Business Rules of Asia Pacific Exchange Limited ("APX"), we

Glenn Rosewall

[name of director] and

Peter Clavin

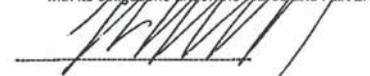
[name of senior compliance executive] of

BBY Limited

[name of the Applicant]

hereby represent and warrant to APX that, based on our reasonable enquiries,

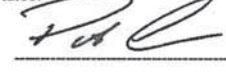
- (1) the Applicant, having regard to the nature and scale of its business as a market participant, has developed processes and procedures that are reasonably designed and that, when implemented, will function so as to achieve compliance by the Applicant with the Rules;
- (2) if requested by APX, the Applicant can and will provide evidence of the basis on which this warranty is given, including the provision of evidence that it:
 - (A) or at least one of its directors, is a "professional investor" or "sophisticated investor" (as defined in the Act);
 - (B) either
 - i. has at least one director who possesses a minimum of five (5) years' experience in a senior trading role, trading on APX or a market operated by the holder of an Australian market licence under Part 7.2 of the Act; or
 - ii. is currently actively trading on a market operated by the holder of an Australian market licence under Part 7.2 of the Act in the capacity of principal (or equivalent status);
 - (C) has the necessary regulatory approvals to trade on APX, including that the Applicant's Australian financial services licence (or other regulatory approval), if required, enables it to trade the quoted securities that it intends to trade on APX;
 - (D) has made all employees involved in its business as a market participant aware of, and they understand, the obligations contained in the Rules and that it has ongoing processes (including training) in place for maintaining, enhancing and assessing the level of their awareness and understanding;
 - (E) has technology (including hardware, software and network) change management processes (including comprehensive testing programs) for all technology related to its business as a market participant including, in particular, access to the trading system; and
 - (F) has technology (including hardware, software and network) security and access arrangements, controls and monitoring programs for all technology related to its business as a market participant including, in particular, access to the trading system;
- (3) the Applicant satisfies Part 2.1 of the Market Integrity Rules in relation to management requirements; and
- (4) the Applicant will maintain appropriate compliance controls and processes to ensure that it continues to comply with its obligations under the Rules and Part 2.1 of the Market Integrity Rules.



[signature of director]

Glenn Rosewall

[date]



[signature of senior compliance executive]

Peter Clavin

27/11/2013 [date]

