

20 March 2025

TO THE CREDITORS AS ADDRESSED

Dear Sir/Madam

**BRINDABELLA CHRISTIAN EDUCATION LIMITED (ADMINISTRATORS APPOINTED)
TRADING AS BRINDABELLA CHRISTIAN COLLEGE
ACN 100 229 669 (THE "COMPANY")**

FORMATION OF COMMITTEE OF INSPECTION

I refer to the first meeting of creditors held at 4.00 pm on 17 March 2025 (**First Meeting**).

As you are aware, before the First Meeting, Sal Algeri and I in our capacity as joint and several administrators of Brindabella (**Administrators**), invited creditors to submit a committee of inspection (**COI**) nomination form (**Nomination Form**).

I received a total of 21 Nomination Forms from creditors interested in being appointed as members of the COI. At the First Meeting, 3 additional creditors expressed the same interest, but after creditors had already considered the key features of each nomination and voting had closed on the list of potential nominees.

In that context, the following resolution was passed at the First Meeting (**Resolution**):

"That a committee of inspection be formed for Brindabella Christian Education Limited (Administrators Appointed) and that the members will be those nominated and communicated by the Voluntary Administrators after the voting on the members has closed."

To ensure the COI operates efficiently and provides equitable representation across different classes of creditors, I propose that the COI be comprised of seven members. This is consistent with guidance from the Australian Restructuring Insolvency & Turnaround Association (**ARITA**) and also based on the Administrators' experience in complex administrations such as the present.

Further to the Insolvency Practice Schedule in Schedule 2 of the *Corporations Act 2001* (Cth) (**IPS**):

- (a) a creditor who represents at least 10% of the value of creditors is entitled automatically to be a member of the COI if they wish to be a member; and
- (b) any employee of Brindabella who represents at least 50% of the value of entitlements owed to or in respect of employees may appoint a person as a member of the COI to represent employees.

In addition, I intend, to the extent reasonably practicable, that all classes of creditors have an opportunity to be represented by a committee member.

I also note that the Administrators have provided a commitment to the Department of Employment and Workplace Relations / Fair Entitlements Guarantee (**FEG**) that FEG is entitled to join the COI as an observer. I set out in the **Schedule 2** to this letter, for your benefit, an overview of the key procedures, obligations, and functions of the COI from the IPS. In particular, I note that the COI's purpose is advisory, directional and

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otherwise monitoring. The COI does not take control of the running of the school and its sale from the Administrators. Control resides solely in the Administrators.

Further to the Resolution and for the purposes of determining the composition of the COI:

- (a) A ballot paper detailing all the proposed nominees as shown to the creditors at the First Meeting (excluding those who have withdrawn their nominations) is available using the following online link: https://surveyapac.deloitte.com/jfe/form/SV_b9FeH0iFgOOxxDE. Please ensure that you cast your vote using this link by no later than **4.00 pm Monday 24 March 2025**. Voting will close after this time; and
- (b) **Schedule 1** to this letter sets the name of each nominee, the creditor they represent, the quantum of the debt claimed by that creditor, the nature of the debt and a brief description of their experience, based on the information that has been provided by them to the us (i.e. a curriculum vitae).

Once the voting is complete, and as foreshadowed at the First Meeting, I intend to make an application to Court seeking approval:

- (a) that the Administrators were justified in undertaking the ballot process for the determination of the COI;
- (b) in relation to the composition of the COI; and
- (c) that, following the application, the Administrators can inform all creditors of the outcome of the application, including the details of the formation and composition of the COI.

Please contact the Administrators' office should you have any questions.

Yours faithfully



Sam Marsden

Joint and Several Administrator

Encl.

Schedule 1 – Details of nominees

Creditor Name	Claim Amount (\$)	Category	Nominee	Additional information provided by the Nominees
Australian Government Department of Education	TBC	Statutory	Jane Mitchell	Representative of the Federal Department of Education, which is the majority government funder of non-government schools in Australia. The department's functions include undertaking regulatory and assurance work in relation to schools.
Deputy Commissioner of Taxation	6,051,760	Statutory	Rowanndra Pameijer	<p>Petitioning creditor for the winding up application.</p> <p>-The ATO is the largest unsecured creditor in the Australian insolvency system and regularly acts on COIs.</p> <p>-As a government agency and an experienced creditor, the ATO will take an impartial approach in representing the interests of all creditors.</p> <p>-The ATO is a major creditor of Brindabella Christian Education Limited.</p> <p>Regarding the COI more generally, given the amount of time the Administration is expected to run, the nomination for the ATO's participant for the COI is intended to be for a general representative of the Deputy Commissioner of Taxation (DCT) as opposed to a specific individual who represents the DCT. Though for consistency we anticipate that it will often be the same person attending to COI business.</p>
Education Directorate ACT Government	TBC	Statutory	David Matthews	Education Directorate is an ACT government agency that oversees the operation of the College. David Matthews is the Chief Operating Officer and Executive Group Manager of the Education Directorate.
Greg Zwajgenberg	205,000	Secured Creditor	Greg Zwajgenberg	Mr Zwajgenberg has significant experience as a director and/or CEO of numerous businesses and decades of experience working in the Corporate and Government sectors, including the technology, interactive arts, sports, education and training sectors. He is also the former Chairman and has held a Board position since 2003. He has an in depth and detailed knowledge of the College, having seen it transition from 267 to over 1,200 students. He also has a wealth of experience concerning corporate oversight which makes him ideal for the Committee of Inspection. He is able to assist the administrators in dealing with creditors and in working through the issues in the best interests of the students. His only aim is to ensure that every effort is made to keep the College open.
National Australia Bank	9,282,220	Secured Creditor	Laura Johns	Laura Johns is a restructuring and insolvency lawyer and represents National Australia Bank Limited. Laura has extensive experience in insolvency and regularly advises clients on corporate insolvency processes. Laura has previously sat on a number of committees of inspection on behalf of creditors to ensure the efficient and fair administration of the company's assets.
Denise Macdonald	20,000	Former employee	Allie Macdonald	I am currently serving as Operations Manager for a Defence Contractor and my experience is investigations, management and law. I have served in private practise, government contracts and as a commercial lawyer for a construction company. I believe my experience and insight would be of value on the committee of inspection.
Geoffrey Roberts	12,741	Employee	Geoffrey Roberts	Geoffrey is both a parent of current BCC students and also an employee teaching in the senior school.
Canberra Discount Chemicals T/as The Cleaningwarehouse	23,208	Trade Creditor	Ray Morton	He has had an ongoing relationship with BCC for over twenty years and holds a Master of Business Administration and a Master of Divinity.
Fun Day Out Holdings T/as Vacation Care Australia	961	Trade Creditor	Karrie Girard	<p>None provided</p> <p>I am a small company that books entertainment for children in vacation care.</p> <p>Due to the cost of living and current times my business is already suffering.</p> <p>I have already paid the entertainers that attended Brindabella in January holidays.</p> <p>This entertainment would have been budgeted into the vacation care program that parents paid for their children to attend.</p> <p>Therefore this debt should be paid.</p>
Guardian Business Consulting	52,800	Trade Creditor	Brendon Major	I have 30+ years of business management experience including financial and regulatory work, I also have an in depth knowledge of the school and it's history.
Life Unlimited Church	241,089	Trade Creditor	Justine Fardell	<p>Justine Fardell, nominated representative of Life Unlimited Church.</p> <p>Justine is a managing partner of an Australian small business, with locations in Canberra, Sydney and Melbourne. She has 24 years' experience in strategic communications, public affairs and advertising across roles in the private sector and government. She represents the interests of Canberra-based Life Unlimited Church, which has leased part of its building in Charnwood to BCC since 2012. The income from the BCC tenancy has enabled the church to expand its ministries and missions locally and globally.</p>
Segrott Safety Management Pty Ltd	578	Trade Creditor	David Segrott	<p>I have been a company director for over 25 years and have extensive experience with the high-level management required to run a school from my 20+ years of consulting to many of the large private schools in the ACT.</p> <p>I am a graduate of the Company Directors Association and have worked as a company secretary for large professional bodies for more than 6 of the last 10 years and have been elected as a Life Fellow of the professional body that I belong to.</p> <p>I have a strong business background, having an MBA and have Law and Administration Majors as part of my undergraduate degree. I am committed to ensuring that the best outcome is achieved for Brindabella so that it can continue to provide high level education, but without all the damaging baggage that it has had the last few years</p>

Fei Sun Junjie Ye	23,125 27,127	Parent Parent	Sofie Sun Junjie Ye	As an engineer with a strong analytical mindset and a parent of two children at the College, I am deeply invested in finding a sustainable solution for the school's future. My professional expertise in risk management and problem-solving, combined with my personal stake in the outcome, positions me to contribute effectively to the COI's efforts in protecting creditors' interests and ensuring the College's stability. None provided
Luke Joseph Frankcombe	19,553	Parent	Luke Joseph Frankcombe	Solicitor in private practice and father of two children at BCC. If nominated, I will assist the administrators and ensure transparency for creditors, parents, and staff.
Mr K Yau & Ms C Tso	24,724	Parent	Kevin Yau	As a Chartered Accountant with 8 years of audit and assurance experience at a Big Four international audit firm, combined with 14 years in financial management, compliance, and corporate governance, I believe I could bring strong expertise in financial oversight and risk management to support the COI's decision-making and governance processes.
Pradeep Mucherla	8,096	Parent	Pradeep Mucherla	I am Pradeep Mucherla, and I withdrew my son from Brindabella Christian College in late January 2025, having paid the full year's fees upfront. The college currently owes me \$8,096 towards the refund. With extensive experience in finance and creditor management, I am committed to ensuring the protection of creditor interests and promoting a fair, transparent process in the COI. Brief Experience and Suitability to Join the COI As a Chartered Accountant with 20 years of professional experience, I have a proven track record of effective leadership, sound financial decision-making, and strategic oversight. My expertise spans finance, operations management, and assurance, with notable experience at a Big 4 firm and large multinational organizations. Additionally, my experience across listed and not for profit organisations in various executive roles, I have developed a deep understanding of governance, financial accountability, and creditor management. These qualifications position me to make a significant and informed contribution to the COI's critical work, ensuring that creditor interests are safeguarded with integrity, transparency, and diligence.
Vanessa & Paul Yule	15,308	Parent	Vanessa Yule	I have 30+ years of APS experience with strong conflict of interest, integrity & negotiation skills - recently managing a large agency APS EA bargaining process with unions and APSC, receiving a Secretary award. I was Church Chairperson to plant/establish our congregation and as a parent want the school to remain operational with as little change to the students as possible.
Xiaodan Zhou	23,136	Parent	Xiaodan Zhou	My two kids are part of the school, as such I look forward the opportunity to participate in the COI decision making process. I am a CPA and lawyer with extensive experience in financial analysis and regulatory compliance. My background equips me with a strong understanding of legal and financial frameworks, making me well-suited to contribute to the COI.

Note: two (2) creditors withdrew their nominations.

Schedule 2 – Key procedures, obligations, and functions of the COI

Division 80—Committees of inspection

80-1 Simplified outline of this Division

In most cases, creditors of a company under external administration may decide that there is to be a committee of inspection to monitor the administration and to give assistance to the external administrator.

Committees of inspection are not appointed for a company that is under restructuring or that has made a restructuring plan.

Appointing the committee

Each of the following have rights to appoint members to the committee (and to remove those members and fill the vacancy):

- (a) the creditors by resolution;
- (b) a single creditor who is owed, or a group of creditors who together are owed, a large amount;
- (c) a single employee who is owed, or a group of employees who together are owed, a large amount.

Once a person exercises a right in one capacity to appoint a member, the person cannot exercise a right in another capacity to do so. A person can exercise the right in a particular capacity to appoint only one person (unless the person is filling a vacancy in that appointment).

If a company is in a related group of companies (called a pooled group), creditors of all the companies may decide together that there is to be a committee of inspection for the group and appoint members of the committee.

Procedures and powers

This Division also deals with the procedures and powers of committees of inspection (including requesting information, documents and reports from the external administrator and obtaining specialist advice).

An external administrator of a company must have regard to directions of the committee but is not obliged to comply.

Review

The Court may inquire into and make orders about the conduct of committees of inspection.

80-5 Application

Application of whole of Division

(1A) This Division does not apply to:

- (a) a company under restructuring; or
- (b) a company that has made a restructuring plan that has not yet terminated.

Application of sections 80-10 to 80-25

- (1) The rules in sections 80-10 to 80-25 apply if the external administrator of a company convenes a meeting of creditors for the purpose of determining either or both of the following:
 - (a) whether there is to be a committee of inspection for the company;
 - (b) if there is, or is to be, a committee of inspection—who are to be appointed members of the committee.
- (2) However, those rules do not apply if the company is a member of a pooled group.

Note: Committees of inspection for pooled groups are dealt with in sections 80-26 and 80-27.

80-10 Committee of inspection—company not a member of a pooled group

The creditors of a company may, by resolution, determine that there is to be a committee of inspection in relation to the external administration of the company.

80-15 Appointment and removal of members of committee of inspection by creditors generally

- (1) The creditors of a company may, by resolution, appoint members of a committee of inspection in relation to the external administration of the company.
- (2) The creditors of a company may by resolution:
 - (a) remove a person appointed as a member of the committee under this section; and
 - (b) appoint another person to fill a vacancy in the office of a member of the committee of inspection appointed under this section.
- (3) A person is not entitled to vote on a resolution to appoint or remove a member of a committee of inspection under this section if:
 - (a) the person, acting either alone or with others, appoints a person as a member of the committee under section 80-20; or
 - (b) the person, acting either alone or with others, appoints a person as a member of the committee under section 80-25.

80-20 Appointment of committee member by large creditor

- (1) A creditor representing at least 10% in value of the creditors, or a group of creditors who together represent at least 10% in value of the creditors, of a company may appoint a person as a member of a committee of inspection in relation to the external administration of the company.
- (2) If a creditor or a group of creditors appoints a person as a member of a committee of inspection under this section, the creditor or group of creditors may:
 - (a) remove the person as a member of the committee; and
 - (b) appoint another person to fill a vacancy in the office of that member of the committee.
- (3) A creditor, acting either alone or with others, is not entitled to appoint a person as a member of a committee of inspection under subsection (1) if:
 - (a) the creditor votes on a resolution to appoint or remove a member of the committee under section 80-15; or
 - (b) the creditor, acting either alone or with others, appoints a member of the committee under subsection 80-25(1); or
 - (c) the creditor, acting either alone or with others, has already appointed a member of the committee under subsection (1) of this section.

80-25 Appointment of committee member by employees

- (1) Either:
 - (a) an employee of the company; or
 - (b) employees of the company;
representing at least 50% in value of entitlements owed to or in respect of employees by the company may appoint a person as a member of the committee of inspection to represent the employees.
- (2) If an employee or a group of employees appoints a person as a member of a committee of inspection under this section, the employee or group of employees may:
 - (a) remove the person as a member of the committee; and
 - (b) appoint another person to fill a vacancy in the office of that member of the committee.
- (3) An employee, acting either alone or with others, is not entitled to appoint a person as a member of a committee of inspection under subsection (1) if:
 - (a) the employee votes on a resolution to appoint or remove a member of the committee under section 80-15; or
 - (b) the employee, acting either alone or with others, appoints a member of the committee under subsection 80-20(1); or
 - (c) the employee, acting either alone or with others, has already appointed a member of the committee under subsection (1) of this section.
- (4) In this section:
employee of a company has the same meaning as in Part 5.8A.
entitlements of an employee of a company has the same meaning as in Part 5.8A.

80-26 Committee of inspection—pooled groups

Application of this section

- (1) This section applies if each company that is a member of a pooled group is being wound up.

Meeting to form a committee of inspection for a pooled group

- (2) The external administrator or external administrators must, if directed to do so under section 80-27, convene a meeting, on a consolidated basis, of the creditors of all of the companies for the purposes of determining either or both of the following:
 - (a) whether there is to be a committee of inspection for the pooled group;
 - (b) if there is, or is to be, a committee of inspection for the pooled group—who are to be appointed members of the committee.

Committee of inspection for a pooled group becomes the committee of inspection for each member of the pooled group

- (3) A committee of inspection for a pooled group is taken to be a committee of inspection for each company that is a member of the pooled group.

Existing committee of inspection for a member of a pooled group ceases to exist

- (4) If:

- (a) at the meeting, it is resolved that there is to be a committee of inspection for the pooled group; and
- (b) immediately before the meeting, a committee of inspection was in existence for a company that is a member of the pooled group;

the committee mentioned in paragraph (b) ceases to exist when the resolution mentioned in paragraph (a) is passed.

Rules relating to companies under external administration who are members of a pooled group

- (5) The Insolvency Practice Rules may provide for and in relation to meetings in relation to the external administration of companies that are members of a pooled group (**pooled group meetings**).
- (6) Without limiting subsection (5), the Insolvency Practice Rules may provide for and in relation to:
 - (a) other circumstances in which pooled group meetings must or may be convened; and
 - (b) voting (including casting votes) at pooled group meetings; and
 - (c) the circumstances in which a resolution or a special resolution put to creditors or contributories in a pooled group meeting is passed; and
 - (d) costs in relation to pooled group meetings and security for those costs.

80-27 External administrator must convene meeting in certain circumstances

- (1) The external administrator, or the external administrators, of the members of a pooled group must convene a meeting under section 80-26 if:
 - (a) where there is a committee of inspection for a member of the pooled group—the committee of inspection directs the external administrator, or external administrators, to do so; or
 - (b) the creditors of one of the members of the pooled group direct the external administrator, or external administrators, to do so, by resolution; or
 - (c) at least 25% in value of the creditors of one of the members of the pooled group, direct the external administrator, or external administrators, to do so in writing; or
 - (d) both of the following are satisfied:
 - (i) less than 25%, but more than 10%, in value of the creditors of one of the members of the pooled group direct the external administrator, or external administrators, to do so in writing;
 - (ii) security for the cost of holding the meeting is given to the external administrator, or external administrators, before the meeting is convened; or
 - (e) all of the following are satisfied:
 - (i) the members of the pooled group are each being wound up under a creditors' voluntary winding up;
 - (ii) less than 25%, but more than 5%, in value of the creditors of one of the members of the pooled group direct the external administrator, or external administrators, to do so in writing;
 - (iii) none of the creditors who give the direction is a related entity in relation to that member of the pooled group;
 - (iv) the direction is given no more than 20 business days after the last resolution for the voluntary winding up of the members of the pooled group is passed.
- (2) However, the external administrator, or external administrators, need not comply with the direction if the direction is not reasonable.
- (3) The Insolvency Practice Rules may prescribe circumstances in which a direction is, or is not, reasonable.

- (4) For the purposes of paragraphs (1)(c), (d) and (e), the value of the creditors is to be worked out by reference to the value of the creditors' claims (that are known at the time the direction is given) against the member of the pooled group.
- (5) This section does not apply if:
 - (a) one of the external administrators is a provisional liquidator of a member of the pooled group; or
 - (b) one of the external administrators is the administrator of a member of the pooled group and the member is under administration.

80-30 Committees of inspection—procedures etc.

- (1) Subject to subsection (2), a committee of inspection is to determine its own procedures.
- (2) The Insolvency Practice Rules may provide for and in relation to committees of inspection.
- (3) Without limiting subsection (2), the Insolvency Practice Rules may provide for and in relation to:
 - (a) eligibility to be appointed as a member of a committee of inspection; and
 - (b) the convening of, conduct of, and procedure and voting at, meetings; and
 - (c) resignation and removal of members; and
 - (d) vacancies in membership.

80-35 Functions of committee of inspection

- (1) A committee of inspection has the following functions:
 - (a) to advise and assist the external administrator of the company;
 - (b) to give directions to the external administrator of the company;
 - (c) to monitor the conduct of the external administration of the company;
 - (d) such other functions as are conferred on the committee by this Act;
 - (e) to do anything incidental or conducive to the performance of any of the above functions.
- (2) An external administrator of a company must have regard to any directions given to the external administrator by the committee of inspection, but the external administrator is not required to comply with such directions.
- (3) If an external administrator of a company does not comply with a direction, the external administrator must make a written record of that fact, along with the external administrator's reasons for not complying with the direction.

80-40 Committee of inspection may request information etc.

- (1) A committee of inspection may request the external administrator of a company to:
 - (a) give information; or
 - (b) provide a report; or
 - (c) produce a document;to the committee.
- (2) The external administrator must comply with the request unless:
 - (a) the information, report or document is not relevant to the external administration of the company; or
 - (b) the external administrator would breach his or her duties in relation to the external administration of the company if the external administrator complied with the request; or

- (c) it is otherwise not reasonable for the external administrator to comply with the request.
- (3) The Insolvency Practice Rules may prescribe circumstances in which it is, or is not, reasonable for an external administrator of a company to comply with a request of a kind mentioned in subsection (1).

80-45 Reporting to committee of inspection

- (1) The Insolvency Practice Rules may provide for and in relation to the obligations of external administrators of companies:
 - (a) to give information; and
 - (b) to provide reports; and
 - (c) to produce documents;to committees of inspection.
- (2) Without limiting subsection (1), the Insolvency Practice Rules may provide for and in relation to:
 - (a) other circumstances in which the external administrator of a company must give information, provide a report or produce a document to a committee of inspection; and
 - (b) the manner and form in which information is to be given, a report provided or a document produced; and
 - (c) the timeframes in which information is to be given, a report provided or a document produced; and
 - (d) who is to bear the cost of giving information, providing a report or producing a document.
- (3) The Insolvency Practice Rules may:
 - (a) make different provision in relation to different classes of company or external administration of a company; and
 - (b) provide that specified requirements imposed under the Insolvency Practice Rules may be replaced or modified, by resolution, by:
 - (i) the creditors; or
 - (ii) the committee of inspection.

80-50 Committee of inspection may obtain specialist advice or assistance

- (1) A committee of inspection may resolve that a member of the committee obtain, on behalf of the committee, such advice or assistance as the committee considers desirable in relation to the conduct of the external administration.
- (2) The committee of inspection must obtain the approval of the external administrator of the company or the Court before expenses are incurred in obtaining the advice or assistance.
- (3) To avoid doubt, an expense incurred under subsection (2) is to be taken to be an expense incurred by a person as a member of the committee, unless the Court orders otherwise.

80-55 Obligations of members of committee of inspection

Deriving profit or advantage from the company

- (1) A member of a committee of inspection must not directly or indirectly derive any profit or advantage from the external administration of the company.

Circumstances in which profit or advantage is taken to be derived

- (2) To avoid doubt, a member of a committee of inspection is taken to derive a profit or advantage from the external administration of the company if:
- (a) the member directly or indirectly derives a profit or advantage from a transaction (including a sale or purchase) entered into for or on account of the company; or
 - (b) the member directly or indirectly derives a profit or advantage from a creditor of the company; or
 - (c) a related entity of the member directly or indirectly derives a profit or advantage from the external administration of the company.

Exceptions

- (3) Subsection (1) does not apply if the creditors resolve otherwise.
- (4) The member of the committee is not entitled to vote on the resolution referred to in subsection (3).
- (5) Subsection (1) does not apply to the extent that:
- (a) another provision of this Act, or of another law, requires or permits the member of the committee of inspection to derive the profit or advantage; or
 - (b) the Court gives leave to the member of the committee to derive the profit or advantage.

Note: Subsection (1) would not, for example, prevent a creditor from recovering debts proved in a winding up, as this is permitted under Part 5.6 of Chapter 5.

- (6) Despite paragraph (2)(c), subsection (1) does not apply to the extent that:
- (a) the profit or advantage arises because the external administrator employs or engages a person to provide services in connection with the external administration of the company; and
 - (b) the person is a related entity of a member of the committee of inspection; and
 - (c) one of the following applies:
 - (i) the member does not know, and could not reasonably be expected to know, that the external administrator has employed or engaged a related entity of the member;
 - (ii) the creditors, by resolution, agree to the related entity being employed or engaged.

Offence

- (7) A person commits an offence of strict liability if:
- (a) the person is subject to a requirement under subsection (1); and
 - (b) the person fails to comply with the requirement.

Penalty: 50 penalty units.

Note: A defendant bears an evidential burden in relation to the matters in subsections (3), (5) and (6) (see subsection 13.3(3) of the *Criminal Code*).

Effect of contravention of this section

- (8) A transaction or any other arrangement entered into in contravention of this section may be set aside by the Court.

80-60 Obligations of creditor appointing a member of committee of inspection

Application of this section

- (1) This section applies if a creditor representing at least 10% in value of the creditors of a company appoints a person under section 80-20 as a member of a committee of inspection in relation to the external administration of the company.
- (2) The creditor must not directly or indirectly become the purchaser of any part of the property of the company.

Exceptions

- (3) Subsection (2) does not apply if the creditors resolve otherwise.
- (4) The creditor is not entitled to vote on the resolution referred to in subsection (3).
- (5) Subsection (2) does not apply to the extent that:
 - (a) another provision of this Act, or of another law, requires or permits the creditor to purchase the property; or
 - (b) the Court gives leave to the creditor to purchase the property.

Offence

- (6) A person commits an offence of strict liability if:
 - (a) the person is subject to a requirement under subsection (2); and
 - (b) the person fails to comply with the requirement.

Penalty: 50 penalty units.

Note: A defendant bears an evidential burden in relation to the matters in subsections (3) and (5) (see subsection 13.3(3) of the *Criminal Code*).

Effect of contravention of this section

- (7) A transaction or any other arrangement entered into in contravention of this section may be set aside by the Court.

80-65 ASIC may attend committee meetings

ASIC is entitled to attend any meeting of a committee of inspection.

80-70 The Court may inquire into conduct of the committee

The Court may inquire into the conduct of a committee of inspection and make such orders as it thinks fit to ensure the proper conduct of the committee.