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PRIVATE AND CONFIDENTIAL

Our ref 9482554\_1

30 August 2010

Dear Investor

### **Letten Group - Additional Schemes – Receivers and Managers appointed**

As you are aware, Receivers and Managers (Damian Templeton and Philip Hennessey of KPMG) have been appointed to various companies and joint venture schemes associated with Mark Letten, namely:

- 211 Wellington Road Joint Venture
- Healesville Walk Shopping Centre Joint Venture
- Howleys Road Joint Venture
- George Street Joint Venture
- Cimitiere House Joint Venture
- Queen Street Joint Venture
- Low Head Joint Venture
- Nicholson Street Joint Venture
- SY21 Retail Complex
- National Boulevard Joint Venture
- Simms Investment Project
- The Glen Centre Joint Venture
- Twinview Joint Venture
- Yarra Valley Golf Joint Venture
- Reef House Resort
- Glenbelle Project (“**the Initial Schemes**”)

You will have received access to disclosure reports prepared by the Receivers and Managers in relation to the Initial Schemes if you have invested in one or more of the Initial Schemes.

You will have also received access to the disclosure reports prepared by the Receivers and Managers in respect of one or more of the following Additional Schemes if you have invested in one or more of those schemes:

- Tomasetti House Joint Venture
- Aurora Park Project
- Moorhouse Shopping Centre Project
- Cass Bay Spur Project
- Mount Hutt Project (“**Additional Schemes**”).

The Orders of the Federal Court of Australia made on 30 July 2010 provide that you, as an investor, are entitled to make an application to the Court in respect of the future of the Additional Scheme(s) in which you have invested.

On 30 July 2010, the Court also made orders to clarify the way in which an application can be made, and how any applications or written submissions will be dealt with. This is explained in the questions and answers below.

You are not required to do anything, however if you wish to make a written submission to the Court, please note the following.

**1. Sale of Additional Scheme property - What kind of submissions can I make?**

You may make written submissions to the Court in respect of the proposals set out in the Reports that the property of the Additional Scheme(s) (if any), in which you are an investor, is to be sold.

You are entitled to make a formal legal application to the Court, however, given that written submissions can be made and will be considered (as explained in Question 5 below), this is not necessary.

The Court has already made orders in respect of the realisation of the property of the Initial Schemes. The property of the Initial Schemes is in the process of being sold.

**2. Sale of Additional Scheme property - How do I make a submission?**

You should complete the form attached as the Schedule this letter.

**3. Sale of Additional Scheme property -What is the cut-off date for my submission?**

Your submissions must be received by the Court by no later than **4pm on 13 September 2010**.

**4. Sale of Additional Scheme property - Who do I send my submission to?**

Your submissions should be sent to the Court at the following address:

The Registrar  
Federal Court of Australia  
Victoria District Registry  
305 William Street  
Melbourne VIC 3000  
Fax: (03) 8600 3351

**5. Sale of Additional Scheme property - How will the Court deal with my submission?**

The Court, ASIC, the Receivers and Managers, any relevant Secured Lenders and the parties to the Court Proceedings will read the submissions filed with the Court. Based on the submissions, as well as any submissions made by ASIC, the Receivers and Managers, the Secured Lenders and the parties to the Court Proceedings, the Court will make orders in relation to the sale of the property of the Additional Schemes.

**6. Sale of Additional Scheme property - Can I appear before the Court to support my submission?**

You (or your legal representative) will only be entitled to appear before the Court at the hearing in relation to the sale of the property of the Additional Schemes if you have filed a written submission, or a formal application, before the cut-off date. You are not required to do so – your submissions will be read and considered in any event – but you may do so if you wish. That hearing has been set for 29 September 2010.

If you (or your legal representative) intend to appear at the hearing on 29 September 2010 you must notify the Court by completing the relevant sections of the Schedule.

**7. How will I know the outcome of the court hearing?**

The Receivers and Managers will post the results of the hearing on its website as soon as orders are made.

**8. Other investigations and reporting by Receivers and Managers**

On 6 May 2010, the Court made orders that the Receivers and Managers provide a report to the Court and to investors in relation to LGH Administration Pty Ltd, LGH Holdings Pty Ltd and LGH Finance Pty Ltd (“**LGH Companies’ Report**”). This has been provided to investors in the Initial Schemes and investors in the Additional Schemes. This report sets out, amongst other things, the results of the Receivers and Managers’ investigations into the flow of funds between the entities in the Letten Group and the “War Chest” and the Receivers’ and Managers’ recommendations as to the distribution of the property of the Schemes.

The Receivers recommended at that time in the LGH Companies’ Report that the property of the Initial Schemes be distributed on a pooled basis. The Receivers are of the opinion that this recommendation should also extend to the distribution of the net proceeds from the sale of the property of the Additional Schemes.

This report is relevant to your consideration of how the sale proceeds of the Additional Schemes in which the investors have invested (after payment of amounts due to any secured lender or other priority creditor) should be distributed.

The Receivers believe that the LGH Companies' Report is also relevant to investors in the Additional Schemes.

**9. Distribution of property of Additional Schemes and the Initial Schemes - What kind of submission can I make?**

The Court has ordered that investors may make any application they wish to make in relation to the distribution of property of the Additional Schemes and the Initial Schemes by filing with the Registry a written submission on or before 13 September 2010.

**10. Distribution of property of the Additional Schemes and the Initial Schemes - Can I appear before the Court to support my submission?**

The Court has ordered that a hearing take place in relation to the issue of the distribution of property of the Initial Schemes and the Additional Schemes on 29 September 2010.

You (or your legal representative) will only be entitled to appear before the Court at that hearing if you have filed a written submission, or a formal application, before the cut-off date. You are not required to do so – your submissions will be read and considered in any event – but you may do so if you wish.

**11. Distribution of property of Additional Schemes and the Initial Schemes - How can I make a submission?**

If you (or your legal representative) intend to appear at the hearing on 29 September 2010 you must notify the Court by completing the relevant sections of the Schedule.

If you require any further information, please contact our office on 1800 882 944 (Australia), +61 3 9838 4238 (International) or via email at [lettenschemes@kpmg.com.au](mailto:lettenschemes@kpmg.com.au).

Yours faithfully



Damian Templeton  
Receiver and Manager

**SCHEDULE**

Notice of submission in respect of the Letten Schemes and Additional Schemes – Realisation of property

Filed in Victoria District Registry

**IN THE MATTER OF MARK RONALD LETTEN & OTHERS**

No. VID 95 of 2010

**To: The Registrar  
Federal Court of Australia  
Victoria District Registry  
305 William Street  
Melbourne VIC 3000  
Fax: (03) 8600 3351**

I, \_\_\_\_\_, wish to make submissions in respect of the following Additional Scheme(s) and/or Schemes in which I am an investor:

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

My submissions in relation to **the realisation of property** of the Additional Scheme(s) are as follows [Set out in the space below the submissions you wish to make. Attach additional pages as necessary]:

My submissions in relation to **the distribution of property** of the Additional Scheme(s) and/or Schemes are as follows [Set out in the space below the submissions you wish to make. Attach additional pages as necessary]:

(Tick as appropriate)

- I intend to appear before the Court at the hearing of this matter on 29 September 2010.
- I will appear on my own behalf.
- I will be represented by a lawyer.

Signed: \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone no: \_\_\_\_\_

Email address: \_\_\_\_\_

Date: \_\_\_\_\_