

sbutler@iinet.net.au

From: David.Gilbert@bankwest.com.au
Sent: Wednesday, 16 November 2011 5:40 PM
To: sbutler@iinet.net.au
Subject: Re: Discussion Items for meeting

Sean,

I acknowledge receipt of the below, and have referred the contents to the Receiver and Manager so that they can address in readiness for the proposed meeting.

I will give you a call to arrange a mutually convenient meeting time for all parties (being cognisant of the advance notice you are seeking).

With regards

David Gilbert | Senior Manager | Credit & Asset Management | Risk Management | Bankwest Level 33 Bankwest Tower, 108 St Georges Terrace, Perth WA 6000
Phone: +61 8 9449 7576, Mobile: 0437905054 | Fax: +61 8 9449 6451 | Email: david.gilbert@bankwest.com.au

From: "Sean Butler" <sbutler@iinet.net.au>
To: "David Gilbert" <David.Gilbert@bankwest.com.au>
Date: 15/11/2011 01:57 PM
Subject: Discussion Items for meeting


Dear David,

Thank you for agreeing to a meeting as requested, I would like to resolve a number of items that are of concern and as requested I attach a list of some of the items I would like to discuss at the meeting.

National Hotel:

- 1) Why the National Hotel, valued at over \$7m in 2010, is not on the market after 17 weeks.
- 2) Details of what the receivers have done to prepare the National for selling as from my enquiries it appears nothing has been done.
- 3) Why occupational safety and fire safety issues at the National have not been attended, I have given an estimate of my time to organise items but receivers have advised they will get someone else to attend.
- 4) Why for sale signs are on the building when it's not listed for sale. This gives the incorrect impression that it's hard to sell as it's been on the market for so long.

Lighthouse Hotel:

- 5) Is the Lighthouse Hotel, valued at \$14m in 2011, sold? 
Tenders closed on 28th September almost seven weeks ago.
- 6) The impact of the attached media article with incorrect statements by the receivers, on the sale process.
- 7) Why were improvements not made to the marketing as suggested in my email to the receivers dated 5th September and forwarded to you on 9th November copy attached.
- 8) Where has the rent Butler Constructions pays gone, based on the last few years history about \$200,000 could have been paid over the last 4 months.
- 9) Why up to date trading figures on the Lighthouse are not being made available to interested parties now though the agents are saying put an offer in.
- 10) Why tradesmen were not warned about asbestos and instructed to work on it in an unventilated confined space until I intervened.
- 11) Why the pool was left unattended and unsafe when the Hotel was full of children.
- 12) False allegations against myself By Mark Englebert, I take these seriously and they need to be either substantiated or withdrawn with an apology made. Please provide details in response to my email to dated 11 November copy attached.

Butler Constructions

- 13) Where have profits gone. Based on previous years accounts it should have netted about \$180,000 over the last four months.
- 14) Have debtors, over \$400,000 at the time of the receivers appointment, been collected.
- 15) Has all outstanding tax been paid, collection of pre appointment debtors will clear all tax and pay any outstanding interest and creditors.
- 16) What are the receiver's costs to date to administer Butler Construction and what benefit has their involvement brought?
- 17) Why don't the receivers want to release details of recent trading history to potential purchasers, what have they got to hide?
- 18) Why was my and my wifes employment terminated unfairly and without notice 10 weeks after their appointment without payment of wages, entitlements or superannuation? The receivers are not experienced or qualified to do the duties I was performing as should now be well apparent by the inaction on the National Hotel.

Generally:

- 19) In the past all interest on all loans has been paid on time until Brian did not settle on the sale agreement in May. We then hit winter the quietest trading period after spending over \$300,000 on capital works in the previous 12 months in anticipation of the sale. Going ahead the Lighthouse should earn over \$1m of which 45% pays rent to the ownership company and 55% goes to Butler Constructions. Brian Benari is a 50% owner of both properties and has a good income that can also be called upon to pay interest. The Bank has personal guarantees from Brian.
- 20) Bankwest's vision is to be the best value, most innovative and approachable bank in Australia, with an absolute focus on customer satisfaction. We have been good customers for over eight years and if Brian, myself and the Bank could discuss things all this could be

sorted out with a good result for the three parties.

Please advise a mutually convenient time for the meeting, I will bring legal representatives so a few days' notice will be required.

Kind Regards,

Sean Butler

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[attachment
"S W Times Lighthouse Article 4.8.2011.pdf" deleted by David Gilbert/CSC/CB/BankWest] [attachment "Allegations
made by Mark Englebert 1.11.2011.pdf" deleted by David Gilbert/CSC/CB/BankWest]
----- Message from "Sean Butler" <sbutler@iinet.net.au> on Wed, 9 Nov 2011
10:46:18 +0800 -----

To: "David Gilbert" <David.Gilbert@bankwest.com.au>

cc: "Mark Englebert" <Mark.Englebert@twcs.com.au>,
<Jon.Karolczak@minterellison.com>

Subject: Lighthouse advertising suggestions

Hi David,

Lighthouse Advertising was not addressed as I suggested on 5th September.
I made changes like suggested below last year and we got a cash offer for \$14m Take a look at the two ads, there is no comparison. They didn't change and ran with an inferior ad.
Why didn't they listen?

They allowed the newspaper article to be run under their watch. This damaged the marketing campaign and the selling agents have confirmed this

This will be taken up with the class action group if it goes that way as they are not acting in our best interests
Receivers are not providing up to date financials (to 30 Sept) as requested by the agents as I have someone interested?

Has the Lighthouse sold or is it still available?

Regards,

Sean Butler

From: Sean Butler [mailto:sbutler@iinet.net.au]
Sent: Monday, 5 September 2011 2:40 PM
To: Mark Englebert (Mark.Englebert@twcs.com.au)
Cc: Jeremy.nipps@twcs.com.au
Subject: Lighthouse advertising suggestions

Hi Mark,

Thanks for getting the Lighthouse on the market and I hope it all goes well.
I attach the ads from last week and suggestions I had last year that resulted in changes to the ads.
I think the Lighthouse site is best shown in portrait format showing the beach in front and the bay to the East. It worked last time and we got a cash offer.
If you agree could you please get the changes made.
The picture attached can be used if required as it shows the ocean.
Thank you,

Regards,

Sean Butler

From: Sean Butler [mailto:sbutler@iinet.net.au]
Sent: Monday, 1 November 2010 9:27 AM
To: 'Kennedy, David @ Perth'; 'Graeme Clarke'
Cc: 'bбенari@challenger.com.au'
Subject: Newspaper ads changes

Hi David,

I still think the most should be made of the beachfront location. That's the main attraction. The previous ads didn't show the beach.

Perhaps run it again with new layout in both the west & fin review this week ?

I have attached a mock up I have just done showing both the beach and inlet behind. I think perhaps change the layout to something like this?

Perhaps run it again with new layout in both the west & fin review this week ?

Regards

Sean

Regards,

Sean Butler

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