



iStaySafe Pty Ltd (Administrators Appointed)
ACN 159 734 764
(iStaySafe)

Circular to Employees

Jamie Harris and I were appointed Administrators of iStaySafe on 27 August 2021.

Background

As Administrators, we have assumed control of iStaySafe's affairs and have entered into possession of its assets. We are currently undertaking an urgent assessment to determine the best course of action to preserve its business.

Employees are asked to continue their normal duties until advised further. Wages and entitlements for continued employment during the administration will be paid by the Administrators.

Please note that the Administrators do not adopt any employment or other contract you may have with iStaySafe.

Pre-appointment entitlements

Claims against iStaySafe for certain categories of employee entitlements, for the period prior to my appointment, may receive priority payment under the *Corporations Act 2001*. However, there may be other higher-ranking payment priorities. There must also be sufficient recovery of monies from a specific class of secured assets of iStaySafe (after the costs of realising those assets) to fund payment of the priority claims.

At this point, we are unable to confirm whether there will be sufficient assets available to meet employees' pre-appointment claims. As soon as the position of prior-ranking claims has been clarified and iStaySafe's asset position determined, you will be advised further.

Other matters and contact details

A schedule setting out the responsibilities of employees of a company under administration is enclosed for your guidance. Our authorised personnel will now issue all instructions concerning the management of iStaySafe. Please refer to your normal line managers in relation to day-to-day operations.

A copy of the information sheet, "Insolvency information for directors, employees, creditors and shareholders", issued by the Australian Securities & Investments Commission (**ASIC**) is also enclosed for your information.



If you have any queries, please contact Ned Stevens on (07) 3333 9805. For further information about this engagement, please refer to the website www.mcgrathnicol.com/creditors.

Thank you in advance for your cooperation.

Dated: 30 August 2021

Anthony Connelly
Administrator

Enclosures:

- 1 Schedule of responsibilities of officers and employees
- 2 ASIC "Insolvency information for directors, employees, creditors and shareholders" information sheet



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ACN 159 734 764**

Responsibilities of Officers and Employees

The duties and responsibilities of the officers and employees of a company under administration are set out below for your guidance.

- All documents issued by the company must have “(Administrators Appointed)” after the company name where it first appears on the document.
- When a company is placed under administration, the powers of the directors and other officers are suspended. However, under certain circumstances, and only with the consent of the Administrators, those powers may continue. Some obligations of the directors will continue to apply, for example the obligation to lodge Annual Statements with ASIC.
- The Administrators may carry on the business and may employ or remove an officer or employee for this purpose.
- Without the express written authority of the Administrators:
 - No order for goods or services will be placed that has not been signed personally by the Administrators, or a person nominated by the Administrators.
 - No goods will be accepted by the company from any source whatsoever that are not the subject of an order signed by the Administrators, or the nominated representative of the Administrators.
 - No credit will be incurred.
 - No payments will be made.
 - No goods will be returned to any supplier.
- All cash and cheques received will be passed to the Administrators.
- No assets of the company will be removed from the company's custody without the written approval of the Administrators.
- All assets are to be secured against theft, under lock and key.
- The entire assets and undertaking of the company are under the express and sole control and custodianship of the Administrators and may only be dealt with by the Administrators.

If you have any queries, please contact Ned Stevens on (07) 3333 9805.



ASIC
Australian Securities &
Investments Commission

Insolvency information for directors, employees, creditors and shareholders

This information sheet (INFO 39) lists ASIC's information sheets for directors, employees, creditors and shareholders affected by a company's insolvency.

We have produced these with endorsement from the Australian Restructuring Insolvency & Turnaround Association (ARITA).

The information sheets give a basic understanding of the three most common company insolvency procedures – liquidation, voluntary administration and receivership – as well as the independence requirements for external administrators and approving external administrator remuneration. There is also a glossary of commonly used insolvency terms.

List of information sheets

- [INFO 41](#) Insolvency: A glossary of terms
- [INFO 42](#) Insolvency: A guide for directors
- [INFO 43](#) Insolvency: A guide for shareholders
- [INFO 45](#) Liquidation: A guide for creditors
- [INFO 46](#) Liquidation: A guide for employees
- [INFO 54](#) Receivership: A guide for creditors
- [INFO 55](#) Receivership: A guide for employees
- [INFO 74](#) Voluntary administration: A guide for creditors
- [INFO 75](#) Voluntary administration: A guide for employees
- [INFO 84](#) Independence of external administrators: A guide for creditors
- [INFO 85](#) Approving fees: A guide for creditors

Where can I get more information?

Further information is available from the [ARITA website](#). The ARITA website also contains the [ARITA Code of Professional Practice for Insolvency Practitioners](#).

This is **Information Sheet 39 (INFO 39)** updated on 1 September 2017. Information sheets provide concise guidance on a specific process or compliance issue or an overview of detailed guidance.