



McGrathNicol

McGrathNicol Limited

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41 Shortland Street
Auckland 1010, New Zealand

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mcgrathnicol.com

Circular to Employees

**Wirecard NZ Limited (In Administration)
(the Company)**

Background

As previously advised, Conor McElhinney and Andrew Grenfell (**Administrators**) were appointed joint and several administrators of the Company on 13 July 2020 pursuant to Section 239I of the Companies Act 1993 (**Act**). The purpose of this letter is to notify you about an upcoming voluntary administration meeting and provide various notices.

First creditors meeting and employees

We are required to hold a first creditors meeting within eight working days of the Administration commencing. The purpose of the meeting is to determine whether to appoint a creditors' committee and/or replace the Administrators. All creditors are entitled to vote at the meeting.

If you do not want to change the appointed administrators, or decide on a creditors committee, it is not necessary for you to complete any of the attached forms or attend the meeting.

If you do not complete the forms, your legal claim as an employee will not be affected.

For the purposes of voting at the first creditors meeting, you are required to enter the amount that is stated in the payroll records of the Company as owing to you, which may (for example) include outstanding holiday pay and other entitlements owing to you.

Please contact your usual HR team member who can advise you of your outstanding entitlements, which you can enter on the Claim Form provided in this pack.

Given the geographical location of some employees in relation to the meeting, some may be unable to attend the meeting in person. Such employees may lodge a postal vote or appoint a proxy should they wish to vote as a creditor at the meeting. Alternatively employees should email insolvency@mcgrathnicol.co.nz advising of their intention to attend the meeting remotely and log in details will be provided prior to the meeting.

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Documents enclosed in respect of first creditors meeting

For the purposes of the first creditors meeting, we enclose the following documents:

- a) Notice of Meeting of Creditors. Please note that the meeting commences at **10.30 am, Thursday 23 July 2020, at the offices of Tomkins Wake, Level 11, The AIB Building, 41 Shortland Street, Auckland**. If you want to attend the meeting, you should arrive for registration at least 30 minutes prior to the meeting.
- b) Claim Form for Voting Purposes.

The Administrators may elect to estimate for voting purposes the amount of any creditor's claim that is for any reason uncertain. The Administrators reserve all rights to further scrutinise claims for the purpose of a distribution or call for new claims to be filed.
- c) Appointment of Proxy form. The form enables you to appoint a person to act on your behalf at the meeting should you not be able to attend in person.
- d) Postal Voting form. The form enables you to cast your vote at the meeting by post, so that you do not need to attend the meeting.

The forms should be lodged with this office before the meeting and, in any event, no later than **10.30 am on Tuesday 21 July 2020**. Forms can be sent to:

McGrathNicol
PO Box 106733
Auckland 1143 or
insolvency@mcgrathnicol.co.nz (please ensure the subject reads "Wirecard NZ Limited Creditors Meeting")

Report and second meeting

All known creditors will receive a report regarding the Company's affairs before the second statutory meeting of creditors. A decision on the Company's futures will be made at the second statutory meeting.

Further information

For further information concerning the voluntary administration, you may wish to contact Greer Mullin on +64 9 926 5119, visit our website at www.mcgrathnicol.com, raise any questions with HR, or you can speak with any Administrator or their representatives on site.

Andrew Grenfell
Administrator

Enclosures:

Notice of meeting
Claim form
Postal/Proxy vote form
Voluntary administration – a guide for creditors
Declaration of Independence, Relevant Relationships and Indemnities

Notice of Appointment of Administrators and First Meeting of Creditors

Wirecard NZ Limited (Administrators Appointed) ("the Company")

Pursuant to sections 239ADW(1)(b) and 239AO(1)(a) and (b) of the Companies Act 1993

Notice is given that Andrew John Grenfell and Conor John McElhinney of Auckland, were appointed Administrators of the Company on 13 July 2020.

A first meeting of creditors of the Company will be held on Thursday 23 July 2020 at 10.30 am at the offices of Tompkins Wake, Level 11, The AIG Building, 41 Shortland Street, Auckland.

Creditors should arrive 30 minutes prior to the commencement of the meeting to facilitate registration procedures.

The purpose of the first creditors meeting is to decide whether to:

- appoint a creditors' committee, and if so, to appoint its members; and
- replace the Administrators.

Dated 13 July 2020



Andrew John Grenfell

Administrator

The offices of the Administrators are at:

McGrathNicol

Level 17, AIG Building, 41 Shortland Street, Auckland

PO Box 106733, Auckland 1143

insolvency@mcgrathnicol.co.nz

Telephone: 64 9 366 4655

www.mcgrathnicol.com

UNSECURED CREDITOR'S CLAIM



Section 304(1) Companies Act 1993

Name and postal address of creditor in full: Telephone Number () My Reference is (if applicable) Email	<p>✳ Any personal information collected is for the purpose of administering the liquidation in accordance with the Companies Act 1993.</p> <p>The information will be used and retained by McGrathNicol and will be released to other parties only with your authorisation or in compliance with the Privacy Act 1993.</p> <p>Under section 304 (1) of the Companies Act 1993 any claim by an unsecured creditor against a company in liquidation must be made in this prescribed form and must –</p> <p>(a) Contain full particulars of the claim; and (b) Identify any documents that evidence or substantiate the claim.</p> <p>You may have access to and request correction of any personal information. (*Not applicable, if creditor is not an individual within the meaning of the Privacy Act 1993.)</p>
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Name of Company in Voluntary Administration: _____ **(In Voluntary Administration)**

I _____
[If claim is made on behalf of creditor, specify relationship to creditor and authority] claim that the company was at the date it was put into liquidation indebted to the abovenamed creditor for the sum of *[Amount in words and figures]*:
 _____ \$ _____

Either: I hold no security for the amount claimed; or
 I am surrendering my security and I am claiming as an unsecured creditor
[Omit whichever does not apply]

Full particulars of the claim are set out, and any supporting documents that substantiate the claim are identified, on the reverse of this form. (The liquidator may require the production of a document under section 304 (2) of the Companies Act 1993. You are not required to attach any supporting documents at this stage, but you may attach them now, if you think it would expedite the processing of the claim.)

Signed: _____ Date: / /

WARNING - It is an offence under section 304 (6) of the Companies Act 1993 to –
Make, or authorise the making of, a claim that is false or misleading in a material particular in knowing it to be false or misleading; or
Omit, or authorise the omission, from a claim of any matter knowing that the omission makes the claim false or misleading in a material particular.

Received (Date Stamp)	Reserved for Office Use:		
	Claim admitted for voting purposes:	Signed:	Date: / /
	Claim rejected for voting purposes:	Signed:	Date: / /
	Claim rejected for payment:	Signed:	Date: / /
Claim admitted for payment:			
Preferential Claim for:	Ordinary Claim for:	Deferred claim for:	
\$	\$	\$	
Signed Liquidator		Dated:	
Note: If the decision to admit or reject a claim is amended, regulation 8 of the Companies Act 1993 Liquidation Regulations 1994 requires that it be recorded in writing.			

PARTICULARS OF CLAIM

Where the claim includes goods supplied by the creditor to the company under a Retention of the Title clause,
please give full details including a description of the goods and their value.

If the creditor owes money to the company, please give full details.

Date	Details of Claim and Identification of Documents that Evidence or Substantiate the Claim	Amount \$

If applicable, please record here your GST Registration number:
and total GST included in your claim

\$ _____



Lodge your postal vote or proxy

By Mail:

McGrathNicol Limited
PO Box 106-733
Auckland, 1143

By Fax

+64 9 366 4656

By Email:

insolvency@mcgrathnicol.co.nz

Postal/Proxy Vote Form

Wirecard NZ Limited (In Administration) ("the Company")

Meeting of Creditors – Thursday 23 July 2020, at 10.30am

For your proxy or vote to be effective it must be received by 10.30am Tuesday 21 July 2020

You may cast your vote in one of the three ways described below. You may abstain from voting on one or more of the resolutions.

(1) Casting a postal vote

You may cast a postal vote on one or more of the resolutions by completing the FOR, AGAINST or ABSTAIN boxes in "Step 1" overleaf, signing this voting form and returning it to the Administrators.

(2) Appointing a proxy

You may appoint a proxy to attend the meeting and either direct the proxy as to how to vote or give the proxy discretion as to how to vote on the resolutions by completing the FOR, AGAINST, ABSTAIN or PROXY DISCRETION box on "Step 1" overleaf, completing the appointment of proxy details in "Step 2" overleaf and signing the Voting Form and returning it to McGrathNicol. If you do not provide any instructions on the Proxy form about how the proxy should vote, you acknowledge that the proxy may exercise your right to vote at his or her discretion and may vote as he or she thinks fit, or abstain from voting. In doing so, you acknowledge that the proxy may exercise your right to vote even if he or she has an interest in the outcome of the Resolution(s). You also exercise your proxy's right to vote on all motions from the floor or additional

resolutions put to the meeting or to amend any resolutions as stated in the Notice of Meeting.

The Chairman is unable to accept appointments as a general proxy. Alternatively, creditors that are companies may appoint a company representative and provide evidence to the Administrators prior to the meeting that the representative has been validly appointed.

(3) Attending and voting in person

You should bring this Voting Form to the meeting. See (2) above regarding company creditor authorised representatives.

Power of Attorney

If this Postal/Proxy Form has been signed under a power of attorney, a copy of the power of attorney and a signed certificate of non-revocation of the power of attorney should be produced to the company with this Proxy Form.

Turn over to complete the form to vote / appoint a proxy

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Name of Company you are a Creditor of: **Wirecard NZ Limited (In Administration)**

Name of Creditor: _____

If you do not plan to attend the meeting, you may cast a postal vote or appoint a proxy to vote at the meeting.

STEP 1 Voting Instructions / Voting Paper
Cast a postal vote, or instruct your proxy to vote, by placing a tick in the relevant box. Tick one box only in respect of each resolution. If you're appointing a proxy and want your proxy to decide how to vote a resolution, please mark the box "Proxy Discretion".

Ordinary Business

Please note you can only vote for a resolution for a company of which you are a creditor.

Resolution 1	That Andrew Grenfell and Conor McElhinney continue as Administrators of Wirecard NZ Limited.	For	Against	Abstain	Proxy Discretion
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	If voting "AGAINST" please specify proposed alternate Administrator(s) and include a signed consent to act from named party.				
Resolution 2	That a creditors committee be appointed for Wirecard NZ Limited. This committee to consist of persons elected by creditors at the meeting.	For	Against	Abstain	Proxy Discretion
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 2 Appointment of Proxy
If you mark any of the boxes above "Proxy's Discretion", you must also appoint a proxy. The Chairman will not act as a General Proxy, (although if you've marked "For", "Against" or "Abstain", these will be counted as postal votes whether or not your proxy attends the meeting). Even if you cast a postal vote, you may also appoint a proxy to attend the meeting on your behalf by filling out this section.

I/We being a creditor of Wirecard NZ Limited (In Administration)

hereby appoint _____ of _____

or failing him/her _____ of _____

as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions at the Creditors meeting to **be held on Thursday 23 July 2020 at 10.30am at the offices of Tompkins Wake, Level 11, The AIG Building, 41 Shortland Street, Auckland**, and at any adjournment of that meeting.

SIGN Signature of Creditor(s) This section must be completed.

If you are signing on behalf of a company/partnership, this signature is your confirmation that you hold the authority necessary to do so.

Signature

Print Name _____ Contact daytime Telephone _____ Date _____



Voluntary Administration – a guide for creditors

The object of voluntary administration

The objective of a voluntary administration under the Companies Act 1993 is to:

- a) maximise the chances of the company, or as much as possible of its business, continuing in existence; or
- b) if it is not possible for the company or its business to continue in existence, to achieve a better return for the company's creditors and shareholders than would result from an immediate liquidation of the company.

The effect of a voluntary administration

The appointment of voluntary administrators provides the company with a brief moratorium period while the administrators assess the financial position of the company and develop a proposal to submit to creditors. The creditors will then decide on the future of the company through a formal voting process.

While the company is in voluntary administration:

- unsecured creditors cannot begin, continue or enforce their claims against the company without the administrator's consent or a Court order;
- owners of property used or occupied by the company, or those who lease such property to the company, cannot recover their property;
- except in limited circumstances, secured creditors cannot enforce their charge over company property;
- a court application to put the company in liquidation cannot be commenced; and
- a creditor holding a personal guarantee from the company's director or other person cannot act under the personal guarantee without the Court's consent.

The administrator's role

As soon as practicable after appointment and taking control of the company, the administrator is required to investigate the company's affairs and form an opinion as to whether it would be in the creditors' interests for:

- the company to enter into a deed of company arrangement; or
- the administration to end; or
- a liquidator to be appointed.

An administration generally involves two meetings of creditors.

The first creditors' meeting

An administrator must call the first creditors' meeting within eight working days of appointment. The purpose of the first creditors' meeting is to decide whether to:

- appoint a creditors' committee and, if so, to appoint its members; and
- replace the administrator if an alternative administrator is proposed at the meeting.



The second creditors' meeting - the watershed meeting

The watershed meeting is a meeting of creditors, to decide the future of the company which must be convened by the administrator 20 working days after the administration appointment. Prior to the watershed meeting the administrator will prepare a report for creditors, which will include the following.

- Details on the company's business, property, affairs, and financial circumstances and any other matter material to the creditors' decisions to be considered at the meeting.
- A statement setting out the administrator's opinion, with reasons for that opinion, about each of the following matters:
 - whether it would be in the creditors' interests for the company to execute a deed of company arrangement; or
 - whether it would be in the creditors' interests for the administration to end; or
 - whether it would be in the creditors' interests for the company to be placed in liquidation.
- If a deed of company arrangement is proposed, a statement setting out the details of the proposed deed.

Voting at a creditors' meeting

To vote at a creditors' meeting, you must lodge details of your claim (creditors' claim form) with the voluntary administrator, or their appointed representative.

The chairperson of the meeting decides whether or not to accept the claim for voting purposes. The administrator may also estimate the value of your claim for the purposes of voting in the meeting. Creditors' claims admitted for the purposes of voting at the meeting are admitted for those purposes only. It does not constitute acceptance of a creditor's claim for the purposes of any distribution to creditors if a deed of company arrangement is executed or in a liquidation. The administrators reserve their rights to call for new claims if they require.

Should you attend the meeting you will receive a voting form when registering. In the first instance voting may be by way of hands.

A resolution is adopted if a majority in number representing at least 75% in value of the creditors voting in favour of the resolution (note this will include votes conducted by post – see below).

If voting results in a deadlock, the chairperson may exercise a casting vote.

Voting may be done as follows.

Voting by proxy

If you are unable to attend the meeting, you may appoint a proxy to attend and vote at the meeting on your behalf. A proxy form (Postal/Proxy vote form) is enclosed which is valid only for the meeting indicated and any adjournment of that meeting.

If you are unable to attend the meeting and you do not have a representative who can attend the meeting on your behalf, you may appoint the chairperson as your proxy.

You can specify on the proxy form how the proxy is to vote on a particular resolution and the proxy must vote in accordance with that instruction. This is called a "special proxy". Alternatively, you can leave it to the proxy to decide how to vote on each of the resolutions put before the meeting, by not ticking the ABSTAIN, FOR or AGAINST boxes. This is called a "general proxy".



Voting by post

If you are unable to attend the meeting, or wish to vote prior to the meeting, you can complete a postal vote. A postal vote form (Postal/Proxy vote form) is enclosed which is valid only for the meeting indicated and any adjournment of that meeting.

Postal/Proxy vote forms must be received not less than 2 working days before the start of the meeting, together with your completed creditors' claim form. Any Postal/Proxy vote forms received after this time will be invalid for the meeting.



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Declaration of Independence, Relevant Relationships and Indemnities (Declaration)

WIRECARD NZ LIMITED (Company)

The Restructuring Insolvency and Turnaround Association of New Zealand Inc. (**RITANZ**) Code of Professional Conduct (the **Code**) requires Accredited Insolvency Practitioners appointed to an insolvent entity to make a Declaration as to:

- A. their independence generally;
- B. relationships, including
 - a) the circumstances of the appointment;
 - b) any relationships with the Company and others within the previous two years;
 - c) any prior professional services for the Company within the previous two years;
 - d) that there are no other relationships to declare; and
- C. any indemnities given, or up-front payments made, to the Practitioner.

This Declaration is made in respect of ourselves, our partners and the firm McGrathNicol.

A. Independence

We, Andrew John Grenfell and Conor John McElhinney (**Administrators**), RITANZ Accredited Insolvency Practitioners of the firm McGrathNicol, have undertaken a proper assessment of the risks to our independence prior to accepting the appointment as Administrators of the Company in accordance with the law and applicable professional standards. This assessment identified no real or potential risks to our independence. We are not aware of any reasons that would prevent us from accepting this appointment.

B. Declaration of Relationships

(i) *Circumstances of appointment*

McGrathNicol was approached by the Company's legal advisors, Tompkins Wake, in early July 2020 to act as Administrators. Neither the Administrators nor McGrathNicol were engaged by this party at any time to provide services.

As a consequence, the Directors resolved to appoint Andrew John Grenfell and Conor John McElhinney of McGrathNicol as Administrators of Wirecard NZ Limited on 13 July 2020.

(ii) *Relevant Relationships (excluding professional services to the Insolvent)*

Neither we, nor our firm, have, or have had, within the preceding two years, any relationships with any of the Company or any person or entity that has security over the whole or substantially whole of the Company's property.

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(iii) *Prior professional services to the Insolvent*

Neither we, nor our firm, have provided any professional services to the Company, in the previous two years.

(iv) *No other relevant relationships to disclose*

There are no other known relevant relationships, including personal, business and professional relationships, from the previous two years with the Company, or any person or entity that has security over the whole or substantially the whole of the Company's property that should be disclosed.

C. *Indemnities and Up-front Payments*

We have not been indemnified in relation to this administration, other than any indemnities that we may be entitled to under statute.

Dated: 13 July 2020

Andrew John Grenfell

Conor John McElhinney