



McGrathNicol

McGrathNicol Limited

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mcgrathnicol.com

Circular to Employees

Ziera Shoes NZ Limited (Administrators Appointed)
Ziera Retail NZ Limited (Administrators Appointed)
(Companies)

Background

As you are aware, Conor McElhinney and Andrew Grenfell (**Administrators**) were appointed joint and several administrators of the Companies on 24 September 2019 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 of that meeting.

Watershed meeting and employees

Employees can be unsecured creditors for amounts of redundancy, holiday pay, long service leave or other entitlements in excess of the statutory preferential cap of \$23,960, or if you did not receive full notice of the termination of your employment in line with your contract. We recently sent you a letter setting out what we believe your unsecured claim to be.

The Administrators are required to hold a meeting (**Watershed Meeting**) that all creditors are entitled to attend where the future of the Companies is decided. At the Watershed Meeting creditors vote on whether:

1. the Companies should execute a Deed of Company Arrangement (**DOCA**) (not applicable in this case); or
2. the administrations should end, and control of the Companies be handed back to the directors; or
3. to appoint liquidators to each of the Companies – this is the Administrators' recommended option.

In the case of the Companies, no DOCA has been submitted and the Companies are insolvent, with no future trading options. Accordingly, it is the Administrators' view that the only available option is that liquidators should be appointed to the Companies.

The Watershed meeting is to be held on Friday 7 February 2020, at 11.00am at the offices of Buddle Findlay, PWC Tower, 188 Quay Street, Auckland 1010. Creditors should arrive 30 minutes beforehand to register. **There is no requirement for employees to attend this meeting or complete the attached forms, non-attendance will not impact your claim.** However, if you wish to attend, please email us at insolvency@mcgrathnicol.co.nz.

Documents enclosed in respect of Watershed creditors meeting

The following documents are attached to this circular:

1. notice convening the meeting;
2. proxy/postal voting form; and
3. the Administrators' report to creditors.

In association
with



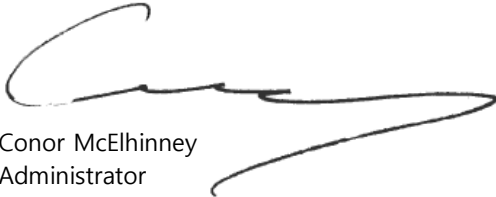
**ADVISORY
RESTRUCTURING**



Employees who are unable to attend the meeting but wish to be represented can complete the postal voting form attached or appoint a proxy to attend in your place. Postal/proxy forms must be received by the Administrator by 11.00am on Wednesday 5 February 2020.

Further information

If you have any questions in relation to this letter or the voluntary administration, please contact Nick Grady on +64 9 926 5114, or visit our website at www.mcgrathnicol.com.



Conor McElhinney
Administrator

NOTICE OF WATERSHED MEETING

Ziera Retail NZ Limited (Administrators Appointed)
Ziera Shoes NZ Limited (Administrators Appointed)
Kumfs Brand Limited (Administrators Appointed)
Kumfs Group Limited (Administrators Appointed)
("Companies")

Notice is given pursuant to sections 239AT and 239AU of the Companies Act 1993 that a meeting of the creditors of the Companies will be held on Friday 7 February 2020, at 11.00am at the offices of Buddle Findlay, PWC Tower, 188 Quay Street, Auckland 1010. Creditors should arrive 30 minutes before the commencement of the meeting to register. If you are attending the meeting, please email us at insolvency@mcgrathnicol.co.nz.

Pursuant to section 239AL of the Companies Act 1993, it is intended to hold the meeting of the Companies jointly. Should any creditor object to the joint creditors' meetings, they should send a written objection to the Administrators by post, email or to our street address below by 11.00am on Wednesday 5 February 2020. Unless any creditor objects in accordance with this notice, all creditors will be taken to have agreed to the joint Watershed Meeting.

Agenda for Watershed Meeting

1. To consider the Administrators' report concerning the Companies' business, property, affairs and financial circumstances.
2. To consider and vote on the Administrators' recommended course of action as to the future of the Companies.
3. Any other business.

The offices of the Administrators are at:

McGrathNicol
Level 17, 41 Shortland Street, Auckland
PO Box 106-733, Auckland 1143
insolvency@mcgrathnicol.co.nz
Telephone: +64 9 366 4655
www.mcgrathnicol.com

Dated 29 January 2020

Conor McElhinney
Administrator

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

Ziera Retail NZ Limited (Administrators Appointed)

Ziera Shoes NZ Limited (Administrators Appointed)

Kumfs Brand Limited (Administrators Appointed)

Kumfs Group Limited (Administrators Appointed)

("Companies")

Meeting of Creditors – 7 February 2020 at 11.00am

**For your proxy or vote to be effective it must be received by
11.00am on Wednesday 5 February 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

In association
with



**ADVISORY
RESTRUCTURING**



Name of Company you are a Creditor of: _____

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".

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

Resolution 1	It is resolved that the company be placed into liquidation.	For	Against	Abstain	Proxy Discretion
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	It is resolved that the Administration end and control of the company be returned to the directors.	For	Against	Abstain	Proxy Discretion
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

A Deed of Company Arrangement (**DOCA**) has not been proposed by the Administrator and unless a creditor proposes a DOCA at the Watershed Meeting, this option does not need to be considered or voted on. In the event a DOCA is proposed by a creditor at the Watershed Meeting creditors will need to be present or have a proxy in attendance to vote on a resolution related to a DOCA.

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 _____ (Administrators Appointed)
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 Watershed meeting to **be held at 11.00am on Friday 7 February 2020 at the offices of Buddle Findlay, PWC Tower, 188 Quay Street, Auckland 1010** 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 _____