

24 October 2017

**CIRCULAR TO CREDITORS  
AS ADDRESSED**

Dear Sir/Madam,

**AUSTRALIAN ROAD EXPRESS PTY LIMITED  
ACN 051 918 015  
JOLLYS TRANSPORT SERVICES PTY LIMITED  
ACN 097 891 248  
(BOTH RECEIVERS AND MANAGERS APPOINTED)(BOTH IN LIQUIDATION)  
("the Companies")**

I refer to previous correspondence regarding the Companies. As you are aware, Peter Krejci, John Carrello and I were appointed Joint and Several Administrators of the Companies on 17 July 2017. At the Second Meeting of Creditors, creditors resolve to adjourn the meeting for a period of no more than 45 business days.

At the resumed Second Meeting of Creditors held on 23 October 2017, creditors resolved to place the Companies into Liquidation and Peter Krejci and I were appointed Joint and Several Liquidators.

As Joint and Several Liquidators, our duty is to realise assets, investigate the affairs of the Companies and its officers, and pursue recoveries for the benefit of creditors. We will proceed to finalise our preliminary investigations and lodge a report with the Australian Securities and Investments Commission pursuant to Section 533 of the Act. A Report will also be issued to creditors within the next three (3) months to provide an update as to the likelihood of a dividend.

The likelihood of a return to creditors will be dependent on any surplus return from the Receivers and Managers of the Companies and/or significant voidable recoveries (if any). The Receivers and Managers are continuing to realise assets for the benefit of the Secured Creditors. We are advised that there will be a significant shortfall owing the Secured Creditors and accordingly it is unlikely that a dividend will be paid to ordinary unsecured creditors. Furthermore, the Receivers' have formed a preliminary view that there will be insufficient realisations made in respect of net circulating asset recoveries in order to enable a distribution to priority creditors. Creditors will be kept informed as the Liquidations progress.

As the Companies are now in Liquidation and there is currently insufficient funds to meet outstanding employee entitlements, employees of the Companies may be entitled to make a claim under the Fair Entitlements Guarantee scheme ("FEG") to the Department of Employment ("the Department") in respect of outstanding entitlements.

Silvia | Krejci | Cummins | Nicodemou | Karam | Ferrier (Consultant) | Green (Consultant)

BRI Ferrier (NSW) Pty Ltd Chartered Accountants ABN 97 128 947 848  
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Please note that FEG will not cover:

- ▲ Outstanding superannuation entitlements;
- ▲ Entitlements such as rostered days off unless the relevant legislation, award, statutory agreement or written contract of employment provides they are payable upon termination of employment; and
- ▲ Employee entitlements of the Directors and related party creditors.

Employee creditors may lodge a FEG claim either:

Online by referring to the following hyperlink: <https://extranet.employment.gov.au/feg>. Claims submitted online are likely to be processed substantially faster than those lodged by post; or

By post, and returning the forms to the nominated address:

Fair Entitlements Guarantee Branch  
Department of Employment  
GPO Box 9880  
CANBERRA ACT 2601

FEG Claims Forms are available either by contacting the Fair Entitlements Guarantee Hotline on 1300 135 040 or contact our office via the details below.

The Department will distribute entitlements to you directly, if approved. Further information regarding the FEG claim process and eligibility can be obtained from [www.employment.gov.au/feg](http://www.employment.gov.au/feg).

Should you have any further queries, please contact our office as follows:

- ▲ Phone: (02) 8263 2300
- ▲ Email: [rivet@brifnsw.com.au](mailto:rivet@brifnsw.com.au) (preferred)
- ▲ Mailing: GPO Box 7079, Sydney NSW 2001
- ▲ Facsimile: (02) 8263 2399

Yours faithfully

**AUSTRALIAN ROAD EXPRESS PTY LIMITED**  
**JOLLYS TRANSPORT SERVICES PTY LIMITED**  
**(BOTH RECEIVERS AND MANAGERS APPOINTED) (BOTH IN LIQUIDATION)**



**ANDREW CUMMINS**  
Joint and Several Liquidator