



BUSINESS ADVISORS & INSOLVENCY SPECIALISTS

18 August 2009

TO THE CREDITOR AS ADDRESSED

Dear Sir/Madam

**Ultrapay Limited
(Administrator Appointed)
A.C.N 003 007 163**

- 1. CURRENT POSITION OF ADMINISTRATION**
- 2. COURT APPLICATION TO EXTEND MEETING BEYOND 31 AUGUST 09**
- 3. ADJOURNED SECOND MEETING OF CREDITORS**

1. CURRENT POSITION OF ADMINISTRATION

As you will be aware on 19 June 2009 I was appointed as Administrator of the company by order of the Supreme Court of Victoria replacing Mr David Lofthouse and Mr Richard Gauchi of CJL Partners as Administrators.

On 3 July 2009, I held a meeting of creditors pursuant to Section 439A of the Corporations Act ("the Act") at which creditors agreed to adjourn the meeting until Friday, 31 August 2009 in accordance with Section 439B(2) of the Act to enable me to investigate the financial affairs of the company and provided my opinion regarding which course of action is in the best interests of creditors.

I have since held extensive discussions with Mr Greg Hannan, creditors and other interest parties however at this time a formal Deed of Company Arrangement has not been submitted to me for consideration nor have I been provided with the company's books and records from which I am able to undertake an investigation of the company's financial affairs.

As previously advised the primary purpose of the second meeting is to enable creditors to decide the future of the company by choosing between one of three (3) options. These options are as follows:

- a) That the company execute a Deed of Company Arrangement; or
- b) That the company be wound up; or
- c) That the administration cease and control of the company be returned to the director.

Pattison Consulting Pty Ltd
ABN 24 434 194 066
ACN 079 638 501

Melbourne
Level 14, 461 Bourke Street
Melbourne Victoria 3000
Telephone 9600 4611
Fax 9602 5007
DX 562 Melbourne

Dandenong
Suite 2, 71 Robinson Street
Dandenong Victoria 3175
Telephone 9792 5611
Fax 9792 5822

Geelong
Level 2, 83 Moorabool Street
Geelong Victoria 3220
Telephone 5222 7422
Fax 5222 5822

- www.pattisons.com.au
- pattisons@pattisons.com.au

Liability limited by a scheme
approved under Professional
Standards Legislation

For personal use only

Before creditors make their decision, I am required pursuant to Section 439A of the Act in my capacity as Administrator, to provide a statement setting out my opinion regarding which course of action is in the best interests of creditors and the grounds upon which my opinion is based.

Additionally, Corporations Regulation 5.3.A.02 requires me as Administrator to specify in my report whether there are any transactions that appear to be voidable in respect to money, property or other benefits which may be recoverable by a subsequently appointed Liquidator, pursuant to Part 5.7B of the Act.

Accordingly, I am not in a position to form an opinion as required under the Act.

2. COURT APPLICATION TO EXTEND MEETING BEYOND 31 AUGUST 09

In an attempt to secure a return to creditors I am making an application to Court seeking to have meeting adjourned beyond the period of 45 business days promulgated pursuant to Section 439B(2) of the Act. I will keep creditors informed of the Court's ruling on this matter.

Should I be unsuccessful in the Court application and in light of a formal Deed of Company Arrangement not being proposed the only recommendation I would make is that the company be wound up. I would not recommend that the administration cease and control of the company be returned to the director.

3. SECOND MEETING OF CREDITORS

In the absence of the Court extending the period in which the meeting can be held the adjourned second meeting of creditors will be held at the office of Pattisons Business Advisors and Insolvency Specialists, Level 14, 461 Bourke Street, Melbourne, Victoria at 11:00am on Monday, 31 August 2009. Should it be determined by the Court that the meeting be held a supplementary report will be forwarded to creditors.

Should you wish to discuss this matter, please do not hesitate to contact either Mr Malcolm Howell or Mr Shaun Rowland of my office on (03) 9600 4611.

Yours faithfully



Paul A. Pattison
Administrator
Ultrapay Limited
(Administrator Appointed)

Our ref: I-Creditors CTC 0809 x1

For personal use only