

BUSINESS ADVISORS & INSOLVENCY SPECIALISTS

24 June 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. SECOND MEETING OF CREDITORS**

1. CURRENT POSITION OF ADMINISTRATION

I advise that on 19 June 2009 that I was appointed as Administrator of the company by order of the Supreme Court of Victoria replacing Mr David Lofthouse and Mr Richard Gauchi as Administrators. I attach a copy of the Court order for your information.

I note that on 22 May 2009, Messrs Lofthouse and Gauchi informed you that they had been successful in making an application to the Federal Court of Australia to extend the convening date of the second meeting of creditors to 26 June 2009 pursuant to Section 439A(6) of the Corporations Act ("the Act")

The primary purpose of the second meeting in the absence of an adjournment 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 directors.

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.

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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.

To date I have only received limited books and records of the company and have not had the opportunity to fully consider the proposed Deed of Company Arrangement submitted by Mr Greg Hannan to the previous Administrators. Accordingly, I am not in a position to form an opinion as required under the Act.

I therefore propose that the second meeting of creditors to be held on Friday, 3 July 2009 be adjourned until the 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 provide my opinion regarding which course of action is in the best interests of creditors.

2. SECOND MEETING OF CREDITORS

The second meeting of creditors is to be held at the office of Pattisons Business Advisors and Insolvency Specialists, Level 14, 461 Bourke Street, Melbourne, Victoria at 11:00am on Friday, 3 July 2009.

The purpose of the second meeting is to provide an update on the administration of the company's affairs; and to consider the following;

- a) That the meeting be adjourned until Monday, 31 August 2009 in accordance with Section 439B(2) of the Corporations Act.

In respect of the meeting please find enclosed the following:

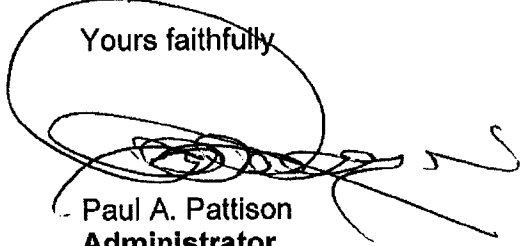
- a) Formal Notice of Meeting;
- b) Proxy Form;
- c) Particulars of Debt Form.

Creditors are not entitled to vote unless they have lodged a Statement of Claim setting out particulars of their debt with the Chairman. If a creditor wants to vote by proxy, they are required to complete an Instrument of Proxy Form, which is attached for your completion. I request that the Instrument of Proxy Form, Particulars of Debt Form and substantiating documentation be provided by 5:00pm on 1 July 2009.

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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

A handwritten signature in black ink, appearing to read 'Paul A. Pattison', is written over a circular stamp. The signature is somewhat scribbled and overlaps the text below.

Paul A. Pattison
Administrator
Ultrapay Limited
(Administrator Appointed)
Our ref: I-Creditors CTC 0609

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**NOTICE OF SECOND MEETING OF
CREDITORS OF COMPANY UNDER ADMINISTRATION**

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

1. On 19 June 2009, Paul A. Pattison of Pattison Consulting Pty Ltd was appointed as Administrator the company by order of the Supreme Court of Victoria replacing David Lofthouse & Richard Gauchi who were appointed on 27 April 2009.
2. A second meeting of the creditors of the company will be held at 11:00am on Friday, 3 July 2009 at the office of Pattisons, level 14, 461 Bourke Street, Melbourne, Victoria.
3. The purpose of the meeting is:
 - (a) To receive the Administrator's update on the administration;
 - (b) To adjourn the meeting until 31 August 2009 in accordance with Section 439B(2) of the Corporations Act; or
 - (c) That the company execute a Deed of Company Arrangement; or
 - (d) That the company be wound up; or
 - (e) That the administration cease and control of the company be returned to the directors; and
 - (f) To consider any other relevant business.

Dated this 19 day of June 2009


Paul A. Pattison
**Administrator
Ultrapay Limited
(Administrator Appointed)**

FORM 532

Corporations Act 2001

APPOINTMENT OF PROXY

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

**I/*We (1)*.....
of
a **creditor/*contributory/*debenture holder /*member of Ultrapay Ltd (Administrator Appointed), appoint (2)*or
in his or her absenceas **my/*our*
**general/*special proxy to vote at the Meeting of *creditors/*contributories/ *debenture holders/*members/* joint meeting of members & creditors to be held on the 3rd day of July 2009, or at any adjournment of that meeting,*

**to vote:*

- * generally as he/she determines on *my/*our behalf*
- OR*
- * specifically in accordance with the following special instructions (insert special instructions):(3)*

DATED

.....
signature

(5) CERTIFICATE OF WITNESS

I,
of.....
certify that the above instrument appointing a proxy was completed by me in the presence of
and at the request of the person appointing the proxy and read to him or her before he or she
signed or marked the instrument.

DATE

Signature of Witness

Description

Place of Residence

Notes:

- (1) If a firm, strike out "I" and set out the full name of the firm.
- (2) Insert the name, address and description of the person appointed.
- (3) If a special proxy add the words "to vote for" or the words "to vote against" and specify the particular resolution.
- (4) The signature of the creditor, contributory, debenture holder or member is not to be witnessed by the person nominated as proxy.
- (5) This certificate is to be completed only where the person giving the proxy is blind or incapable of writing.

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CORPORATIONS ACT 2001

**PARTICULARS OF DEBT OR CLAIM FOR PURPOSE OF VOTING AT MEETING
OF CREDITORS OF**

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

NAME OF CREDITOR: _____

AMOUNT OF DEBT CLAIMED (See Note 1) _____

REASON FOR DEBT _____

WHETHER DEBT SECURED OR UNSECURED _____

IF SECURED, GIVE DETAILS OF SECURITY INCLUDING DATES, ETC. _____

SIGNATURE OF CREDITOR/CONTRIBUTORY

Notes:

- (1) A creditor may not vote on any unquantified, or contingent debt or a debt whose exact amount has not been calculated.
- (2) A secured creditor may only vote on a secured debt after deducting from the debt the value of the security. If a secured creditor votes on the value of the whole debt, he or she may be considered to have surrendered the security.
- (3) The Chairman of the meeting may admit or reject a claim for the purpose of voting at the meeting.
- (4) If a distribution to creditors becomes possible during the course of the winding up, the Liquidator will call for formal proof of debt in the form of Form 535.
- (5) This particulars of debt or claim form is for voting purposes only and does not entitle the creditor to a dividend.

When completed please return to:

Attention: Mr Malcolmh Howell or Mr Shaun Rowland
Pattisons
Business Advisors and Insolvency Specialists
Level 14, 461 Bourke Street
Melbourne Vic 3000

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