



Employee FAQ

Third Sector Australia Ltd, trading as Momentum Collective (“the Company” or “Momentum Collective”), entered voluntary administration on 16 October 2025, with Joanne Dunn, John Park, Joseph Hansell and Ben Campbell of FTI Consulting appointed as voluntary administrators (“Administrators”) by the directors of Momentum Collective.

The following FAQ document has been prepared to help you understand the current situation, your rights and what to expect going forward. We will continue to update the FAQ document after the town-hall updates each week.

What does this mean?

The Administrators have taken control of Momentum Collective and with the support of key stakeholders, including management and employees, will continue to operate the business and seek to complete a sale transaction as soon as possible.

Employees of Momentum Collective will remain employees of the business and are expected to continue to perform their duties on a business-as-usual basis, unless otherwise notified by the Administrators.

You remain an employee and creditor until your employment is formally terminated or transferred. Your rights continue to be protected under the *Fair Work Act 2009 (Cth)* and your relevant *Modern Award* (e.g. SCHADS).

How do I know I am going to be paid my wages and superannuation going forward?

The Administrators are required by law to ensure that all amounts they properly incur from the date of their appointment are paid. This includes wages and superannuation incurred during the administration. As the business is intended to continue to operate on a business-as-usual basis, all wages, superannuation and other employee on-costs incurred by the Administrators will be paid by them in the ordinary course of business.

What is the voluntary administration process?

When a business experiences significant financial difficulty, it can be placed into administration voluntarily by the business’ director(s), in line with the *Corporations Act 2001 (Cth)*.

Voluntary administration is a process in which an independent business advisor (who is required to be registered with the Australian Securities and Investments Commission (“ASIC”)) – the voluntary administrator – is appointed to take control of the business, review operations with a ‘clean set of eyes’ in order to explore restructuring options which are likely to maximise the value of the restructured business for the benefit of all stakeholders.

The Administrators role is to assess whether the company can:

1. Continue operating under a restructure,
2. Be sold to another party, or
3. Be wound up (liquidated).

The voluntary administration process also provides the company with some 'breathing space' in relation to creditor claims and allows the administrator the opportunity to consider all alternative options which may be available to maximise the chance of the business' survival.

The Administrators will now undertake the following tasks:

- Complete an urgent assessment of the Momentum Collective business, while the operations continue on a 'business as usual' basis
- Collect information on the debts owed by Momentum Collective to suppliers, employees and other parties
- Pursue a sale of the business, or facilitate an orderly transition of services
- Report to creditors on the progress of the voluntary administration and the options available for Momentum Collective's future
- Hold the first creditors meeting and then a second creditors meeting, where creditors can vote on the future of Momentum Collective and the Momentum Collective business.

In the case of Momentum Collective, a sale process had commenced at the time of the Administrators' appointment but a suitable buyer had not yet been identified. The Administrators will reach out to other parties identified in the sale process and seek urgent expressions of interest to explore all options available in the shortest possible timeframe.

The length of the administration process from appointment to completion is approximately five to six weeks. However, this can be extended should the Administrator consider a longer period of administration is required, although we appreciate the need to complete a sale and secure the future of the business as soon as possible.

Please see the enclosed *ASIC Information Sheet 75 Voluntary Administration: A guide for employees*

Is this the same as liquidation?

No. Voluntary administration is a restructuring step to protect the organisation and its stakeholders.

Why is this happening?

Like many organisations in the Community Services sector, Momentum Collective has faced rising costs, funding delays and increasing compliance demands. Momentum Collective has been actively looking at options to improve performance and financial position.

Despite extensive cost-reduction measures, cash flow pressures have become too tight to safely sustain operations.

The directors of Momentum Collective have therefore determined that Momentum Collective is, or will likely become at some future time, insolvent. As a result, they have placed Momentum Collective into voluntary administration pursuant to the *Corporations Act*. This will allow the Administrators to conduct a review of the Company and investigate its affairs as well as determine the options available to Momentum Collective, including identifying restructuring initiatives available to the business which may enable it to emerge from the administration process in a more sustainable position.

The Administrators will conduct their own enquiries into the reasons why Momentum Collective was placed into administration and report this to all creditors in due course.

What is the intention of the Administrators?

It is the intention of the Administrators to continue to provide services on a business-as-usual basis during the administration process with the assistance of management, employees and other key stakeholders.

The Administrators will, as part of their role and in performing their statutory duties, conduct an urgent review of the business' operations in order to determine the ongoing viability and sustainability of the business, with a view to ensuring the maximum value of the business is preserved for the benefit of creditors, which includes employees.

As advised, the Administrators will be seeking to achieve a sale which may include a restructure of the business, and are seeking to do this as soon as possible, working with management and also utilising the sale process already undertaken and interest received.

The Administrators will report to creditors regarding, amongst other things, the outcome achieved for the business. This report will be provided to creditors prior to a second meeting of creditors. The Administrators may have sold the business prior to this meeting to secure its future or alternatively they may propose a restructure of the business to secure its future, which would be done by proposing a deed of company arrangement ("DOCA"). A DOCA is a formal agreement with creditors for the future of the business and legal entities, to be considered and voted on at the second meeting of creditors. Further information will be provided to employees prior to this occurring.

The Administrators' report to creditors will provide information on the options available for the future of Momentum Collective and the Administrators' recommendation to creditors as to which option they believe is in the best interest of creditors. The options available in relation to the future of the Company are:

- To enter liquidation; or
- Return control of Company to its directors; or
- Enter into a Deed of Company Arrangement if one is proposed.

A DOCA is a proposal under which, amongst other things, creditors may agree that their debt claims are satisfied by a compromised payment rather than payment in full. Under such proposal, creditors will receive a better return overall than if the company was placed into liquidation. If a DOCA proposal is accepted by the majority of creditors, then the agreed claims will be paid in accordance with the DOCA and the company will be returned to directors, with limited or no debts outstanding.

At the second meeting of creditors, all eligible creditors will vote to determine the future of Momentum Collective. The threshold to pass the relevant resolution is over 50% in both number and value attending the meeting either in person or proxy.

The second meeting of creditors usually takes place within 25 business days from the date of the Administrators' appointment, however the date of the meeting is able to be extended by the Administrators with the approval of the Court.

What does this mean for employees?

Employees will remain employees of the business and are expected to continue to perform their duties on a business-as-usual basis unless otherwise notified by the Administrators.

As part of any proposed restructure, it may be necessary to reduce the size of the workforce. Employees impacted by any proposed major changes will be consulted in accordance with the relevant provisions of the enterprise bargaining agreements, *Modern Awards* and the *Fair Work Act*.

Will employees be paid their entitlements?

Entitlements accrued by employees after the appointment of the Administrators:

During the period of the administration, there is no change to any conditions of employment. Entitlements accrued by employees from the date of the Administrators' appointment, including superannuation, will be paid by the Administrators on a business-as-usual basis.

In relation to leave taken during the course of the administration, we advise normal procedures and approval processes should be followed.

Entitlements accrued by employees before the appointment of the Administrators:

Entitlements which were owing to employees as at the date of the Administrators' appointment, (such as annual leave, long service leave, any unpaid wages or TOIL, superannuation etc) will be reviewed by the Administrators to determine the amounts outstanding.

We note, pay in lieu of notice and redundancy only becomes an entitlement owing to employees if that employee is made redundant.

The timing of the payment of these entitlements is dependent on the outcome of the administration. While we will be running a sale process for the business as a going concern, we are presently unable to provide certainty on the likely outcome. Accordingly, we are unable to determine the extent of assets that will be available to meet employee entitlements.

If the assets owned by Momentum Collective are insufficient to pay employee entitlements in full, and the Company enters liquidation, employees are entitled to make a claim with the Federal Government's Fair Entitlement Guarantee ("FEG") Scheme (further detail is included below).

Should it be identified, as part of any restructure, that it may be necessary to reduce the size of the workforce, impacted employees will be able to lodge a claim for their entitlements with FEG (if applicable).

How do I know how much I am owed?

The Administrators will work with Momentum Collective to calculate your entitlements and shortly provide you with a letter confirming the breakdown of amounts owed to you. You will then be able to review and discuss these amounts with the Administrators' team, and lodge a claim for the final amount determined to be outstanding to you.

You can lodge your claim by completing a Proof of Debt Form and emailing it to MomentumCollective@fticonsulting.com. Further guidance on this process will be provided to you from the Administrators.

How long will the administration process take to complete?

The length of the administration process from appointment to completion is likely to be approximately two months, however this may be extended should the Administrators consider a longer period of administration is likely to deliver a better outcome to stakeholders.

The Administrators will assess Momentum Collective's position, consult stakeholders and recommend one of three outcomes: return to the Board, continue under a Deed of Company Arrangement ("DOCA"), or liquidation if no viable path exists.

If I have further questions or want more information, who do I contact?

During the administration, should you have any queries relating to your employee entitlements, or your employment during the administration, please contact the Administrators' team at FTI Consulting on the contact details below:

Email	Number
MomentumCollective@FTIConsulting.com	07 3225 4900

Please include your first and last name in the subject line of any emails sent to the above email address.

What should I tell clients or partners?

Keep it simple and consistent:

"Momentum Collective is in voluntary administration. Services are continuing while the Administrators review the business and work with government on the best path forward."

Refer further enquiries to the Administrator's official contact details (provided above).

Please avoid social media commentary.

Will I be paid the same wage as before the administration?

Yes. While the Administrators do not personally adopt your employment contract, the Administrators will pay wages in accordance with your current contract, award, Enterprise Agreement or other industrial instrument.

Can I claim an employee reimbursement?

If you need to incur an expense in the ordinary course of business, please seek approval in the normal way prior to the expense being incurred.

How certain is my continued employment?

Operations will continue on a business as usual basis, including employment of staff while the Administrators conduct an urgent review of the business and options for the future.

Employees will be provided with updates in relation to this process, as and when the Administrators have completed the assessment.

Will I continue to accrue leave?

If you accrued these entitlements prior to the appointment of the Administrators, yes, you will continue to accrue annual leave, long service leave and sick leave and other entitlements during the administration process.

Can I take my accrued leave now instead of waiting for a payout later?

Staff who had annual leave approved prior to the appointment of the Administrators should speak to their line manager to determine whether their assistance is required. Future leave requests should be submitted to your line manager and will be considered through the normal business process.

Can I apply to take annual leave or long service leave?

Managers will be considering applications for leave on a case by case basis and prioritising the needs of the business and clients. This is in line with business practices prior to the voluntary administration.

Will I receive a redundancy payment if I resign?

No, you are not entitled to any redundancy payment if you resign.

Please note that if employees resign and do not work out their notice period or are otherwise effectively taken to have resigned by not attending work without reason, they will not be entitled to payment of any remaining notice period.

I'm on maternity leave, workers comp, or other authorised leave — what happens?

You remain an employee during the administration unless you are formally terminated. You are still protected under the same laws and entitlements as active employees. If your role is made redundant, you're entitled to the same redundancy, notice, and leave payments as active employees.

What support is available for me?

Momentum's EAP provider will continue to be available for you. We will also be communicating on a regular basis as the next steps become clear.

- Phone: 1800 808 374
- Website: <https://assureprograms.com.au/book-an-appointment/>
- Download the Wellbeing Gateway App (details below) or visit via internet browser <https://wellbeinggateway.com/>
- The Momentum Collective code is MOM2399

During times of change and uncertainty, it is important for you to maintain a routine, take regular breaks and lean into the support of your Manager and Team members.

The following services are available to you and may be helpful through this period:

Support	Contact
Fair Work Ombudsman	13 13 94 – workplace rights
Fair Entitlements Guarantee Hotline	1300 135 040 – unpaid entitlements if Momentum Collective enters liquidation
ASIC	1300 300 630 – insolvency process
Lifeline	13 11 14 – personal support
Union / Legal Aid	For representation or disputes

What is the Fair Entitlements Guarantee Scheme (FEG)?

We will be running a sale process for the business as a going concern, and we believe there will be interest in the business as part of this process, however we are presently unable to provide certainty on the likely outcome. It is possible that a sale process does not allow all claims against Momentum Collective to be paid in full, and/or Momentum Collective may ultimately be placed into liquidation.

In the event that a company goes into liquidation with amounts outstanding to employees, there is a Government scheme available called FEG that assists eligible employees with their outstanding claims.

The FEG Scheme covers up to 13 weeks of unpaid wages, annual leave, long service leave, up to five weeks payment in lieu of notice and up to four weeks redundancy pay (for each year of completed service plus a pro-rata for each part year), subject to certain income limits.

FEG does **not** cover superannuation, bonuses/commissions, reimbursements and allowances outside the relevant award.

More information on FEG will be provided in the event that a company enters liquidation.

Please note only Australian citizens and Permanent Residents are eligible for FEG assistance.

Further information about FEG can be found at <https://www.dewr.gov.au/fair-entitlements-guarantee>.

Employment rights during administration or a business sale

The following is a summary of the legislation framework that protects your rights as an employee during the administration process:

Legislation	Covers
Fair Work Act 2009 (Cth)	National Employment Standards (NES): redundancy, notice, leave, consultation. https://www.fairwork.gov.au/employment-conditions/national-employment-standards
SCHADS Award 2020	Industry-specific rates, allowances, consultation before change.
Corporations Act 2001 (Cth)	Voluntary administration procedures and employee priority as creditors.
Fair Entitlements Guarantee Act 2012 (Cth)	Federal safety net for unpaid employee entitlements after liquidation.
State or Portable Long Service Leave laws	Long service leave accrual and protection across employers.

Legislative and award references

- *Fair Work Act 2009 (Cth)* – ss.117–123 (termination, redundancy), Part 2-8 (transfer of business)
- *Corporations Act 2001 (Cth)* – ss.435A–451E (VA), ss.556, 444DA (employee priority)
- *Fair Entitlements Guarantee Act 2012 (Cth)* – eligibility & claims
- *SCHADS Award 2020* – clauses 8 (consultation), 14 (redundancy)
- *Community Services (Portable Long Service Leave) Act 2010 (NSW)* – portable LSL scheme
- *Long Service Leave Act 1955 (NSW)* – standard LSL entitlements

Frequently Asked Questions - 24 October 2025

Can I apply to take annual leave or long service leave?

Managers will be considering applications for leave on a case by case basis and prioritising the needs of the business and clients. This is in line with business practices prior to the voluntary administration.

Will recruitment continue?

Recruitment activity will be considered on a case by case basis and is only able to proceed if essential for the business needs. Recruitment is underway for some key positions at the moment.

What do I do with invoices received from suppliers?

Please continue to send invoices for amounts outstanding to suppliers via your usual channels, to ensure the finance team can continue maintaining the business's accounts. This includes invoices for goods or services provided prior to 16 October 2025.

Suppliers are asking me when their invoice will get paid. What do I say?

Please direct questions like this to the finance team or FTI directly.

A supplier is asking for payment before they agree to provide goods or services, what do I do?

Forward all the details to FTI, we will arrange trading accounts with necessary suppliers.

I have a novated lease and/or a salary sacrifice arrangement in place, will this continue?

The Administrators have made contact with the appropriate parties to confirm novated leases and salary sacrifice arrangements are to continue with no interruption. If you experience any issues please contact FTI.

If our employment is transferred will our contract contain the same terms?

Yes, employee contracts under transfers of business must be on same or better terms.

When is the first meeting of creditors and do I need to attend?

The meeting will be held virtually on Tuesday 28 October 2025 at 3.00pm (AEDT).

Attendance is not mandatory. If you want to attend we encourage you to register as a creditor, as opposed to as an observer.

Employees do not need to lodge a Proof of Debt form as the FTI team will enter employee claims as the value stated in Momentum Collective's books and records. You must however register via this link <https://forms.office.com/r/gJuHtCgSdS> if you want to attend.

If you have registered, a link to join the meeting will be provided by 1.00pm (AEDT) on the day of the meeting. The email may contain special instructions for voting, if voting is required. Please ensure you read these instructions carefully.

Should referrals, for example from schools, stop during the administration?

Inbound referrals should be advised of the appointment of the Administrators and the business as usual approach to services. You do not need to proactively contact organisations. Be transparent with these parties regarding the voluntary administration and deal with referrals in the same way as you did prior to the administration.

What do I do if I am asked to appear and/or speak at a community event in a few months or even a year's time?

Continue as you would have prior to the administration.

Is there a possibility some programs and services would be transferred before others?

Yes, it is possible programs and services will transfer at different times, particularly if different providers take on different services.

If services were transitioned to other providers, in particular NDIS, is it likely support roles would be transferred?

It is possible. There has been a lot of interest in the NDIS part of the business but we need to continue discussions over the coming weeks.

Tenants are asking whether their tenancies are safe, what do I tell them?

Communicate the business- as-usual messaging and share FTI's Circular to Customers, Support Coordinators and Decision Makers with them. Reassure them certainty surrounding their tenancy is front of mind for FTI, Momentum Collective and government. If they have further questions, please direct them to FTI.

Where can I get a copy of the Circular to Customers, Support Coordinators and Decision Makers?

The Circular is available on the Hub.