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22 July 2020

ALL TRADES QUEENSLAND PTY LTD (ADMINISTRATORS APPOINTED) (“THE COMPANY”)

ACN 115 379 461

CIRCULAR TO EMPLOYEES, STUDENTS AND APPRENTICES

John Park and I, Joanne Dunn were appointed Administrators of the Company on 22 July 2020 pursuant to Section 436A of the *Corporations Act 2001 (Cth) (the Act)*.

I am writing to explain how the appointment of the Administrators affects you. Our appointment means that the powers and authority of the Company’s director has been suspended. Control of the Company’s business, property and affairs now rests with the Administrators.

Ongoing Trading

At this stage, we are continuing to operate the Company’s business as we review its financial position, operations and determine the forward strategy. You will continue to remain employed by the Company to perform your customary duties and responsibilities in accordance with the terms and conditions of your employment contract, as well as other duties and responsibilities which you may be required to perform by either myself or my fellow Administrator (or our representatives) from time to time.

Apprentice arrangements with hosts, and student arrangements will continue on a business as usual basis.

Please note the following regarding your ongoing employment:

- The Company will continue to pay you wages and other applicable entitlements under your contract of employment that are incurred after 22 July 2020 while you continue to work for the Company.
- All employment activities are to be pre-approved by the Administrators, our staff or the Company’s management that have been retained.
- Your contract of employment has not been personally adopted by the Administrators and we do not employ you in our capacity as Administrators. At all times your employment (and any contract of employment) remains with the Company.
- If employees have any particular concerns or issues they wish to raise in confidence you should contact one of our staff directly.

FTI Consulting (Australia) Pty Limited

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As a consequence of our appointment, there may be alternate procedures and processes implemented, including the ordering of goods and services, accepting deliveries and/or other purchasing and operational matters. Please note, without the express authority of the Administrators or our representatives, you must not, nor must you permit anyone else to:

- (i) Place any orders for goods or services;
- (ii) Accept delivery of any goods or services, unless they are the subject of a duly authorised order;
- (iii) Supply any services to customers or dispatch any goods to customers;
- (iv) Enter into any commitments with suppliers or customers;
- (v) Make any compromise or arrangement with any debtor or creditor of the Company, including the allowance of any set-offs;
- (vi) Incur any debts or liabilities in the name of the Company or pledge its assets;
- (vii) Return any goods to suppliers;
- (viii) Make any payments; and
- (ix) Remove any assets from the Company's custody or control.

Every invoice, order for goods, business letter, or other external document must have the words "(Administrators Appointed)" immediately following the name of the Company.

All assets of the Company must be secured against theft.

All known breaches of the law or regulations (e.g. health, safety, hygiene, fire, etc) are to be notified to us in writing immediately.

Unpaid Entitlements

Please note we are not personally liable in relation to your employment prior to our appointment as Administrators.

Employees of the Company have a statutory priority for payment of outstanding entitlements such as wages, superannuation, annual leave and long service leave.

We are reviewing the entitlements owing to employees based upon the Company's records. We will write to you in due course once this review is complete.

Fair Entitlements Guarantee ("FEG") Scheme

In the event that the Company is placed into liquidation, you may be entitled to lodge a claim under the FEG scheme.

Under the FEG scheme, the Australian Government provides financial assistance to cover certain unpaid employment entitlements to eligible employees who lose their job due to the liquidation of their employer. If the Company is placed into liquidation, under the scheme, you may be able to claim for amounts owing for wages, annual leave, long service leave, payment in lieu of notice and redundancy. For further information and details around eligibility you should refer to the FEG website. Details are provided below.

- Website: www.employment.gov.au/feg
- Email: FEG@employment.gov.au
- Telephone: 1300 135 040
- FEG Online: <https://extranet.employment.gov.au/feg>

Where to find more information on Administrations

For more information generally, we have **attached** an ASIC information sheet for employees. Additional information sheets can be obtained at www.asic.gov.au (search for 'insolvency information sheets').

Also **attached** are frequently asked questions which are relevant to employees, apprentices and students.

We appreciate your support for the Company during this difficult time.

Should you have any queries in relation to this matter, please contact this office on (07) 3225 4900 or by email at ATQ@fticonsulting.com.

Yours faithfully



Joanne Dunn

Administrator



All Trades Queensland Pty Ltd (Administrators Appointed) ACN 115 379 461

For Employees, Apprentices & Students

The below frequently asked questions (FAQs) is designed to assist employees, apprentices and students with questions they may have regarding the voluntary administration of All Trades Queensland Pty Ltd (ATQ).

1. Who has been appointed and why?

John Park and Joanne Dunn of FTI Consulting (Australia) Pty Ltd were appointed as Voluntary Administrators of ATQ on 22 July 2020.

The director of ATQ appointed FTI Consulting as Voluntary Administrators after full consideration of ATQ's obligations and its duties to ensure it acts in the best interests of employees, creditors and other stakeholders.

FTI Consulting has been appointed to conduct an independent assessment of the financial position and ongoing viability of ATQ.

2. What is a Voluntary Administration and why is ATQ in Voluntary Administration?

The appointment of Voluntary Administrators allows independent fully qualified individuals to take control of ATQ and to administer the affairs of ATQ in a way that maximises the chances of its business being acquired, or if the business cannot continue, to provide the better return to creditors than if ATQ had been immediately placed into liquidation.

The role of the Voluntary Administrators is to investigate ATQ's affairs, to report to creditors and to recommend to creditors whether ATQ should enter into a deed of company arrangement, go into liquidation, or be returned to the control of its directors.

The future of ATQ will be decided by creditors at the 2nd Meeting of Creditors, which will likely be held late August 2020.

Further information about how a Voluntary Administration works can be found here:

<https://www.asic.gov.au/regulatory-resources/insolvency/insolvency-for-employees/voluntary-administration-a-guide-for-employees/>

3. How long does the Voluntary Administration process take?

Approximately 5 weeks until the 2nd Meeting of Creditors is held to decide the future of ATQ.

4. When will we know what is happening with the future of ATQ?

A report to creditors will be issued prior to the 2nd Meeting of Creditors which will detail the options available to creditors and provide the Administrators' recommendation as to the avenue which will provide the best return to ATQ's creditors. This may be a Deed of Company Arrangement, or Liquidation.

Creditors then vote on the future of ATQ at the 2nd Meeting of Creditors which will likely be held late August 2020.

5. What happens if ATQ goes into Liquidation?

In the event ATQ is sold, and subsequently is placed into Liquidation, employees may have their employment transferred to the buyer. If there is no successful sale or recapitalisation, employees will be terminated and able to claim their entitlements via the Government's Fair Entitlement Guarantee Scheme.

6. How many of ATQ's problems are related to COVID-19

It is too early to say, although it seems the general downturn in economic activity played a role in ATQ being placed into voluntary administration.

7. How will the new JobTrainer scheme impact ATQ?

It is too early to say.

8. How many staff, students and apprentices are currently employed by or train with ATQ?

ATQ employs 50 office staff, 414 apprentices and has 638 active students.

9. Will the Administrators be speaking with Unions?

Yes. The Administrators will liaise with Union representatives to best serve needs of employees, apprentices and trainees.

10. I am an employee of ATQ, do I still show up to work?

Yes. It is business as usual. You are required to undertake your ordinary role.

11. I am an apprentice or student placed with a host, do I still have a job?

Yes. It is business as usual. You are required to turn up to your Host's place of employment and undertake your ordinary role.

12. Will my hosting arrangement change?

No. existing hosting arrangements remain in place.

13. I am a student placed with a host, or am a school based apprentice. What can I tell my employer?

Please tell your host or school to contact FTI Consulting, who will be happy to assist with any queries. Hosts and schools have received separate information concerning the Voluntary Administration and should be aware ATQ is now in Voluntary Administration.

14. My student contribution fees have been paid to ATQ. Can I get a refund or, can I transfer to another provider?

Whilst refunds cannot be processed at this time, it is every apprentice's choice who they wish to do their training with and so you can transfer to another provider should you choose to do so.

15. I am a student, is training still occurring under Voluntary Administration?

Yes. You should attend any training you have scheduled.

16. Will this administration affect apprentices or trainees who are part-way through their qualification?

Our aim is to maximise the prospects of the business continuing and to minimise disruption for apprentices and students. We will keep all apprentices and students updated as the Administration progresses.

17. Will this administration affect businesses currently using All Trades Queensland people?

Our aim is to maximise the prospects of the business continuing. No significant changes to ATQ's trading operations are anticipated in the immediate term.

18. Will there be any changes to pay frequency?

No. Pay runs will continue to be made in the ordinary course.

19. I am currently receiving JobKeeper, will I continue to do so?

Provided you remain eligible for the JobKeeper payment, you will continue to receive JobKeeper payments.

20. I have a salary sacrifice arrangement. Will FTI Consulting continue these arrangements?

Yes. These salary sacrifice arrangements will continue.

21. Is FTI Consulting making my superannuation payments?

The Administrators will be making superannuation payments with respect to wages paid relevant to the period of their appointment.

22. What will happen with our mobile phone accounts and fuel cards?

The Administrators are writing to utility providers to establish accounts and phone numbers held in the name of ATQ.

Any mobile phones or other hardware supplied by ATQ will remain ATQ's property. Should an employee no longer remain employed by ATQ, these mobile phones and fuel cards will need to be returned.

23. I have an ATQ vehicle, can I still use it?

Yes. Should this change, you will be contacted.

24. I need to lodge an expense claim for work related expenses. What is the process?

You are required to obtain approval for workplace expenses ahead of spending those funds. Please obtain prior approval from your direct report.

25. If I was scheduled to take annual leave in the next few weeks, am I able to do so and how will this be treated by the Administrators?

Employees should confirm with their direct reports if their assistance under current circumstances is urgently required. Placed apprentices seeking to take leave should follow the ordinary process to obtain approval for that leave.

Otherwise, employees and apprentices should take any approved planned leave as per normal. FTI Consulting will treat this leave the same as it would be treated in the ordinary course of business.

Any new leave requests are to be approved through the usual process/avenues.

26. If I need to take personal leave, how will this be treated?

Any requests for personal leave should be treated the same as annual leave and is subject to the same policies i.e. medical certificates are required.

27. Will voluntary redundancies be offered to employees?

No. If you resign you will not be entitled to redundancy or payment in lieu of notice payouts.

28. If I resign, or have resigned, will I be paid out my entitlements?

In the event an employee resigns, the Administrators will not pay out any employee entitlements that were owing up to 21 July 2020.

Any unpaid entitlements will rank as a priority claim in the Voluntary Administration and, in the event ATQ is placed into liquidation, the Attorney General's Department via its Fair Entitlement Guarantee Scheme, will attend to payment of these entitlements.

Please note that no redundancy payout will be applicable to any employee in the event they resign in any scenario.

29. What happens to my entitlements if the business is sold or ATQ enters a deed of company arrangement?

If the business is sold, the transfer or payment of your entitlements will be dictated by the terms of any sale agreement.

If a deed of company arrangement is proposed, your entitlements will remain with ATQ and payment is dictated by the terms of the proposal.

30. Who do we contact if we have questions?

Please contact FTI Consulting. FTI Consulting staff will endeavour to respond to your enquiry within two (2) business days.

Phone number	(07) 3225 4900
Email	ATQ@fticonsulting.com

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