

26 August 2010

To Creditors

Dear Sir/Madam

**Sunstate Transport Services Pty Ltd  
(Administrators Appointed)  
ACN: 119 609 835 ("the Company")**

I advise that Brendan Richards and I were appointed Administrators of the Company pursuant to Section 436A of the Corporations Act 2001 ("the Act") on 25 August 2010.

I now control the Company's operations and am assessing the Company's financial position. The Company's directors have been requested to prepare a statement about the Company's business, property, affairs and financial circumstances as at the date of my appointment. I raise the following matters regarding the administration.

#### 1. First Meeting of Creditors

I am required to call a first meeting of creditors within eight business days of my appointment pursuant to Section 436E of the Act. The purpose of this meeting is to provide creditors with an opportunity to:-

- Appoint a Committee of Creditors; and
- Appoint an alternative Administrator, if they so desire.

In this regard, I **enclose** the following documents:

- (a) Notice of Meeting of Creditors to be held on **Monday, 6 September 2010**. Please note that the meeting commences at 10.00am. You should arrive for registration at least 15 minutes prior to the meeting.
- (b) Informal Claim Form for Voting Purposes.

A person is not entitled to vote at the meeting unless they provide particulars of the debt or claim to the Administrators before the meeting. Please note this form is for voting purposes only. All creditors must furnish full details of their claims, indicating whether they rank as secured, preferential or unsecured, and whether they claim title to any goods supplied to the company or any lien over goods in their possession which are property of the company.

- (c) Appointment of Proxy form. The form enables you to appoint a person to act on your behalf at the meeting.

#### BRISBANE

Level 7 145 Eagle Street  
Brisbane QLD 4000 Australia  
GPO Box 838 Brisbane QLD 4001  
phone +61 7 3831 4833  
fax +61 7 3831 3862  
email fhqld@qld.fh.com.au  
www.ferrierhodgson.com

ADELAIDE  
MELBOURNE  
NEWCASTLE  
PERTH  
SYDNEY  
HONG KONG  
JAKARTA  
KUALA LUMPUR  
MANILA  
SHANGHAI  
SINGAPORE  
TOKYO

affiliated through  
Zolfo Cooper  
and  
Kroll Worldwide  
UNITED STATES  
UNITED KINGDOM

25 August 2010



The Informal Claim Form for Voting Purposes and Proxy form should be lodged with this office before the meeting and, in any event, no later than 4.00pm on the day prior to the meeting. Forms can be sent by facsimile on 07 3831 3862 marked to the attention of Katie Bryan or scanned and emailed to [katie.bryan@fh.com.au](mailto:katie.bryan@fh.com.au). However, Corporations Regulation 5.6.36A requires lodgement of the original of the Proxy form with the Administrators' office within 72 hours of lodging the faxed copy.

A publication of the Australian Securities and Investments Commission concerning insolvency information for directors, employees, creditors and shareholders may be downloaded from [www.asic.gov.au](http://www.asic.gov.au).

## 2. Declaration by Administrators

Pursuant to section 436DA(2) and (3) of the Act and the IPA Code of Professional Practice, I enclose the Administrators', 'Declaration of Independence, Relevant Relationships and Indemnities'.

## 3. Trading

The Administrators intend continuing the Company's trading and draw your attention to the following.

### 3.1 Trading Accounts

The Act provides that the Administrators are personally liable for liabilities arising from services rendered, goods bought or property hired, leased, used or occupied during the administration. Please note that the Administrators do not accept liability for any goods purchased or services rendered without

- A purchase order authorised by one or more of the authorised signatories set out in the list accompanying this circular. Please note the authority limits; and
- A Tax Invoice. Where you do not provide a Tax Invoice, I am obliged by law to deduct 48.5% from any payment due and remit the amount to the Australian Taxation Office.

Please open a new account styled Sunstate Transport Services Pty Ltd (Administrators Appointed), addressed to the company's premises and charge future authorised orders to that account. Accounts will be paid in accordance with your usual terms of credit, or other credit terms agreed between you and the Administrators, provided the supply of goods or services has been properly authorised and the invoice value is the amount specified on the authorised order. Invoices submitted for amounts exceeding the authorised amount will only be paid to the amount authorised.

If there are any outstanding or unfulfilled orders placed by the Company prior to my appointment, including those under which there are goods in transit, please contact Bilal Haider of this office (07 3834 9206) to obtain written confirmation that the order should proceed.

25 August 2010



You may be aware that payment of unsecured creditors' accounts as at 25 August 2010, is postponed pending the outcome of the second meeting of creditors (see section 5 below).

### **3.2 Consignment Stock, Retention of Title and Liens/Pledges**

If you supplied consignment stock to the Company, or believe you provided stock subject to a 'Retention of Title' clause, please contact my office as a matter of urgency.

If you claim a lien/pledge over any of the Company's assets, you are asked to set out details of your claim in writing to the Administrators immediately.

### **3.3 Contracts/Agreements**

The Administrators expressly refrain from personally adopting any of the Company's contracts existing at the date of their appointment. All contracts are currently under review. The Administrators will advise the status of contracts as soon as practicable; that is, whether or not they remain on foot.

### **3.4 Property Used but Not Owned by the Company**

In accordance with section 443B of the Act, the Administrators' liability under hire purchase or lease agreements does not commence until seven days after the Administrators' appointment. Further, pursuant to section 440C of the Act, the lessor or owner of property in the Company's control is not entitled to take possession of such property without leave of the Court or the Administrators' written consent.

I will write separately to known lease and hire purchase creditors regarding such assets. Please contact this office if you do not receive my letter.

## **4. Legal Proceedings**

The appointment of Administrators stays a proceeding in a court against the Company. You cannot commence or continue a proceeding against the Company without my written consent or with the leave of the Court.

## **5. Report to Creditors and Second Meeting of Creditors**

The Administrators will prepare a report to creditors under section 439A of the Act which will include details on the Company's business, property, affairs and financial circumstances.

A second meeting of creditors will be held on or before 29 September 2010 unless the Court extends this date. It is at this meeting that creditors will consider the Administrators' report and consider resolutions regarding the Company's future.

25 August 2010



## 6. Administrators' Remuneration

An Administrator may charge fees based on an hourly rate, on a percentage basis, a contingency arrangement or a fixed fee. For the purposes of the Company's administration, the Administrators intend that their remuneration be fixed on the basis of time spent by them and their staff of an appropriate level having regard to the nature and complexity of the work and calculated by reference to the hourly rates set out in the **enclosed** "Schedule of Rates and General Guide to Staff Experience". An hourly rate is appropriate given the nature and complexity of the work, the risks associated with the administration and the skill and expertise of assigned staff.

I estimate fees for the administration of the Company's affairs until the date of the second meeting of creditors to be approximately \$150,000 plus GST and outlays. Please note this is an estimate only and may vary materially given the circumstances of the administration. Also, the estimate assumes no extension to the convening period for the second meeting or any adjournment of that meeting.

Creditors will be asked to consider resolutions concerning the Administrators' remuneration at the second meeting of creditors. My report to creditors will include a remuneration report prepared pursuant to section 449E(5) of the Act setting out full particulars of the Administrators' remuneration.

An information sheet concerning approval of remuneration in external administrations can be obtained from [www.ipaa.com.au](http://www.ipaa.com.au) or through this office.

## 7. Further Information

For further information concerning the voluntary administration process and Ferrier Hodgson, you may wish to visit our website at [www.ferrierhodgson.com](http://www.ferrierhodgson.com). Queries regarding the administration should be directed to **Bilal Haider** of this office.

Yours faithfully

A handwritten signature in blue ink, appearing to read 'Tim Michael', written over the words 'Yours faithfully'.

**Tim Michael**  
**Administrator**

**Corporations Act 2001**

Paragraph 5.6.12(2)(a)

**Sunstate Transport Services Pty Ltd  
(Administrators Appointed)  
ACN: 119 609 835 ("the Company")**

**Notice of First Meeting of Creditors of  
Company Under Administration**

1. Notice is given that on 25 August 2010, the Company, under Section 436A, appointed Brendan Richards and Tim Michael of Ferrier Hodgson, Level 7, 145 Eagle Street, Brisbane, Queensland as the Administrators of the Company.
2. Notice is also given that a meeting of the creditors of the Company will be held at the offices of Ferrier Hodgson, Level 7, 145 Eagle Street, Brisbane, Queensland, on Monday, 6 September 2010 at 10.00am.
3. The purpose of the meeting is to determine:
  - 3.1 Whether to appoint a committee of creditors; and
  - 3.2 If so, who are to be the committee's members.
4. At the meeting, creditors may also, by resolution:
  - 4.1 Remove the Administrators from office; and
  - 4.2 Appoint someone else as Administrator of the Company.

DATED this <sup>26<sup>TH</sup></sup> day of August 2010.

  
**Tim Michael  
Administrator**

Ferrier Hodgson  
Level 7  
145 Eagle Street  
BRISBANE Q 4000

Phone: 07 3831 4833  
Facsimile: 07 3831 3862

**Sunstate Transport Services Pty Ltd  
(Administrators Appointed)  
ACN: 119 609 835**

**Formal Proof of Debt or Claim  
(General Form)**

To the Administrator of Sunstate Transport Services Pty Ltd (Administrators Appointed) ACN: 119 609 835

1. This is to state that the company was \_\_\_\_\_ and still  
on <sup>1</sup> \_\_\_\_\_ is,  
justly and truly indebted to  
<sub>2</sub> \_\_\_\_\_  
of \_\_\_\_\_  
for \_\_\_\_\_ dollars and \_\_\_\_\_ cents.

Particulars of the debt are:

DATE	<sup>3</sup> CONSIDERATION	AMOUNT		<sup>4</sup> REMARKS
		\$	¢	

2. To my knowledge or belief the creditor has not, nor has any person by the creditor's order, had or received any satisfaction or security for the sum of any part of it except for the following<sup>5</sup>:
- 3.<sup>6</sup> I am employed by the creditor and authorised in writing by the creditor to make this statement. I know that the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied.
- 3.<sup>6</sup> I am the creditor's agent duly authorised in writing to make this statement in writing. I know that the debt was incurred and for the consideration stated and that debt, to the best of my knowledge and belief, remains unpaid and unsatisfied.

Dated \_\_\_\_\_ Print Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Occupation \_\_\_\_\_ Address \_\_\_\_\_

See Directions Etc Overleaf for Completion of this Form.

Office Use Only

	Report as to Affairs	Proof Lodged	Held Over	Rejected	Admitted	Liquidator's Initials
Date						
Amount						
EDP						

\* Strike out if inapplicable.

1. Insert date of court order in winding up by court, or date of resolution to wind up, if a voluntary winding up.
2. Insert full name and address of the creditor, and, if applicable, the creditor's partners. If prepared by an employee or agent of the creditor, also insert a description of the occupation of the creditor.
3. Under "Consideration" state how the debt arose, for example "goods sold and delivered to the company between the dates of .....", "monies advanced in respect of the Bill of Exchange".
4. Under "Remarks" include details of vouchers substantiating payment.
5. Insert particulars of all securities held. Where the securities are on the property of the company, assess the value of those securities. If any bills or other negotiable securities held, specify them in a schedule in the following form:

Date	Drawer	Acceptor	Amount	Due Date
			\$           ¢	

6. If proof is made by creditor personally, strike out the 2 paragraphs numbered 3.

### Directions

Requirements relating to annexures are set out in regulation 1.0.06, which states:

- (1) **("Annexure")**  
In this Regulation, "annexure" includes a document that is with a form.
- (2) **(Requirements for Annexures)**  
An annexure to a form must:
  - (a) have an identifying mark; and
  - (b) be endorsed with the words:  
"This is the annexure of (insert the number of pages) pages marked (insert an identifying mark) mentioned in the (insert a description of the form) signed by (insert "me" or "us") and dated (insert the date of signing)"; and
  - (c) be signed by each person signing the form to which the document is annexed.
- (3) **(Numbering of Pages)**  
The pages in an annexure must be numbered consecutively.
- (4) **(Particulars of Annexure)**  
If a form has a document annexed, the following particulars of the annexure must be written on the form:
  - (a) the identifying mark; and
  - (b) the number of pages.

Corporations Act 2001
Appointment of Proxy
Creditors Meeting

Sunstate Transport Services Pty Ltd
(Administrators Appointed)
ACN: 119 609 835

\*I/\*We of a creditor of Sunstate Transport Services Pty Ltd (Administrators Appointed), appoint or in his or her absence

as my/our general/special proxy to vote at the meeting of creditors to be held on 6 September 2010, or at any adjournment of that meeting, to vote on each of the following kinds of resolution:

- a. That in the event that an Administrator is proposed, that the existing Administrators be replaced and (Alternative Appointee) be appointed in their stead.
b. That a committee of creditors be appointed.

DATED this day of 2010.

Signature of individual or person authorised by corporate resolution to represent the of corporation

OR The Common Seal of was hereunto affixed in the presence

Director

Secretary

i If a firm, strike out "I" and set out the full name of the firm.
ii Insert the name, address and description of the person appointed.
iii If a special proxy, add the words "to vote for" or the words "to vote against" and specify the particular resolution.
iv The signature of the member is not to be attested by the person nominated as proxy.
v A corporation may only be represented by proxy or by an attorney appointed pursuant to Corporations Regulations 5.6.28 and 5.6.31A respectively or, by a representative appointed under Section 250D of the Corporations Act 2001. Copy of authority/power of attorney to be annexed.
vi The method of affixing the Common Seal is prescribed in Section 127(2) of the Corporations Act 2001 and, usually, the creditor corporation's constitution.

---

**Certificate of Witness<sup>1</sup>**

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 before he attached his signature or mark to  
the instrument.

DATED this                      day of                      2010.

.....  
Signature of Witness

.....  
Description

.....  
Place of Residence

---

<sup>1</sup> This certificate is to be completed only where the person giving it is blind.



SUNSTATE TRANSPORT SERVICES PTY LTD  
(ADMINISTRATORS APPOINTED) ("THE COMPANY")  
ACN 119 609 835

DECLARATION OF INDEPENDENCE, RELEVANT RELATIONSHIPS AND INDEMNITIES

**Independence**

We, Brendan John Richards and Timothy James Michael, and our firm, have undertaken a proper assessment of the risks to our independence prior to accepting the appointment as administrators of the Company. This assessment identified no real or potential risks to our independence or that of our firm. We are not aware of any reasons that would prevent us from accepting this appointment.

**Relevant Relationships**

We, or a member of our firm, have, or have had within the preceding 24 months, a relationship with:

Name	Nature of relationship	Reasons why not an impediment or conflict
National Australia Bank Limited	From time to time, Ferrier Hodgson undertakes assignments for various financiers including National Australia Bank Limited	Assignments to date for National Australia Bank Limited have not involved the Company, an associate of the Company or a former insolvency practitioner appointed to the Company. Accordingly, there is no impediment or conflict arising in accepting this appointment.

There are no other prior professional or personal relationships that should be disclosed.

**Indemnities**

We have not been indemnified in relation to this administration, other than any indemnities that we may be entitled to under statute.

Dated 24 August 2010

BRENDAN RICHARDS  
ADMINISTRATOR

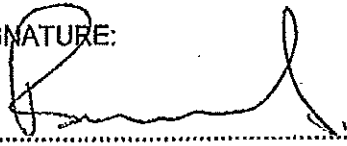
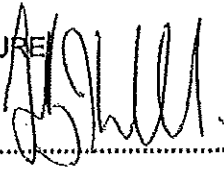

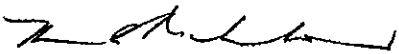
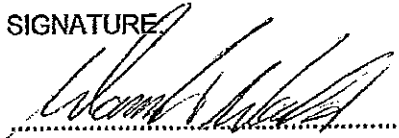
TIMOTHY MICHAEL  
ADMINISTRATOR

**NOTE:** *If circumstances change, or new information is identified, we are required under Section 436DA(5) of the Corporations Act 2001 and the IPA Code of Professional Practice to update this declaration and provide a copy to creditors with our next communication as well as table a copy of any replacement declaration at the next meeting of the Company's creditors.*

SUNSTATE TRANSPORT SERVICES PTY LTD  
(ADMINISTRATORS APPOINTED)  
ACN 119 609 835

AUTHORISED SIGNATORIES

SPECIMEN SIGNATURES

		AUTHORITY LIMIT
NAME: BRENDAN JOHN RICHARDS	SIGNATURE:  .....	UNLIMITED
NAME: TIMOTHY JAMES MICHAEL	SIGNATURE:  .....	UNLIMITED
NAME: MELINDA GORMAN	SIGNATURE:  .....	\$10,000.00
NAME: MICHAEL RICHTER	SIGNATURE:  .....	\$10,000.00
NAME: WARREN WOODS	SIGNATURE:  .....	\$2,000.00



## Ferrier Hodgson (Qld)

### Schedule of Hourly Rates and General Guide To Staff Experience

Classification	Rate (\$) (QLD)	Rate (\$) (VIC)	Experience
Partner/Appointee	535.00	550.00	The Partner/Appointee is a registered liquidator and member of the ICAA and IPAA bringing specialist skills to the administration or insolvency task. For specific experience and other details of the appointee/s, please visit our website at <a href="http://www.ferrierhodgson.com">www.ferrierhodgson.com</a>
Director	470.00	460.00	Generally, minimum of 12 years experience at least 2 years of which is to be at Manager level. University degree; member of the ICAA and IPAA with deep knowledge and lengthy experience in relevant insolvency legislation and issues.
Senior Manager	410.00	410.00	Generally, more than 7 years experience with at least 2 years as a Manager. University degree; member of the ICAA and IPAA; very strong knowledge of relevant insolvency legislation and issues.
Manager	340.00	340.00	Generally, 5-7 years chartered accounting or insolvency management experience. University degree; member of the ICAA and IPAA; sound knowledge of relevant insolvency legislation and issues.
Supervisor	305.00	290.00	Generally, 4-6 years chartered accounting or insolvency management experience. University degree; member of the ICAA; completing IPAA Insolvency Education Program. Good knowledge of relevant insolvency legislation and issues.
Senior 1	250.00	260.00	Generally, 2-4 years chartered accounting or insolvency management experience. University degree; completing the ICAA's CA, program. Good knowledge of basic insolvency legislation and issues.
Senior 2	230.00	230.00	Generally, 2-3 years chartered accounting or insolvency management experience. University degree, ICAA's CA program commenced.
Intermediate 1	180.00	205.00	0 to 2 years experience. Has completed or substantially completed a degree in finance/accounting. Under supervision, takes direction from senior staff in completing administrative tasks.
Intermediate 2	160.00	170.00	0 – 1 year's experience. Undertaking a degree part-time in finance/accounting. Under supervision, takes direction from senior staff in completing administrative tasks.
Senior Secretary	150.00	165.00	Appropriate skills including machine usage.
Computer Operator	150.00	110.00	Appropriate skills including machine usage.
Clerk	110.00	135.00	Non-qualified person but has completed schooling. Classification will depend on experience, salary, whether undertaking a degree and complexity of work to be undertaken.
Junior/Filing	110.00	135.00	Completed schooling and plans to undertake further studies. Required to assist in administration and day to day field work under the supervision of more senior staff.

**Notes:**

1. The hourly rates are exclusive of GST.
2. The guide to staff experience is intended only as a general guide to the qualifications and experience of our staff engaged in the administration. Staff may be engaged under a classification that we consider appropriate for their experience.
3. Time is recorded and charged in six-minute increments.
4. Rates are subject to change from time to time. Disbursements are recovered on the following basis.

<b>Disbursements</b>	<b>Charges (Excluding GST)</b>
Postage	Cost plus 25 cents
Telephone	Local 30 cents per call STD 30 cents per unit IDD 30 cents per 15 seconds Mobile 30 cents per unit
Photocopying	45 cents a copy
Facsimile	Local 30 cents per page STD 40 cents per unit IDD 50 cents per page
Company Search	Cost plus \$10
Stationery	1st File \$40 2nd and Subsequent files \$20
Advertising	At cost
Storage	Cost plus 10%
Couriers	At cost

The Partners of Ferrier Hodgson (Qld) are members of the Insolvency Practitioners Association and follow the IPA Code of Professional Practice.

A copy of the IPA Code of Professional Practice may be found on the IPA website at [www.ipaa.com.au](http://www.ipaa.com.au).