

5 February 2018

**COULSON TILES PTY LTD (ADMINISTRATORS APPOINTED)  
ACN 004 571 528 ("the Company")**

**INFORMATION FOR SUPPLIERS**

I advise that on 1 February 2018, the Company's directors appointed Mr Paul Allen and I as Joint and Several Administrators ("**Administrators**") of the Company pursuant to section 436A of the Corporations Act 2001 ("**the Act**").

The Administrators have assumed control of the assets and trading of the Company. It is the Administrators' immediate intention to continue to trade the business whilst an urgent critical review of its operations and financial position is undertaken.

**1. Existing accounts for goods supplied to the Company**

Would you please close your suppliers' account(s) with the Company effective from 1 February 2018 and forward a statement showing the full amount owing by the Company as at that date as soon as possible. You may be aware that any amount outstanding shall represent an unsecured claim by you against the Company.

If you are a creditor and you are claiming retention of title over goods previously supplied by you to the Company, I request that you notify me in writing immediately enclosing a copy of your registered security interest.

If you are a creditor of the Company, please refer to the *Initial Information for Creditors* provided on <http://www.fticonsulting-asia.com/cip> for additional information regarding the Administration process.

**2. New accounts for goods and services supplied to the Company under Administration**

As the Company's business is continuing to trade, you may be requested to supply goods and services during the course of the Administration.

If you are requested to supply goods or services to the Company from 1 February 2018, please open a new account styled "Coulson Tiles Pty Ltd (Administrators Appointed)" for goods supplied and services rendered at the request and with the authority of the Administrators.

**FTI Consulting (Australia) Pty Limited**

ABN 49 160 397 811 | ACN 160 397 811

Level 16, Bourke Place | 600 Bourke Street | Melbourne VIC 3001 | Australia

Postal Address | GPO Box 538 | Melbourne VIC 3001 | Australia

+61 3 9604 0600 telephone | +61 3 9604 0699 fax | [fticonsulting.com](http://fticonsulting.com)

*Liability limited by a scheme approved under Professional Standards Legislation.*

All accounts for post 1 February 2018 supplies should be sent and addressed to:

The Administrators  
Coulson Tiles Pty Ltd (Administrators Appointed)  
C/- FTI Consulting  
GPO Box 538  
MELBOURNE VIC 3001  
Email: coulson.tiles@fticonsulting.com

Any purchases made or liabilities incurred by the Company with the approval of the Administrators will be paid in accordance with the agreed terms of trade.

Please accept requests by us for goods or services to be supplied to the Company only if they are authorised in writing by either one of the Administrators or one of the two authorised persons whose name and specimen signatures appear in the enclosed schedule.

The Administrators refer suppliers to Section 443A of the Act, which imposes personal liability on the Administrators for any authorised debts incurred by the Company during the Administration period, including for goods supplied or services rendered.

**Note: The Administrators will not be held liable for goods and services provided that have not been authorised by them or their authorised persons.**

We therefore recommend that, should you be unsure whether an order has been duly authorised, you contact this office to confirm authorisation, prior to supplying any goods or services to the Company.

### 3. Additional Information

#### 3.1 No Adoption of any Contracts or Assumption of Liabilities of the Company by the Administrators

The Administrators are not personally adopting, and will not adopt, any agreement or contract that you may have with the Company. The Administrators will not be liable for any liability of the Company under any agreement or contract with you.

Any payments made by the Administrators for any goods or services does not constitute, nor in any way imply, adoption of any contract or an assumption of any liability of the Company by the Administrators.

#### 3.2 Existing Debts and Claims Cannot be Paid by the Administrators

The Administrators cannot pay any creditor's debts or claims that arise from circumstances or arrangements that were in place with the Company before the Administrators' appointment. Payment of these amounts will depend on the outcome of the administration.

### 3.3 No Set-Off Against Pre-Appointment Debts or Claims

Any amounts due from you to the Company must not under any circumstances be set-off against amounts due from the Company to you.

### 3.4 Protection of Company Property and General Restrictions on Third Party Rights During the Administration, including leased assets

Without leave of the Court, or the Administrators' written consent:

- A proceeding in a court against the Company or in relation to any of its property cannot be begun or proceeded with;
- Except for perishable property – owners, lessors and creditors with security interests in the Company's property, cannot enforce their security interest, sell any such property they hold, and are not entitled to take possession or otherwise recover such property; and
- No enforcement process in relation to property of the Company can be begun or proceeded with.

### 3.5 Liens

If you are claiming a lien over any assets of the Company you are requested to forward details of your claim to the Administrators' office.

### 3.6 Third Party Assets

If any assets are located at the trading premises or otherwise in the possession of the Company which you claim are owned by you, please provide full details to this office.

### 3.7 Other Security Interests

If you are a creditor and you are claiming a security interest in any assets in the possession of the Company (such as a retention of title over goods previously supplied by you), I request that you notify me in writing immediately.

*See sections 440B to 440F of the Corporations Act 2001 for further details.*

## **Way Forward**

As indicated, the Company is continuing to trade whilst the Administrators undertake an urgent critical review of the Company's operations and financial position to confirm it is possible to continue to trade during the voluntary administration. That review will also consider the key issues



that will impact and the options available for the Company and therefore its stakeholders, beyond the short term.

It is the Administrators' experience and view that being able to continue to trade maintains and maximises the options for a company and therefore its creditors and other stakeholders. An immediate close down will limit or eliminate certain options, for example, to potentially offer creditors a return on their debts from profits from ongoing future trading.

The Company's ability to continue to trade hinges on having the support of its existing creditors and suppliers, together with other stakeholders including customers, employees, financiers and lessors. Such support can take many forms but critically includes existing suppliers and creditors being willing to continue to supply the Company on the most favourable trading terms possible.

A restructure plan implemented through a Deed of Company Arrangement is one of the options the Administrators will explore with the existing Directors and Shareholders. At this stage it is not possible to predict if such a restructure is possible and what form it may take, and thus how, when and to what extent the claims of creditors that exist against the Company as at the appointment of the Administrators are addressed. Other possible options, such as a sale of the business, will also be explored.

Any restructure plan and proposal, together with other options and the results of the Administrators' investigation into the affairs of the Company, will be outlined and conveyed to creditors as soon as possible, and ahead of the second meeting of creditors.

The Administrators are committed to working with you and all other stakeholders to find the best outcome for the Company and to ensure that minimal disruption arises from our appointment as Administrators of the Company. Your ongoing support during the Administration is appreciated.

If you have any queries please contact the Administrators' office on (03) 9604 0600 or via email at [coulson.tiles@fticonsulting.com](mailto:coulson.tiles@fticonsulting.com).

Yours faithfully  
**Coulson Tiles Pty Ltd**  
**(Administrators Appointed)**



**Ross Blakeley**  
**Administrator**

Enc.

Schedule Specimens of Authority Signatures

Name	Authority Limit	Signature
Ross Blakeley	Unlimited	
Paul Allen	Unlimited	
Drew Forbes	\$10,000	
Andrew Clowes	\$10,000	