

26 October 2017

Our Ref: PYP_457365.0003r4

CIRCULAR TO CREDITORS AND EMPLOYEES

Dear Sir/Madam

**RE: SurfStitch Group Limited (Administrators Appointed) ACN 602 288 004 ('SGL')
SurfStitch Holdings Pty Limited (Administrators Appointed) ACN 601 114 603 ('SHPL')
(‘the Companies’)**

John Park, Quentin Olde and Joseph Hansell were appointed Administrators of SurfStitch Group Limited and SurfStitch Holdings Pty Limited on 24 August 2017 pursuant to Section 436A of the *Corporations Act 2001 (Cth)* ('the Act').

On 20 October 2017 the Administrators filed an application pursuant to Section 447A of the Act in the Federal Court of Australia to seek relief from personally liability from an undertaking provided to a third party for the repayment of money borrowed by SurfStitch Pty Ltd ACN 141 251 443 ('SSAU'). SSAU is a wholly owned subsidiary of SHPL and is not subject to any form of Administration.

Justice Markovic of the Federal Court of Australia made an order providing relief to the Administrators as per the *attached Court Order.

Should creditors wish to obtain previous reports or a proof of debt form, they can be downloaded via our website link below:

Website Access: <http://www.fticonsulting-asia.com/cip/surfstitch-group-limited>

Password: 457365.SGL

Should you have any queries please contact Paris Parasadi on (07) 3225 4900 or surfstitch_enquiries@fticonsulting.com.

Yours faithfully

FTI Consulting



**Joseph Hansell
Administrator**



Federal Court of Australia
District Registry: New South Wales
Division: General

No: NSD1842/2017

**IN THE MATTER OF SURFSTITCH GROUP LTD (ADMINISTRATORS
APPOINTED)**

**JOHN RICHARD PARK; QUENIN JAMES OLDE & JOSEPH RONALD HANSELL
IN THEIR CAPACITIES AS JOINT & SEVERAL ADMINISTRATORS OF
SURFSTITCH GROUP LTD (ADMINISTRATORS APPOINTED) ACN 602 288 004
Plaintiff**

ORDER

JUDGE: JUSTICE MARKOVIC
DATE OF ORDER: 20 October 2017
WHERE MADE: Sydney

THE COURT ORDERS THAT:

1. The originating process filed on 20 October be made returnable instanter.
2. Until further order, pursuant to s 37AF of the *Federal Court of Australia 1976* (Cth) (**Federal Court Act**), and on the grounds set out in s 37AG(1)(a) of the Federal Court Act, the affidavit of John Richard Park sworn 19 October 2017 and the exhibit thereto marked JP-1 be marked "confidential" and not be published, disclosed to or accessed by any person except pursuant to an order of the Court.
3. Pursuant to s 447A of the *Corporations Act 2001* (Cth) (**Corporations Act**), Part 5.3A of the Corporations Act is to operate such that if:
 - a. the plaintiffs are liable for debts incurred in respect of the repayment of money borrowed by Surfstitch Australia Pty Ltd under the sale proceeds undertaking dated 5 October 2017 (**Undertaking**);
 - b. the indemnity of the plaintiffs under s 443D of the Corporations Act out of the property of Surfstitch Group Ltd (Administrators Appointed) ACN 602 288 004 and Surfstitch Holdings Pty Ltd (Administrators Appointed) ACN 601 114 603 (**Companies**) is insufficient to meet any amount for which the plaintiffs are liable under the Undertaking,



then the plaintiffs will not be personally liable to repay any such amount to the extent of that insufficiency.

4. The plaintiffs' costs of and incidental to this application be costs and expenses in the administration of each of the Companies and be paid out of the assets of each of the Companies.
5. The plaintiffs, within seven business days of the making of these orders, are to take all reasonable steps to give notice of these orders to the creditors of the Companies (including persons claiming to be creditors) and to the lender by means of a circular:
 - a. to be sent by email transmission to creditors for whom the plaintiffs have a current email address; or
 - b. to be sent by ordinary post to creditors to creditors for whom the plaintiffs have only a postal address.
6. Any person who can demonstrate sufficient interest (including any creditor of the Companies) for the purpose of modifying or discharging Orders 2 to 4 above shall have liberty to apply on giving all other interested parties not less than 3 business days' notice.

Date that entry is stamped: 20 October 2017

Michael Sinden
Registrar