

Frequently Asked Questions - Employees

27 April 2023 – Update #2

Question & Answer

1 What happens to the Companies now?

The Liquidators have taken control of the Companies. The director and the officer(s) of the Companies are no longer managing the Companies' affairs. It is the Liquidators role to thoroughly investigate the affairs of the Companies and report back to creditors on the Companies' business, property, affairs and financial circumstances, and the likelihood and timing of a distribution to creditors (if any).

2 What is the Liquidator's role?

The Liquidator's role, broadly speaking, includes:

- Realising assets of the Companies for the benefit of creditors;
- Providing information to creditors on the status of the liquidation and what happened to the business of the Companies prior to our appointment;
- Investigating the affairs of the Companies and reporting to ASIC and creditors on same; and

Complying with various statutory requirements.

3 What happens to my employment?

Employees of the Companies have on appointment had their employment terminated as the Companies have ceased to trade. All employees will now become creditors in the liquidation and will be able to submit a claim for the balance of their outstanding employee entitlements.

Certain staff have been retained in the short term to assist with winding up the businesses. Unless you have been notified that you are a retained staff member.

4 What will happen to my outstanding wages and entitlements?

All unpaid wages, superannuation and accrued leave entitlements outstanding at the date of liquidation will become a debt in the liquidation.

There is a government scheme called the Fair Entitlements Guarantee Act ("FEG") (FEG website: <https://www.dewr.gov.au/fair-entitlements-guarantee>). FEG assists employees who have lost their employment due to the liquidation of their employer and who are owed certain employee entitlements.

5 **UPDATED – Does FEG cover outstanding superannuation?**

Outstanding superannuation is not covered by FEG. The Australian Taxation Office (“ATO”) will lodge a claim on behalf of former employees for the balance of outstanding superannuation.

Should sufficient funds be recovered in the liquidation to enable a distribution to priority creditors, these funds will be paid to the ATO and subsequently distributed to the superannuation funds of former employees.

6 **UPDATED - Will we be provided with a detailed breakdown of our entitlements, set out under various headings such as accrued annual leave and accrued long service leave? If so, when will this occur?**

All former employees of the Companies will have now received a letter enclosing a breakdown of their outstanding entitlements as at 31 March 2023.

The entitlements listed within these letters are based on an initial review of the Companies books and records. This is not a letter confirming that payment of your entitlements will be made imminently and is not the liquidator’s final adjudication of your claim.

We have subsequently received updated records from the Companies which have confirmed that the Companies have not paid superannuation to former employees for the March 2023 quarter. This is not surprising, as the quarterly superannuation for the March quarter was not due to be paid by the Company until 28 April 2023. Noting this, we will send employees a personal email which includes details of your outstanding superannuation.

Should you dispute the superannuation entitlements listed in the email, we ask that you respond noting the superannuation you believe you are owing. We will collate this and attach this to Schedule B of your letter (if applicable).

Please note that any dispute of your outstanding entitlement letter **does not impact** your ability to lodge a claim with FEG. If you are yet to contact FEG in relation to your outstanding entitlements owing, please refer to the contact details listed below:

- Website - <https://www.dewr.gov.au/fair-entitlements-guarantee/resources/what-assistance-can-feg-provide-fact-sheet>
- Phone – 1300 135 040

7 **UPDATED – When will I receive payment of my outstanding entitlements?**

The previously issued entitlement letter provides you with a breakdown of your entitlements based on our initial review of the Companies books and records. This is not a letter confirming that payment of your entitlements will be made imminently and is not the liquidator’s final adjudication of your claim.

This letter will assist you in quantifying and lodging your claim with FEG for the balance of your outstanding entitlements. Once your claim has been lodged with FEG they will review the information you have provided and in conjunction with discussions with our office will adjudicate on your claim.

Any distribution from FEG will be contingent on FEG’s adjudication of your claim. We are unable to provide an estimate on the timing of distributions from FEG however we note that FEG aims to process claims within 16 weeks of an effective claim being made. This is a general guideline as claims sometimes do take longer where there are difficulties in calculating entitlements, complexities in the claim assessment or during periods of high demand for FEG assistance.

Should you require an update in relation to the status of your FEG claim, please contact the FEG hotline on 1300 135 040.

8 **UPDATED - What do I do if I still have a company phone, iPad, computer, motor vehicle or any other items?**

If you are still in possession of any company equipment you should contact our office via pdhgroupemployees@au.gt.com as soon as possible to arrange the return of these items.

Motor Vehicles

All motor vehicles used by the PDH Companies are subject to pre-appointment leases with LeasePlan/SG Fleet Group and are not owned by the Companies.

LeasePlan have arranged for Pickles Auctioneers to assist in the recovery of these motor vehicles. All motor vehicles should be returned immediately to either of the Pickles locations below:

- Pickles Victoria: 41- 45 McIntyre Road, Sunshine VIC 3020
- Pickles Queensland: 14 Tapnor Crescent, Brendale QLD 4500

Should you be unable to attend the above locations, please contact Pickles on 1300 052 392 to organise the collection of the vehicle from you. Other than to return a leased vehicle to Pickles, as advised above, employees should not be driving leased vehicles unless authorised.

iPad/Laptop

All iPads and Laptops of the Companies are to be returned as a matter of urgency to allow these to be reset by the IT team.

Once this has occurred, we will be able to offer former employees the opportunity to purchase these items. Further correspondence will be issued in relation to these assets shortly.

Phones

We are offering former employees the opportunity to purchase their phones as well as transfer their mobile number to their personal Telstra account should they wish to do so.

Should you wish to purchase your phone or transfer your number, we ask that you email pdhgroupemployees@au.gt.com with the following information:

- the make and model of your mobile phone; and
- your telephone number.

Upon receipt of this information, we will advise of the purchase price for this phone and can liaise with the IT team to provide the necessary documentation to assist in the transfer of your phone number.

Note: If your employment with the Companies is continuing, please disregard the above information as you are required to retain this equipment to assist in your continuing employment.

9 **UPDATED - What communication will I receive as a creditor?**

The Liquidators issued our first notification to creditors on 18 April 2023. This notification is available for download via the online creditor's portal below:

- <https://gt.creditors.accountants/Job/Details/3700>

The Liquidators will write to you again within three (3) months of our appointment advising whether a dividend is likely and updating you on the progress of investigations.

We may also send you updates on the progress of the liquidation or proposals to approve certain matters in the liquidation at any time. It is unlikely that we will hold a meeting to communicate with creditors unless we believe it is in the interests of creditors.

10 **UPDATED - What happens next?**

The Liquidators investigations and realisation of assets of the Companies is continuing. A report providing an update on the progress of the liquidation will be issued to all creditors within three (3) months from the date of liquidation.

11 **UPDATED - What should I do right now?**

1. Contact FEG to lodge a claim for the balance of your outstanding entitlements if you have not done so to date. Await further correspondence from FEG regarding the adjudication of your claim as they may request further supporting documentation to assist in the adjudication of your claim.
2. Contact our office at + 61 3 8663 6700 if you still have company equipment in your possession and arrange for the return of same as soon as possible.
3. Read our regular updates for stakeholders on our dedicated web pages at <https://www.granthornton.com.au/creditors-information/creditors-information-n-t/pdh-group-pty-ltd/>, and our statutory report to creditors which will be available for download within three (3) months from the date of liquidation, or by no later than 30 June 2023.

Send any questions you have which have not been answered in this document to Grant Thornton at pdhgroupemployees@au.gt.com. We will endeavour to respond to these queries within three (3) business days however we seek your patience whilst we undertaken our investigations and efforts to look at all options for the benefit of creditors.
