

## **ISG MANAGEMENT CLASS ACTION**

### **Mutch v ISG Management Pty Ltd**

#### **IMPORTANT UPDATE TO GROUP MEMBERS**

The Federal Court of Australia has granted Shine Lawyers permission to use your details to communicate with you about the following important updates:

- ISGM's liquidation and the impact on the class action
- Your potential entitlements through the liquidation process
- Your potential entitlement to access the Commonwealth Government's FEG Scheme, if eligible
- How Shine Lawyers can assist
- Alternative options that are available to you.

If you have any questions regarding this notice, or require any assistance in completing the relevant forms, please contact our ISGM Class Action team on [1800 325 172](tel:1800325172) or email [isgmlegal@shine.com.au](mailto:isgmlegal@shine.com.au).

#### **ISGM's LIQUIDATION AND THE IMPACT ON THE CLASS ACTION**

1. On 1 July 2021, ISGM, its parent company, Tandem Corporation and a number of related companies were placed into voluntary administration by their directors.
2. Arising from the voluntary administration, on 7 July 2021, the Federal Court of Australia ordered that the present court orders, for the preparation of the hearing of the class action, be suspended.
3. On 29 July 2021, the administrators held a first meeting of creditors and released their report. The report set out the results of the administrators' preliminary investigations into the affairs of ISGM, and the options available to creditors of ISGM. A copy of the report and other material can be accessed via the website <https://www.mcgrathnicol.com/creditors/tandem-group>.
4. On 5 August 2021, the administrators held a second meeting of creditors. At the meeting, a vote of creditors took place, resulting in the relevant companies including ISGM, being placed into liquidation (meaning its assets will be 'realised' for the benefit of creditors and the company will be 'wound up'). Matthew Caddy and Keith Crawford of McGrathNicol were voted to be appointed as Joint and Several Liquidators.
5. On 5 November 2021, the liquidators released their statutory report to creditors. The purpose of the report is to provide creditors with an update on the progress of the liquidation and advise of the likelihood of a dividend being paid in the liquidation. A copy of the report and other material can be accessed via the website <https://www.mcgrathnicol.com/creditors/tandem-group>.

## **POTENTIAL GROUP MEMBER ENTITLEMENTS THROUGH THE LIQUIDATION PROCESS**

6. As a group member in the ISGM Class Action, you are considered a creditor and have the opportunity to submit your claim to the liquidators for consideration in the distribution of any payments the liquidators may determine to make.
7. In order to have your claim considered by ISGM's liquidators, you must submit a Proof of Debt to substantiate your claim. By submitting a Proof of Debt, you will make your claim known to the liquidator, and become entitled to receive information and updates, including reports about the affairs of the company, the progress of the liquidation and the options available to creditors.

## **POTENTIAL ENTITLEMENT TO THE FAIR ENTITLEMENTS GUARANTEE (FEG) SCHEME**

8. Separate to the Proof of Debt claim discussed above, Shine Lawyers has also been considering the application of the Commonwealth Government's Fair Entitlements (**FEG**) Scheme.
9. The FEG Scheme provides financial assistance to cover unpaid employment entitlements to eligible employees who lose their job due to the liquidation or bankruptcy of their employer.
10. As a group member, you may be eligible to access the FEG Scheme if you provided services to ISGM **between 1 January 2021 and 30 June 2021**.

## **HOW SHINE LAWYERS CAN ASSIST**

11. Shine Lawyers can represent you in the liquidation process as well as assist you in completing the FEG Scheme application (if eligible).
12. As mentioned above, if you meet the eligibility requirements mentioned above, you may submit an application for financial assistance to cover unpaid employment entitlements. The FEG application process also requires that applicants meet certain criteria, file mandatory information and documentation as well as have taken particular steps prior to lodging an application. Shine Lawyers can assist you with this process at no cost to you.
13. If FEG and/or the liquidator do not accept group members' claims, we may decide to appeal that decision to a higher court on behalf of group members. If this happens, we may at that stage offer to enter into a retainer and possibly a funding agreement with you in respect of the legal costs that will be incurred in obtaining a court determination on the proof of debt and/or FEG claim. We will advise you about that in due course.
14. For now, if you would like Shine Lawyers to assist you to lodge a proof of debt and FEG claim, please visit our website at <https://ISGMclassaction.shine.com.au/Registration> and electronically complete the following:
  - a. A short questionnaire, which will enable us to calculate your claim to insert in the Proof of Debt, as well as determine whether you are potentially eligible to access the FEG Scheme; and

- b. An Authority Form, whereby you give Shine Lawyers authority to represent you in the liquidation process and assist you with the FEG Scheme application (if eligible).
15. You will not be liable for any costs and charges by completing the above forms which you can access via <https://ISGMclassaction.shine.com.au/Registration>.
16. We ask that you complete the Questionnaire and Authority form by **Wednesday, 15 December 2021**.

#### **ALTERNATIVE OPTIONS THAT ARE AVAILABLE TO YOU**

17. Alternative to the above, you have the option to:
- a. Speak with an independent solicitor to discuss obtaining legal assistance in lodging a Proof of Debt with the liquidator or to access the FEG Scheme;
  - b. Contact the liquidators directly to obtain a copy of the Proof of Debt Form which you can complete and submit yourself without legal assistance; and
  - c. If eligible, lodge a claim to access the FEG Scheme with the Attorney-General's Department yourself, without legal assistance.

#### ***Can I do nothing?***

18. You also have the option to do nothing. If you choose this option, your claim will not be considered by the liquidator and you will not receive payment for any claim you may be entitled to. Further, should you choose to not lodge an application seeking to access the FEG Scheme (if eligible) you will also not receive any entitlement.
19. If you do nothing you will not face any adverse consequences or be bound by any determination by the liquidator or the Attorney-General's Department in respect of other group members.
20. **It is important to note that there are strict timeframes applicable to lodging a claim with the liquidator and making an application to access the FEG Scheme. In this case we have assessed that all applications to access the FEG Scheme must be lodged by 1 July 2022. Any delay beyond this could potentially result in either claim being refused on the grounds that it was lodged 'out of time'. If you have any questions regarding these time frames (or any other relevant matter) we recommend you contact us, or seek independent legal advice from your own solicitor.**
21. As mentioned above, if you would like Shine Lawyers' assistance through the liquidation process and/or FEG process (if eligible), to avoid lodging your claim out of time, we ask that you complete the forms by **Wednesday, 15 December 2021**. The forms can be accessed at <https://ISGMclassaction.shine.com.au/Registration>.
22. If you have any questions regarding this notice, or require any assistance in completing the relevant forms, please contact our ISGM Class Action team on [1800 325 172](tel:1800325172) or email [isgmlegal@shine.com.au](mailto:isgmlegal@shine.com.au).