

NOTICE TO CREDITORS AND CUSTOMERS WHO HAVE LODGED A PROOF OF DEBT

20 January 2021

Dear Sir/Madam

RE: STA Travel Pty Limited (In Liquidation)
ACN 004 801 512
(referred to as 'the Company' or 'STA Travel')

1. Preliminaries

I refer to the appointment of Tim Norman and myself as Joint & Several Administrators and subsequently Joint & Several Liquidators of the Company on 21 August 2020 and 25 September 2020 respectively.

This Notice is to be read in conjunction with our Report to Creditors pursuant to Section 70-40 of the Insolvency Practice Rules Corporations 2016 (Cth) (IPR) dated 29 December 2020 (**Statutory Report**); our Report to Creditors pursuant to Section 75-225 of the IPR dated 17 September 2020 and our Notice to Customers – Update 3 dated 28 October 2020 which are available at www.deloitte.com/au/STATravelAU.

2. Expectation of dividend to creditors and customers

As outlined in our Report to Creditors dated 29 December 2020, our investigations indicate there are insufficient realisable assets to enable payment of a dividend to unsecured priority creditors; unsecured creditors and customers of the Company as outlined in the table below:

Class of creditor	Optimistic dividend	Pessimistic dividend
Unsecured priority creditors (employees)	Nil	Nil
Unsecured creditors (including customers)	Nil	Nil

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Please note the above analysis excludes the refunds recovered by the Liquidators which is discussed in Section 5.2.2.3 – ‘Customer ‘refund’ monies of STA Travel recovered as at 30 November 2020’ of the Statutory Report.

We are currently reconciling these funds which have been received from multiple travel providers. Impacted customers will be notified in the first quarter of 2021 regarding customer refunds received by the Liquidators and any subsequent distribution process which will be subject to an application to the Court seeking directions on this matter (referred to as the ‘**Court Application**’). Please note that this has been a complex and difficult reconciliation process, involving a large number of third parties and involved a substantial amount of work and time.

3. Lodgment of Proof of Debt with the Liquidators office

As outlined in Section 2 of the Notice, there are currently insufficient realisable assets to pay a dividend to creditors.

Creditors including customers that have lodged a Proof of Debt with the Liquidators office do not need to take any further action at this time.

Should the Liquidators require any further information from creditors including customers regarding their claim(s), an update will be provided by the Liquidators office accordingly.

4. Other avenues for customers seeking compensation

In our Notice to Customers – Update 3 dated 28 October 2020, customers were advised that they might be eligible for a chargeback via their financial institution subject to the relevant scheme rules.

Customers should be aware that it is our understanding that under the relevant scheme rules, a chargeback can be denied by the end merchant where customers are able to either receive the good or service that they paid for, or receive a refund for same.

Given this, we strongly encourage customers to contact the relevant airline, land or tourism operator prior to making a chargeback request.

Customers are also encouraged to check the terms and conditions of any travel insurance they may have purchased as part of their travel arrangements.

5. The business of STA Travel is closed

The business of STA Travel is closed and all staff have been made redundant.

Customers are advised that STA Travel was agent for the respective travel providers, not the supplier of travel services. It is our understanding that in accordance with STA Travel’s terms and conditions, flights and other services are provided by the travel provider on the travel providers’ respective terms and conditions. As a result, it is considered that travel providers are generally responsible for all aspects of the services booked, including re-bookings, cancellations and delays. Refunds relating to flights are governed by the travel providers’ respective terms and conditions and fare rules for the specific fare.

We appreciate that this is a stressful and difficult time for those impacted by the Company’s collapse. We also appreciate that thousands of customers are continuing to seek clarity about how they are directly impacted.

Unfortunately, the Liquidators are unable to assist customers with their individual enquiries regarding the status of their booking as these are held with third parties. **We strongly encourage those with bookings to contact the third party airline and / or tour operator.**

COVID-19 continues to significantly impact the leisure, tourism and hospitality sectors with many travel providers operating at a reduced capacity which is causing delays in attending to customer enquiries and the processing of refunds (where applicable).

6. STA Travel Liquidation webpage

We appreciate your patience as we work through these issues and will continue to update customers and creditors at www.deloitte.com/au/STATravelAU.

7. Disclaimer

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Yours faithfully



Jason Tracy
Joint and Several Liquidator