

Our Ref: Perth 489050.0001/013/SS

9 June 2022

INITIAL INFORMATION FOR CREDITORS

ZADNIK COMMERCE PTY LTD (IN LIQUIDATION)

ACN 649 206 002

("THE COMPANY")

The purpose of this document is to provide you with information about the liquidation of the Company and your rights as a creditor.

Notification of appointment

On 30 May 2022, the member of the Company resolved to wind up the Company and Daniel Woodhouse and I were appointed joint and several Liquidators of the Company.

A copy of our Declaration of Independence, Relevant Relationships and Indemnities ("DIRRI") is **attached** at Appendix A. The DIRRI assists you to understand any relevant relationships that we have, and any indemnities or upfront payments that have been provided to us. We have considered each relationship and it is our opinion that none of the relationships disclosed in the DIRRI result in a conflict of interest or duty or affect our independence.

What is a Creditors' Voluntary Liquidation?

A creditors' voluntary liquidation is a liquidation initiated by the Company in circumstances where it insolvent, as it is unable to pay all of its creditors as they fall due.

According to the Company's records, you may be a creditor of the Company.

Information regarding the liquidation process is contained in the Australian Securities and Investments Commission ("ASIC") information sheet **attached** at Appendix B titled *"Insolvency information for directors, employees, creditors and shareholders"*.

What happens to your debt?

All creditors of the Company are now creditors in the liquidation. As a creditor, you have certain rights, although your debt will now be dealt with in the liquidation.

FTI Consulting (Australia) Pty Limited

ABN 49 160 397 811 | ACN 160 397 811

Level 47 | Central Park | 152-158 St Georges Terrace | Perth WA 6000 | Australia

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Liability limited by a scheme approved under Professional Standards Legislation.

In the event that there are monies to be distributed to creditors in the future, you will need to submit a formal proof of debt form, which is **attached** at Appendix C. A proof of debt is also used for voting purposes at any meetings of creditors.

If you have leased the Company property, have a retention of title claim or hold a Personal Property Security in relation to the Company, please contact my office as soon as possible. Further information is **attached** at Appendix D.

Your rights as a creditor

Information regarding your rights as a creditor is provided in the information sheet included at Appendix E.

We wish to draw to your attention the special right to request a meeting in the first 20 business days of a creditor's voluntary liquidation. If we receive a request for a meeting from at least 5% of known creditors that are not a related entity of the Company, we are required to hold a meeting, as long as the request is reasonable. The details of whether a request is reasonable or not is included in the information sheet at Appendix E.

Summary of the Company's affairs

We received a Report On Company Activities and Property Part A ("ROCAP Part A") from the Company's director on 2 June 2022. A summary of the Company's affairs prepared from the information contained in the ROCAP Part A is **attached** at Appendix F.

We will advise regarding our investigations into the Company's affairs and assets in our next report.

Presentation of Summary of Affairs of a Company (Form 509) and Listing of creditors

We have **attached** at Appendix G a list of creditors, including their addresses and the estimated value of their claims, as disclosed in the records of the Company. Any creditors related to the Company are identified. We are required to provide this information to creditors under law.

Also **attached** (as Appendix H) is the Presentation of Summary of Affairs of a Company (Form 509).

Update on liquidation to date

We have met with the Company's director to discuss the Company's financial affairs and the circumstances surrounding the Company being wound up.

Given the duration of our appointment, our investigations into the Company's affairs are at a preliminary stage and are progressing. Notwithstanding, at this stage we understand:

- the Company operated a business selling primarily, cream chargers to customers;

- the Company had been involved in legal action since mid 2021, wherein another company, Zadnik Ecom Pty Ltd and that company's director, were pursuing a claim against the Company and its director and shareholder, for amongst other things, breach of director duties resulting in loss and damage; and
- The Company had been unable to settle the claim and as a result, the Company's director determined that the Company was insolvent or likely to become insolvent and resolved to place it into liquidation.

As detailed in the Form 509, there are residual assets remaining to be realised in the Company's liquidation, which the Liquidators are seeking to sell. Details of sale, if any, will be provided to creditors in future reports.

What happens next?

We will proceed with the liquidation, including:

- recovering and selling any available property;
- investigating the Company's affairs; and
- reporting to the corporate regulator, ASIC.

If we receive a request for a meeting that complies with the guidelines set out in the creditor rights information sheet, we will hold a meeting of creditors.

We will write to you within three months of our appointment advising whether a dividend is likely and update you on the progress of our investigations.

We may write to you again after that with further information on the progress of the liquidation.

Costs of the liquidation

Included at Appendix I is our Initial Remuneration Notice. This document provides you with information about how we propose to be paid for undertaking the liquidation.

We are seeking approval for the Liquidators' remuneration by way of proposal, without holding a creditors meeting. The Notice of Proposal to Creditors is attached at Appendix I. Included at Appendix J is our Remuneration Approval Report. This document provides you with information about what tasks are to be completed in the liquidation, and the estimated costs of those tasks.

Where can you get more information?

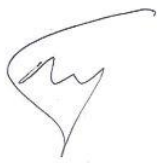
The Australian Restructuring Insolvency and Turnaround Association ("ARITA") provides information to assist creditors with understanding liquidations and insolvency.

This information is available from ARITA's website at arita.com.au/creditors.

ASIC also provides information sheets on a range of insolvency topics. These information sheets can be accessed on ASIC's website at asic.gov.au (search for "insolvency information sheets").

Statutory notices and advertisements about the Company will be published on ASIC's Published Notices website at <https://publishednotices.asic.gov.au/>.

Should you have any queries, please contact Starli Smith of this office on (08) 9321 8533 or by email at Starli.Smith@fticonsulting.com.

A handwritten signature in black ink, appearing to read 'Nathan Stubing', with a stylized, cursive script.

Nathan Stubing

Liquidator

List of appendices

No	Appendix	Description
1	Appendix A	Declaration of Independence, Relevant Relationships and Indemnities (DIRRI).
2	Appendix B	ASIC information sheet titled <i>“Insolvency information for directors, employees, creditors and shareholders”</i> .
3	Appendix C	Form 535 – Formal Proof of Debt of Claim form.
4	Appendix D	Important Statements for all creditors and suppliers.
5	Appendix E	ARITA information sheet titled <i>“Creditor Rights in Liquidations”</i> .
6	Appendix F	Summary of the Company’s affairs (Form 507).
7	Appendix G	List of creditors of the Company.
8	Appendix H	Presentation of Summary of Affairs of a Company (Form 509).
9	Appendix I	Liquidators’ Initial Remuneration Notice.
10	Appendix J	Proposal to Creditors.
11	Appendix K	Liquidators’ Remuneration Approval Report



Appendix A

DIRRI

DECLARATION OF INDEPENDENCE, RELEVANT RELATIONSHIPS AND INDEMNITIES

ZADNIK COMMERCE PTY LTD (IN LIQUIDATION) ACN 649 206 002

("THE COMPANY")

The purpose of this document is to assist creditors with understanding any relevant relationships that we have with parties who are closely connected to the Company and any indemnities or upfront payments that have been provided to us. None of the relationships disclosed in this document are such that our independence is affected.

This information is provided so you have trust and confidence in our independence and, if not, you can ask for further explanation or information and can act to remove and replace us if you wish.

This declaration is made in respect of ourselves, our fellow Senior Managing Directors/Managing Directors, FTI Consulting (Australia) Pty Ltd (FTI Consulting or Firm) and associated entities, as detailed in **Annexure A**.

We are Professional Members of the Australian Restructuring Insolvency and Turnaround Association (ARITA). We acknowledge that we are bound by the ARITA Code of Professional Practice.

Independence

We have assessed our independence and we are not aware of any reasons that would prevent us from accepting this appointment.

There are no other known relevant relationships, including personal, business and professional relationships that should be disclosed beyond those we have disclosed in this document.

Circumstances of appointment

How we were referred this appointment

This appointment was referred to FTI Consulting by Daniel Butler of Jackson McDonald, who are the lawyers for the Company.

We believe that this referral does not result in us having a conflict of interest or duty because:

- There is no expectation, agreement or understanding between us and Jackson McDonald regarding the conduct of the liquidation and we are free to act independently and in accordance with the law and applicable professional standards.

- Jackson McDonald refers insolvency-related engagements to FTI Consulting from time to time. Neither the Liquidators nor FTI Consulting have any formal or informal referral arrangements with Jackson McDonald, and to our knowledge they do not exclusively refer such work to us or FTI Consulting.
- FTI Consulting is not reliant upon referrals from Jackson McDonald, who are one of a considerable number of firms, organisations and persons who refer work to, or seek advice from, FTI Consulting. This engagement is not financially significant to FTI Consulting and the receiving or otherwise of other referrals from Jackson McDonald is not material to FTI Consulting.
- Work referrals arising from networks of business professionals, advisors and other persons are normal and accepted arrangements, and do not inherently impact on us discharging our statutory duties and obligations with independence and impartiality.
- There is no expectation, agreement or understanding between the Liquidators and the referrer about the conduct of this administration and we are free to act independently and in accordance with the law and the requirements of the ARITA Code of Professional Practice.
- While FTI Consulting has in the past engaged Jackson McDonald to provide legal advice, this has been for separate, non-related insolvency/restructuring engagements. Jackson McDonald is one of many external firms/organisations who provide such advice and assistance to FTI Consulting from time to time, which is on a non-exclusive basis and based upon professional service and expertise.

Did we meet with the Company or their advisers before we were appointed?

☒ Yes ☐ No

We had the following meetings and correspondence with the Company and its advisors during 25 March 2022 to 30 May 2022:

- On 25 March 2022, Nathan Stubing was contacted by Daniel Butler who provided background to the Company's financial situation and advised of a claim being pursued against it, the Company's director and shareholder.
- On 30 March 2022, Nathan Stubing met with Mr Butler, Chelsea Quirk, also of Jackson MacDonald, the Company's director, Shana Aoki, the Company's shareholder, Brandon Zadnik and the director and shareholder's mother, Waratah Gallotti, via teleconference, to discuss the Company's financial position and the potential appointment of Liquidators.
- On 27 May 2022, Mr Butler phoned Mr Stubing to advise that the Company wished to proceed with the appointment of Liquidators and asked that he contact Ms Gallotti regarding same. Mr Stubing phoned Ms Gallotti on the same day to discuss the potential appointment and arrange a meeting to effect appointment documents.
- On 30 May 2022, Mr Stubing and Starli Smith (of FTI Consulting, assisting Mr Stubing) met with Ms Aoki, Mr Zadnik and Ms Gallotti at the Company's premises. At this meeting, the Liquidators provided a consent to act and the Company's director and shareholder executed appointment documents, effecting the Liquidator's appointment.

We received no remuneration for this advice.

In our opinion, these interactions do not affect our independence for the following reasons:

- The Courts and relevant professional bodies recognise the need for practitioners to provide advice on the insolvency process and the options available and do not consider that such advice results in a conflict or is an impediment to accepting the appointment.
- The nature of the advice provided to the Company is such that it would not be subject to review and challenge during the course of our appointment.
- No advice has been given to the directors in their capacity as directors of the Company, or in relation to their personal circumstances.
- The pre-appointment advice will not influence our ability to be able to fully comply with the statutory and fiduciary obligations associated with the appointment as Liquidators of the Company in an objective and impartial manner.

We have provided no other information or advice to the Company and its legal advisor prior to our appointment beyond that outlined in this DIRRI.

Declaration of Relationships

Within the previous 2 years we or our firm have had a relationship with:

The Company	☐ Yes	☒ No
The directors	☐ Yes	☒ No
Any associates of the Company?	☐ Yes	☒ No
A former insolvency practitioner appointed to the Company?	☐ Yes	☒ No
A secured creditor entitled to enforce a security over the whole or substantially the whole of the Company's property?	☐ Yes	☒ No

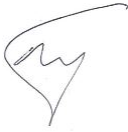
Do we have any other relationships that we consider are relevant to creditors assessing our independence?

☐ Yes ☒ No

Indemnities and up-front payments

We have not received any up-front payments or indemnities for this appointment. This does not include any indemnities we may be entitled to under the law.

Dated 9 June 2022



Nathan Stubing



Daniel Woodhouse

Notes:

1. *The assessment of independence has been made based on an evaluation of the significance of any threats to independence and in accordance with the requirements of the relevant legislation and professional Standards.*
2. *If circumstances change, or new information is identified, we are required under the Corporations Act 2001 or Bankruptcy Act and ARITA's Code of Professional Practice to update this Declaration and provide a copy to creditors with our next communication as well as table a copy of any replacement declaration at the next meeting of the insolvent's creditors. For creditors' voluntary liquidations and voluntary administrations, this document and any updated versions of this document are required to be lodged with ASIC.*

ANNEXURE A

FTI Consulting (Australia) Pty Ltd and associated entities

FTI Consulting Inc (ultimate holding entity)

FTI Consulting – FD Australia Holdings Pty Ltd

FTI Consulting (Australia) Pty Ltd

FTI Technology (Sydney) Pty Ltd

FTI Consulting (Perth) Pty Ltd

FTI Consulting (Sydney) Pty Ltd

FTI Capital Advisors (Australia) Pty Ltd

FTI Consulting Australia Nominees Pty Ltd



Appendix B

ASIC Information Sheet

[Home](#)> [Regulatory resources](#)> [Insolvency](#)> [Insolvency information for directors, employees, creditors and shareholders](#)

Insolvency information for directors, employees, creditors and shareholders

This information sheet (INFO 39) lists ASIC's information sheets for directors, employees, creditors and shareholders affected by a company's insolvency.

We have produced these with endorsement from the Australian Restructuring Insolvency & Turnaround Association (ARITA).

The information sheets give a basic understanding of the three most common company insolvency procedures – liquidation, voluntary administration and receivership – as well as the independence requirements for external administrators and approving external administrator remuneration. There is also a glossary of commonly used insolvency terms.

List of information sheets

- [INFO 41](#) Insolvency: A glossary of terms
- [INFO 42](#) Insolvency: A guide for directors
- [INFO 43](#) Insolvency: A guide for shareholders
- [INFO 45](#) Liquidation: A guide for creditors
- [INFO 46](#) Liquidation: A guide for employees
- [INFO 54](#) Receivership: A guide for creditors
- [INFO 55](#) Receivership: A guide for employees
- [INFO 74](#) Voluntary administration: A guide for creditors
- [INFO 75](#) Voluntary administration: A guide for employees
- [INFO 84](#) Independence of external administrators: A guide for creditors
- [INFO 85](#) Approving fees: A guide for creditors

Where can I get more information?

Further information is available from the [ARITA website](#). The ARITA website also contains the [ARITA Code of Professional Practice for Insolvency Practitioners](#).

This is **Information Sheet 39 (INFO 39)** updated on 1 September 2017. Information sheets provide concise guidance on a specific process or compliance issue or an overview of detailed guidance.

Last updated: 01/09/2017 10:57



Appendix C

Form 535 – Formal Proof of Debt or Claim

FORM 535 - FORMAL PROOF OF DEBT OR CLAIM (GENERAL FORM)

Subregulation 5.6.49(2)

Corporations Act 2001

**ZADNIK COMMERCE PTY LTD (IN LIQUIDATION)
ACN 649 206 002 ("COMPANY")**

To the Liquidators of the Company

1. This is to state that the Company was on 30 May 2022, and still is, justly and truly indebted to:

Name of Creditor: _____

Address of Creditor: _____

Debt Owed: \$ _____ and _____ cents

Particulars of the debt are:

Date	Consideration (state how the debt arose)	Amount (incl. GST) \$ c	GST \$ c	Remarks (include details of voucher substantiating payment)

2. To my knowledge or belief the creditor has not, nor has any person by the creditor's order, had or received any satisfaction or security for the sum or any part of it except for the following: *(insert particulars of all securities held. If the securities are on the property of the company, assess the value of those securities. If any bills or other negotiable securities are held, show them in a schedule in the following form.)*

Date	Drawer	Acceptor	Amount	Due Date

3. * I am the creditor personally OR

3. * I am employed by the creditor and authorised in writing by the creditor to make this statement OR

3. * I am the creditor's agent authorised in writing to make this statement in writing.

** Omit if inapplicable*

I know that the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied.

Dated: _____

Name of authorised Person

Signature of Authorised person

Occupation

Address

Email

Telephone

☐ I/we nominate to receive electronic notification of notices or documents by email at the following address:

Email address: _____



Appendix D

Important statements for all creditors and suppliers

Important statements for all creditors and suppliers

No adoption of any contracts or assumption of liabilities of the company by the liquidators

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

Parties who are required to contact us

Please contact us as soon as possible if you:

- Have supplied any goods or collateral to the Company and you have registered a security interest in such property on the Personal Property Security Register (“PPSR”);
- Are otherwise claiming security or proprietary rights in any asset or property owned by or in possession of the Company;
- Lease or hire goods or property to the Company;
- Are claiming a lien over property of the Company; and/or
- Have commenced legal proceedings against the Company.

Parties with PMSI, retention of title and consignment claims over property

Parties with these claims are requested as soon as possible to give us details of the items supplied to the Company (including any features by which that property is able to be identified, for example - serial number/s) and which remain unpaid for, and provide details of your registration on the PPSR with all relevant supporting documents.

General statement

The Liquidators will consider the information and details provided to them in support of any claims. Where a claim is valid and not disputed, the Liquidators will comply with their obligations at law. This should not be interpreted as, in any way, limiting or restricting the rights of the Liquidators or the Company, whose rights are expressly reserved.

Please note the Liquidators may require payment of their reasonable expenses and remuneration incurred in the identification, preservation and distribution of property to secured parties, purchasers and/or other persons that the property belongs to. This also includes circumstances where property (such as inventory, for example) is made available for collection.

Affected parties should seek their own advice as applicable and as they deem appropriate.

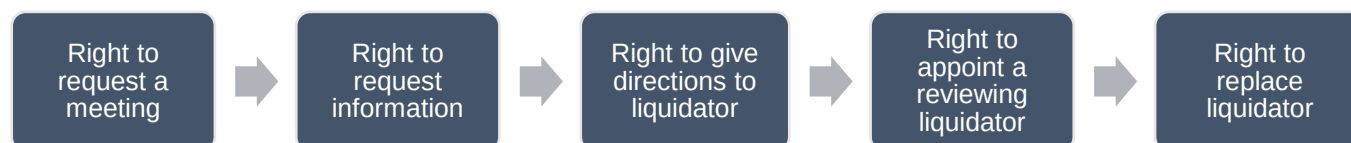


Appendix E

ARITA Information Sheet

Creditor Rights in Liquidations

As a creditor, you have rights to request meetings and information or take certain actions:



Right to request a meeting

In liquidations, no meetings of creditors are held automatically. However, creditors with claims of a certain value can request in writing that the liquidator hold a meeting of creditors.

A meeting may be requested in the first 20 business days in a creditors' voluntary liquidation by $\geq 5\%$ of the value of the debts held by known creditors who are not a related entity of the company.

Otherwise, meetings can be requested at any other time or in a court liquidation by:

- $> 10\%$ but $< 25\%$ of the known value of creditors on the condition that those creditors provide security for the cost of holding the meeting
- $\geq 25\%$ of the known value of creditors
- creditors by resolution, or
- a Committee of Inspection (this is a smaller group of creditors elected by, and to represent, all the creditors).

If a request complies with these requirements and is 'reasonable', the liquidator must hold a meeting of creditors as soon as reasonably practicable.

Right to request information

Liquidators will communicate important information with creditors as required in a liquidation. In addition to the initial notice, you should receive, at a minimum, a report within the first three months on the likelihood of a dividend being paid.

Additionally, creditors have the right to request information at any time. A liquidator must provide a creditor with the requested information if their request is 'reasonable', the information is relevant to the liquidation, and the provision of the information would not cause the liquidator to breach their duties.

A liquidator must provide this information to a creditor within 5 business days of receiving the request, unless a longer period is agreed. If, due to the nature of the information requested, the liquidator requires more time to comply with the request, they can extend the period by notifying the creditor in writing.

Requests must be reasonable.

They are not reasonable if:

Both meetings and information:

- (a) complying with the request would prejudice the interests of one or more creditors or a third party
- (b) there is not sufficient available property to comply with the request
- (c) the request is vexatious

Meeting requests only:

- (d) a meeting of creditors dealing with the same matters has been held, or will be held within 15 business days

Information requests only:

- (e) the information requested would be privileged from production in legal proceedings
- (f) disclosure would found an action for breach of confidence
- (g) the information has already been provided
- (h) the information is required to be provided under law within 20 business days of the request

If a request is not reasonable due to (b), (d), (g) or (h) above, the liquidator must comply with the request if the creditor meets the cost of complying with the request.

Otherwise, a liquidator must inform a creditor if their meeting or information request is not reasonable and the reason why.

Right to give directions to liquidator

Creditors, by resolution, may give a liquidator directions in relation to a liquidation. A liquidator must have regard to these directions, but is not required to comply with the directions.

If a liquidator chooses not to comply with a direction given by a resolution of the creditors, they must document their reasons.

An individual creditor cannot provide a direction to a liquidator.

Right to appoint a reviewing liquidator

Creditors, by resolution, may appoint a reviewing liquidator to review a liquidator's remuneration or a cost or expense incurred in a liquidation. The review is limited to:

- remuneration approved within the six months prior to the appointment of the reviewing liquidator, and
- expenses incurred in the 12 months prior to the appointment of the reviewing liquidator.

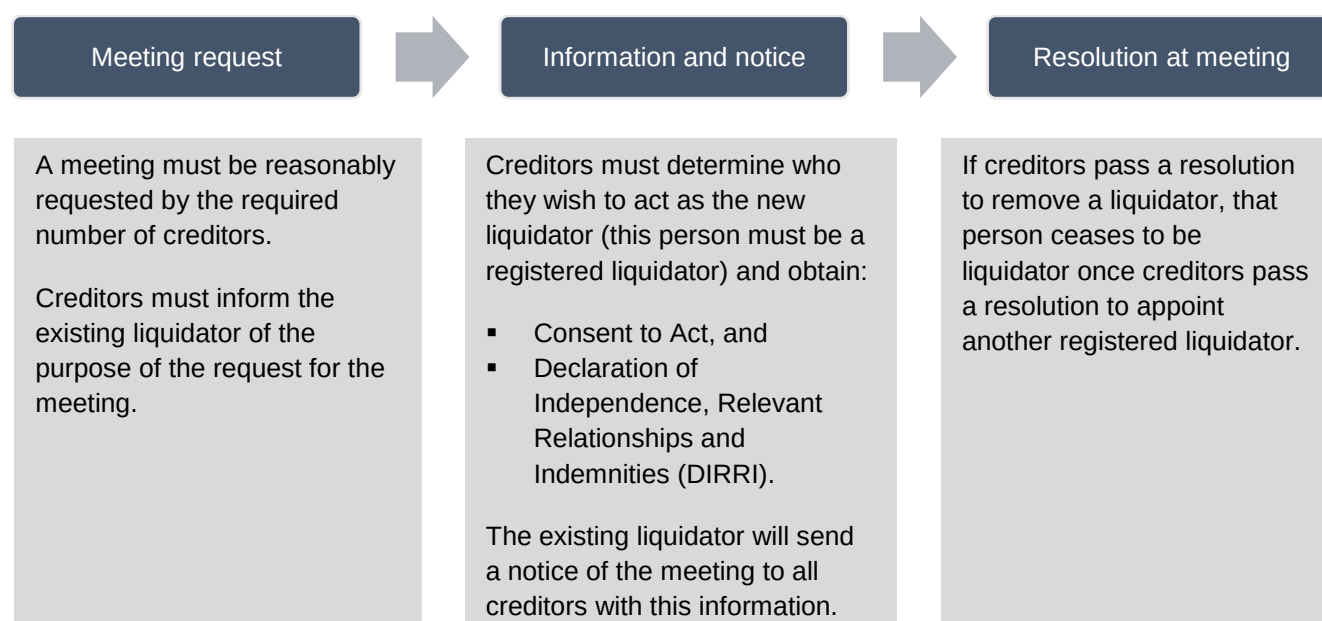
The cost of the reviewing liquidator is paid from the assets of the liquidation, in priority to creditor claims.

An individual creditor can appoint a reviewing liquidator with the liquidator's consent, however the cost of this reviewing liquidator must be met personally by the creditor making the appointment.

Right to replace liquidator

Creditors, by resolution, have the right to remove a liquidator and appoint another registered liquidator.

For this to happen, there are certain requirements that must be complied with:



For more information, go to www.arita.com.au/creditors



Appendix F

Summary of Company Affairs

Form 507

Corporations Act 2001

421A(1) & (2), 429(2)(b) & (c), 475(1) & (7),
497(6), 438B(2)

Report on Company Activities and Property

Liquidator details

Registered liquidator number

519037

Registered liquidator name

NATHAN THOMAS KIRKHAM STUBING

Company details

Company name

ZADNIK COMMERCE PTY LTD

ACN

649 206 002

Report reason

This report was prepared under:

**s497(4) Appointment of liquidator - creditors'
voluntary winding up**

Date report was received by liquidator

02-06-2022

Date the report on company activities and property is made up to

30-05-2022

I have checked the attachments and there is no Part B and Part B tables.

Yes

Authentication

This form has been authenticated by	
Name	NATHAN THOMAS KIRKHAM STUBING
This form has been submitted by	
Name	Starli SMITH
Date	03-06-2022

For more help or information

Web	www.asic.gov.au
Ask a question?	www.asic.gov.au/question
Telephone	1300 300 630



ASIC
Australian Securities &
Investments Commission

Office only box

Form 507 Corporations Act 2001
s421A(1) & (2)
s429(2)(b) & (c)
s475(1) & (7)
s497(4) & (6)
s438B(2A)

REPORT ON Company Activities and Property **Part A (Form 507)**

Before you start, download INSTRUCTIONS Part A (Form 507) and Part B

www.asic.gov.au/forms/507

The information you provide to ASIC in this Report may include personal information.

Please see our privacy policy (www.asic.gov.au/privacy) for information on how we handle your personal information, your rights to seek access to and correct personal information, and how to complain about breaches of your privacy.

External Administrator use only

External Administrator (lodging party)

Organisation

FTI Consulting (Australia) Pty Ltd

ASIC Registered Liquidator number (if applicable)

Name of External Administrator

Nathan Thomas Kirkham Stubing

Contact person

Starli Smith

Phone number during business hours

08 9321 8533

Address

Level 47, Central Park

Street number and name

152-158 St George's Terrace

Suburb/City

Perth

State/Territory

WA

Postcode

6000

Please tick appropriate box.



Receiver and Manager

507G

Appointment date

/ /



Managing Controller of property

507H

Date person took control

/ /



Controller

507F

Date received Report

/ /



Liquidator/Provisional Liquidator appointed by the court

507C

Date received Report

/ /



Liquidator – creditors' voluntary winding up

507D

Date received Report

/ /



Voluntary Administrator

507K

Date received Report

/ /

Make up the Report as at the following dates

MANAGING CONTROLLER – S421A(1)

Your Report must include the business activities the Company had undertaken up to 30 days before you write your Report.

For example, if you write your Report on 31 August, it must include the Company's activities up to at least 31 July of that year, not earlier.

CONTROLLER – S429(2)

The control day.

LIQUIDATOR OR PROVISIONAL LIQUIDATOR – S475(1)

The date of the winding-up order or an earlier date, if specified by you.

ADMINISTRATOR – S438B(2)

The date you become the Administrator, or an alternative date specified by you.

Date the Director must send you the Report.

This applies to Directors, Secretary or other relevant person completing the report.

Put the date for return of the Report to you at the head of the next page, at **A1**.

Lodge Part A

Using Form 911, you must verify a copy of Part A of the Report and lodge it with ASIC by the date specified below, or a late fee may be applied.

SECTION	LODGEMENT PERIOD
s421A(2)	2 months after control day
s429(2)(c)	1 month after receipt of Report
s438B(2A)	5 business days after receipt of Report
s475(7)	5 business days after receipt of Report
s497(6)	10 business days after receipt of Report

Continued on next page

Regulation 5.2.02 requires a copy of Part A of this Report that is lodged with ASIC to be certified in writing as a true copy of the original Report (Part A).

a) for a copy lodged for the purposes of s429(2)(c) - by the controller of property of the corporation; or

b) for a copy lodged for the purposes of s475(7) - by the liquidator/provisional liquidator of the company.

Form 911 is prescribed for this purpose.

For controllers (s429), under s429(2)(c)(i), a notice setting out any comments relating to Part A of this Report, or a statement that no comment is made, should accompany Part A of the Report. Form 911 Verification of a document should also be lodged.

END OF EXTERNAL ADMINISTRATOR SECTION

Director to complete for Director(s), Secretary, Managing Controller or other relevant person

A1 Return this Report to the External Administrator by the date the Administrator has shown below.
(Not applicable to managing controllers)

/ /

A2 Do you have the **INSTRUCTIONS** for completing this form?

☐ No You must download a copy from www.asic.gov.au/forms/507

☒ Yes The **INSTRUCTIONS** explain:

- why you received this Report
- your role in completing it
- how to complete it.

A3 Name of the Company under external administration

ZADNIK COMMERCE PTY LTD

READ INSTRUCTION A3. It explains the information you should provide and how to attach it to this Report.

ACN/ABN

42 649 206 002

Street number and name

5/135 HECTOR STREET WEST

Suburb/City	State/Territory	Postcode
OSBORNE PARK	WA	6017

Registered office

Street number and name

5/135 HECTOR STREET WEST

Suburb/City	State/Territory	Postcode
OSBORNE PARK	WA	6017

Principal place of business

Street number and name

5/135 HECTOR STREET WEST

Suburb/City	State/Territory	Postcode
OSBORNE PARK	WA	6017

Does the Company have other places of business?

☒ No Go to Question **A4**

☐ Yes Give details below

Street number and name

Suburb/City	State/Territory	Postcode

What the Company owes and owns

A4 Does the Company owe money to its employees?

- ☒ No Go to Question **A5**
- ☐ Yes **READ INSTRUCTION A4.** It explains the information you should provide and how to attach it to this Report.

A5 Does the Company owe money, goods or services to others (other than to employees)?

- ☐ No Go to Question **A6**
- ☒ Yes **READ INSTRUCTION A5.** It explains the information you should provide and how to attach it to this Report.

A6 Is the Company owed money?

- ☐ No Go to Question **A7**
- ☒ Yes **READ INSTRUCTION A6.** It explains the information you should provide and how to attach it to this Report.

A7 Does the Company own any assets as listed below?

Tick boxes below as appropriate and provide information as an attachment.

READ INSTRUCTION A7. It explains the information you should provide and how to attach it to this Report.

Bank accounts

- ☐ No
- ☒ Yes

Motor vehicles

- ☒ No
- ☐ Yes

Plant and equipment

- ☒ No
- ☐ Yes

Inventory

- ☐ No
- ☒ Yes

Real property

- ☒ No
- ☐ Yes

Other assets

- ☒ No
- ☐ Yes

Does the Company hold property on trust?

- ☒ No
- ☐ Yes

Is the Company a trustee of a superannuation fund?

- ☒ No
- ☐ Yes

If you ticked NO to all the items, explain why the Company has no assets.

A8 Have you provided the full details asked for in Questions **A4, A5, A6, and A7**, including all attachments?

- ☐ No **PLEASE BE AWARE:** You must provide information in this Report to the best of your ability. You can be penalised for giving false information.

READ INSTRUCTION A8. It explains what can happen if you give false information.

- ☒ Yes Go to Question **A9**

A9 Declaration by Director, Secretary, Managing Controller, or person nominated by the External Administrator

Part A (Form 507) of this Report is a legal document.

READ INSTRUCTION A9. It describes the Report's legal status.

It also explains the information you should provide and how to attach it to this Report.

Part A (Form 507) and, where relevant, Part B of this Report should be completed and delivered to the External Administrator by the date at **A1 page 3**.

The External Administrator will then lodge Part A with ASIC.

Part B does not form part of ASIC Form 507 and is not lodged with ASIC. But section 530A of the *Corporations Act 2001* requires Company Directors to help liquidators and provisional liquidators where they reasonably require. Failure to comply with such a request is a strict liability offence. Part B is not applicable for managing controllers.

❖ I declare that the answers to the questions contained in Part A of the Report and the contents of all attachments to Part A of the Report are true, correct and complete to the best of my knowledge and belief at the date of this declaration.

Name

SHANA AOKI

Position

DIRECTOR

Signature



Date

02 / 06 / 2022

A10 Declaration by Managing Controller



In my capacity as the Managing Controller, I declare that where I have omitted information, I have done so in accordance with Section 421A(4) of the *Corporations Act 2001* and have included the notice required by s421A(5) with this Report.

Name

Signature

Date

/ /

This is the annexure of _____ Pages marked with * mentioned in **Part A** (FORM 507) signed by _____ and dated 02 / 06 / 2022

Amounts the Company owes to its creditors

CREDITOR'S NAME	POSTAL ADDRESS IN FULL	EMAIL ADDRESS	TICK IF SECURED	PPRS (IF APPLICABLE)	IF SECURED, GIVE ASSET DETAILS	TICK IF RELATED PARTY	AMOUNT OWING
ZADNIK ECOM	T4/183 WESTCOAST HWY SCARBOROUGH	ZADNIK@LIVE.COM.AU	☐			☐	\$ 45,268
INSTANT WASTE MANAGEMENT	PO BOX 419, MORLEY BC,WA 6943	ACCOUNTS@INSTANTWASTE.COM.AU	☐			☐	\$ 41.80 MONTHLY
BAD BUNNY	23 LUMPER STREET, BUNBURY WA 6230	CREAMDELIVERY12@GMAIL.COM	☐			☐	\$ 1,287.46
GOOGLE ADS			☐			☐	\$ 472.72
			☐			☐	\$
			☐			☐	\$
			☐			☐	\$
			☐			☐	\$
			☐			☐	\$
			☐			☐	\$
			☐			☐	\$
			☐			☐	\$
			☐			☐	\$
			☐			☐	\$
			☐			☐	\$
			☐			☐	\$
			☐			☐	\$
			☐			☐	\$
			☐			☐	\$

Q A6

The contents of this page will be available **ON THE PUBLIC RECORD.**

This is the annexure of _____ Pages marked with * mentioned in **Part A** (FORM 507) signed by *SH* and dated **02/06/2022**

Money owed to the Company

[illegible]

Page 1 of 1

This is the annexure of ____ Pages marked with * mentioned in **Part A** (FORM 507) signed by  and dated 02/06 /2022 .

Assets owned by the Company

ASSET DESCRIPTION	LOCATION/ADDRESS WHERE ASSET IS LOCATED. WITH BANK ACCOUNTS, GIVE BANK A/C DETAILS INCLUDING A/C NUMBERS	SECURITY HELD BY (IF APPLICABLE)	ESTIMATED ASSET VALUE
BANK ACCOUNT	NAB - BSB:086-006 A/C:88-237-0221		\$ \$27,377.09
			\$
			\$
			\$
			\$
			\$
			\$
			\$
			\$
			\$
			\$
			\$
			\$
			\$
			\$
			\$
			\$
			\$
			\$
			\$



Appendix G

List of Creditors

Zadnik Commerce Pty Ltd

Creditors List

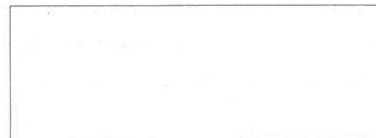
30-May-22

Unsecured Creditors	Related Entity	Address 1	Address 2	Claim (\$)
Bad Bunny	No	23 Lumper Street	BUNBURY WA 6230	1287.46
Google Ads	No			472.72
Instant Waste Management	No	PO Box 419	MORLEY BC WA 6943	41.80
Zadnik Ecom Pty Ltd	No	T4/ 183 Westcoast Highway	SCARBOROUGH WA 6019	800,000.00
Total Unsecured Creditors				801,801.98



Appendix H

Presentation of Summary of Affairs of a Company



Presentation of summary of affairs of a company

If there is insufficient space in any section of the form, you may attach an annexure and submit as part of this lodgement

Lodgement details

Who should ASIC contact if there is a query about this form?

Name

NATHAN THOMAS KIRKHAM STUBING

ASIC registered agent number (if applicable)

519037

Company/entity name

FTI CONSULTING (AUSTRALIA) PTY LTD

ACN/ABN/ARB/ARSN

~~649 206 002~~ 160 397 811

Telephone number

(08) 9321 8533

Postal address

Level 47, 152-158 St Georges Terrace

PERTH WA 6000

Email address (optional)

Company details

Company name

ZADNIK COMMERCE PTY LTD

ACN

649 206 002

Summary of assets and liabilities

Date to which summary is made up

Date

3 0 / 0 5 / 2 2

[D] [M] [Y]

Continued... Summary of assets and liabilities

	Valuation (Show whether cost or net book amount)	Estimated realisable values
1 Assets not specifically charged	0	8000
(a) interest in land		
(b) sundry debtors	8000	8000
(c) cash on hand	0	0
(d) cash at bank	17000	17000
(e) stock as detailed in inventory	9000	4500
(f) work in progress as detailed in inventory	0	0
(g) plant and machinery as detailed in inventory	0	0
(h) other assets	1300	1300
2 Assets subject to specific charges less amounts owing	35300 0	30800 0
TOTAL assets	35300	30800
TOTAL estimated realisable values	35300	30800
3 Less preferential creditors entitled to priority over the holders of debentures under any floating charge	0	0
4 Less amounts owing and secured by debenture or floating charge over company's assets to:	0	0
5 Less preferential creditors estimated amount available for unsecured creditors	0	0
6 Creditors (unsecured) amount claimed	50,000	50,000
7 Balances owing to partly secured creditors total claims security held	0	0
8 Contingent assets estimated to produce	0	0
9 Contingent liabilities estimated to rank for estimated deficiency/surplus (subject to costs of administration/liquidation)		
Share capital issued	100	100
paid up	100	100

Signature

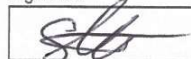
Name of person signing

SHANA AOKI

Capacity

DIRECTOR

Signature



Date signed

3 0 5 2 2
[D] [D] [M] [M] [Y] [Y]

Lodgement

Send completed and signed forms to:
Australian Securities and Investments Commission,
PO Box 4000, Gippsland Mail Centre VIC 3841.

For more information

Web www.asic.gov.au
Need help? www.asic.gov.au/question
Telephone 1300 300 630



Appendix I

Initial Remuneration Notice

9 June 2022

INITIAL ADVICE TO CREDITORS – BASIS OF APPOINTEES' REMUNERATION

Remuneration methods

There are four basic methods that can be used to calculate the remuneration charged by an insolvency practitioner. They are:

Time based / hourly rates

This is the most common method. The total fee charged is based on the hourly rate charged for each person who carried out the work multiplied by the number of hours spent by each person on each of the tasks performed.

Fixed fee

The total fee charged is normally quoted at the commencement of the administration and is the total cost for the administration. Sometimes a practitioner will finalise an administration for a fixed fee.

Percentage

The total fee charged is based on a percentage of a particular variable, such as the gross proceeds of assets realisations.

Contingency

The practitioner's fee is structured to be contingent on a particular outcome being achieved.

Method proposed

We propose that our remuneration is calculated on a time basis. We believe this method is appropriate as it ensures that only the actual work performed is charged for. There are also various tasks required to be completed which do not involve the realisation of assets, such as reporting to

ASIC, undertaking investigations, corresponding with creditors and answering their queries, and completing other statutory tasks required by law.

Estimate of remuneration for the Administration

We estimate our remuneration for undertaking the administration will be approximately \$30,000 (exclusive of GST), subject to the following variables which may have a significant effect on this estimate and that we are unable to determine until the administration has commenced:

- The full scope and extent of necessary work (from experience, unforeseen matters typically arise and may require us to perform additional work beyond that currently anticipated).

Prior to my appointment, I provided an estimate of the cost of the administration to the directors. This estimate is consistent with the estimate provided to the directors prior to my appointment.

Explanation of hourly rates

The rates for our remuneration calculation are **attached** together with a general guide showing the qualifications and experience of staff that will be engaged in the administration and the role they take in the administration. The hourly rates charged encompass the total cost of providing professional services and should not be compared to an hourly wage.

Disbursements

Disbursements are divided into three types:

- Externally provided professional services - these are recovered at cost. An example of an externally provided professional service disbursement is legal fees.
- Externally provided non-professional costs such as travel, accommodation and search fees - these are recovered at cost.
- Internal disbursements such as photocopying, printing and postage. These disbursements, if charged to the administration, would generally be charged at cost; though some expenses such as telephone calls, photocopying and printing may be charged at a rate which recoups both variable and fixed costs.

I am not required to seek creditor approval for disbursements paid to third parties, but must account to creditors. However, I must be satisfied that these disbursements are appropriate, justified and reasonable.

I am required to obtain creditors' approval for the payment of internal disbursements which were not charged at cost (and which may therefore have a profit or advantage attached to them), prior to these disbursements being paid from the administration. These disbursements typically would include internal photocopying, printing and facsimile costs. However, as we do not charge our external administrations for internally-generated FTI disbursements where they have not been charged at cost (such as photocopying and printing charges for the use of internal photocopiers, printers etc), creditor approval is not required.

Details of the basis of recovering internal and external disbursements in this administration are provided in the table below. Full details of any actual costs incurred will be provided with future reporting.

FTI Disbursements Schedule

Disbursement type	Charge type	Charge rate (excl GST)
Advertising	External, non-professional	At cost
ASIC Industry Funding Model Levy – metric events	External, non-professional	At cost (at prescribed ASIC rates)
Couriers and deliveries	External, non-professional	At cost
Data Room Charges	External, professional	At cost
Facsimile	Internal (FTI)	Not charged
Legal Fees	External, professional	At cost
Postage	External, non-professional	At cost
Photocopying – internal	Internal (FTI)	Not charged
Photocopying – outsourced	External, non-professional	At cost
Printing – internal	Internal (FTI)	Not charged
Printing – outsourced	External, non-professional	At cost
Records costs – storage, destruction, boxes	External, non-professional	At cost
Search fees	External, non-professional	At cost
Staff motor vehicle use - mileage	Cents per km	At prescribed ATO rates
Staff travel - accommodation, meals etc	External, non-professional	At cost
Stationery and other incidental disbursements	External, non-professional	At cost
Telephone	Internal (FTI)	Not charged
Valuation Fees	External, professional	At cost
Other externally provided professional services		At Cost
Other externally provided non-professional services		At Cost

FTI Consulting CF&R Standard Rates effective 1 July 2021 (excluding GST)

Typical classification	Standard Rates \$/hour	General guide to classifications
Senior Managing Director/Appointee	720	Registered Liquidator and/or Trustee, with specialist skills and extensive experience in all forms of insolvency administrations. Alternatively, has proven leadership experience in business or industry, bringing specialist expertise and knowledge to the administration.
Managing Director	660	Specialist skills brought to the administration. Extensive experience in managing large, complex engagements at a very senior level over many years. Can deputise for the appointee. May also be a Registered Liquidator and/or Trustee. Alternatively, has extensive leadership/senior management experience in business or industry.
Senior Director	580	Extensive experience in managing large, complex engagements at a very senior level over many years. Can deputise for the appointee, where required. May also be a Registered Liquidator and/or Trustee or have experience sufficient to support an application to become registered. Alternatively, has significant senior management experience in business or industry, with specialist skills and/or qualifications.
Director	530	Significant experience across all types of administrations. Strong technical and commercial skills. Has primary conduct of small to large administrations, controlling a team of professionals. Answerable to the appointee, but otherwise responsible for all aspects of the administration. Alternatively, has significant senior management experience in business or industry, with specialist skills and/or qualifications.
Senior Consultant 2	480	Typically an Australian Restructuring Insolvency & Turnaround Association professional member. Well developed technical and commercial skills. Has experience in complex matters and has conduct of small to medium administrations, supervising a small team of professionals. Assists planning and control of medium to larger administrations.
Senior Consultant 1	435	Assists with the planning and control of small to medium-sized administrations. May have the conduct of simpler administrations. Can supervise staff. Has experience performing more difficult tasks on larger administrations.
Consultant 2	390	Typically Institute of Chartered Accountants in Australia qualified chartered accountant (or similar). Required to control the tasks on small administrations and is responsible for assisting with tasks on medium to large-sized administrations.
Consultant 1	360	Qualified accountant with several years' experience. Required to assist with day-to-day tasks under the supervision of senior staff.
Associate 2	335	Typically a qualified accountant. Required to assist with day-to-day tasks under the supervision of senior staff.
Associate 1	300	Typically a university graduate. Required to assist with day-to-day tasks under the supervision of senior staff.
Treasury	290	Typically, qualified accountant and/or bookkeeper working in a treasury function. Undertakes treasury activities and is skilled in all aspects of bookkeeping, funds handling, banking, payroll, tax compliance, accounts receivable and accounts payable.
Junior Associate	220	Undergraduate in the latter stage of their university degree.
Administration 2	220	Well developed administrative skills with significant experience supporting professional staff, including superior knowledge of software packages, personal assistance work and/or office management. May also have appropriate bookkeeping, accounting support services or similar skills.
Administration 1	185	Has appropriate skills and experience to support professional staff in an administrative capacity. May also have appropriate bookkeeping, accounting support services or similar skills.
Junior Accountant	180	Undergraduate in the early stage of their university degree.

The FTI Consulting Standard Rates above apply to the Corporate Finance & Restructuring practice and are subject to periodical review.



Appendix J

Proposal to Creditors

9 May 2022

**NOTICE OF PROPOSAL TO CREDITORS
ZADNIK COMMERCE PTY LTD (IN LIQUIDATION)
ACN 649 206 002 ("THE COMPANY")**

For your vote to be counted, please complete this document and return with any supporting documents by no later than **5:00 PM WST on Thursday, 7th July 2022** to Starli Smith at starli.smith@fticonsulting.com. If you have any questions, please call Starli Smith on (08) 9321 8533.

Completed forms may also be sent by post attention to Starli Smith at FTI Consulting, PO Box Z5486, St Georges Terrace, PERTH WA 6831. You should ensure this is sent with sufficient time to arrive by the date the vote closes.

Proposal for creditor approval

"That the future remuneration of the Liquidation for the period from 30 May 2022 to finalisation of the Liquidation, is determined at a sum equal to the cost of time spent by the Liquidator and their partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice provided to creditors, up to a capped amount of \$30,000, exclusive of GST, and that the Liquidator can draw the remuneration from available funds as time is incurred on a monthly basis or as funds become available."

Reasons for the proposal and the likely impact it will have on creditors if it is passed

The proposal is being put to creditors to approve remuneration as allowed under law.

The proposal if passed will minimise the cost of approving remuneration to the Liquidation which would otherwise require a meeting of creditors or court application to be approved – which can be costly.

Remuneration of the Liquidators are to be paid in priority to other claims under the Corporations Act. This ensures that when there are sufficient funds, the Liquidators receive payment for the work done to recover assets, investigate the company's affairs, report to creditors and ASIC and distribute any available funds. Even if creditors approve my remuneration, this does not guarantee that I will be paid, as I am only paid if sufficient assets are recovered.

If sufficient assets are recovered, there may be funds available to pay a dividend to creditors, however this is affected by many variables including the value of assets and complexity of realising those assets, the level of creditor enquiries, the priority of claims (including employee claims) and the total value of creditor claims to be admitted to participate in a dividend.

At this early stage in the Liquidation I am unable to provide a dividend estimate of any certainty. If I do declare a dividend, any creditor whose claim has not yet been admitted will be contacted and asked to submit a proof of debt.

My remuneration approval report, which has been provided with this notice provides more detailed information on the remuneration I am seeking to be approved.

Vote on proposal

Creditors have the option of approving, not approving or objecting to the proposal being resolved without a meeting of creditors. Please select the appropriate Yes, No or Object box referred to below:

- | | | |
|--------|--------------------------|--|
| Yes | ☐ | I approve the proposal |
| No | ☐ | I do not approve the proposal |
| Object | ☐ | I object to the proposal being resolved without a meeting of creditors |

Your claim against the Company must be admitted for the purposes of voting by the Liquidators for your vote to count. Please select the option that applies:

- ☐ I have previously submitted a proof of debt form and supporting documents
- ☐ I have enclosed a proof of debt form and supporting documents with this proposal form

Creditor details

Name of creditor: _____ ACN / ABN (if applicable): _____

- ☐ I am not a related creditor of the Company.
- ☐ I am a related creditor of the Company, relationship: _____

Address: _____

Name of creditor / authorised person: _____

Signature: _____ Date: _____



Appendix K Remuneration Approval Report

9 May 2022



Remuneration Approval Report

Zadnik Commerce Pty Ltd (In Liquidation)
ACN 649 206 002 ("the Company")

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Schedule B – Resolutions10

Schedule C – FTI Consulting schedule of rates effective 1 July 202111

Summary

This remuneration approval report provides you with the information that the Corporations Act 2001 (Act) and the Code of Professional Practice published by the Australian Restructuring Insolvency and Turnaround Association (ARITA) requires creditors to receive to make an informed decision regarding the approval of our remuneration for undertaking the liquidation of Zadnik Commerce Pty Ltd (In Liquidation) ACN 649 206 002 (the Company).

We are asking creditors to approve the following remuneration and disbursements:

Period	Remuneration (excl GST)
30 May 2022 to Finalisation	\$30,000

We estimate that the total cost of this liquidation will be \$30,000 (plus GST and disbursements).

Declaration

We, Nathan Stubing and Daniel Woodhouse, of FTI Consulting, have undertaken a proper assessment of the claims for remuneration for the appointment as Liquidators of the Company in accordance with the law and applicable professional standards. We are satisfied that the remuneration claimed is in respect of necessary work, properly performed, or to be properly performed, in the conduct of this appointment and further, that the disbursements that have been incurred in the conduct of the external administration are necessary and proper.

Remuneration sought

The remuneration we are asking creditors to approved is summarised as follows:

For	Period	Amount \$ (excl GST)	Applicable rates	Timing of payment
Future work	30 May 2022 to Finalisation	\$30,000	As per the attached hourly rates	When funds are available
Total		\$30,000		

Details of the future work that we intend to do are **enclosed** at **Schedule A**.

Schedule B includes a breakdown of time spent by staff members on each major task for work we have already done.

The actual resolution to be put to the meeting is **included** at **Schedule C** for your information. The resolution also appears in the proposal form provided to you.

Disbursements

We are not required to seek creditor approval for costs paid to third parties or where we are recovering a cost incurred on behalf of the administration, but we must provide details to creditors. Details of these amounts are included in the attached Receipts and Payments.

We are required to obtain creditors' consent for the payment of a disbursement where we, or a related entity, may directly or indirectly obtain a profit.

For more information about disbursements, please refer to the Initial Remuneration Notice sent to you included with the Initial Information to Creditors.

Likely impact on dividends

The Act sets the order for payment of claims against the Company and it provides for remuneration of the Liquidators to be paid in priority to other claims. This ensures that when there are sufficient funds, the Liquidators receive payment for the work done to recover assets, investigate the Company's affairs, report to creditors and ASIC and distribute any available funds.

We are unable to provide a dividend estimate of any certainty at this stage of the Liquidation. If we do declare a dividend, any creditor whose claim has not yet been admitted will be contacted and asked to submit a proof of debt.

Summary of receipts and payments

There have been no receipts and payments in the liquidation to date.

Queries

Further supporting documentation for our remuneration claim can be provided to creditors on request.

You can also access information which may assist you on the following websites:

- ARITA at www.arita.com.au/creditors
- ASIC at www.asic.gov.au (search for INFO 85).

If you have any queries in relation to the information in this report, please contact Starli Smith of this office on 9321 8533 or by email at Starli.Smith@fticonsulting.com.



Nathan Stubing

Liquidator

Attachments:

Schedule A – Details of work

Schedule B – Resolutions

Schedule C – FTI Consulting schedule of rates effective 1 July 2021

Schedule A – Details of work

Task area/General description	Future work
Period	30 May 2022 to Finalisation
Amount \$ (excl GST)	\$30,000
Assets	\$5,000
Stock	■ Conducting stock takes ■ Reviewing stock values ■ Liaising with purchasers
Other assets	■ Tasks associated with realising other assets
Creditors	\$7,000
Creditor Enquiries, Requests & Directions	■ Receive and respond to creditor enquiries ■ Maintaining creditor request log ■ Review and prepare initial correspondence to creditors and their representatives ■ Documenting ■ Considering reasonableness of creditor requests ■ Obtaining legal advice on requests ■ Documenting reasons for complying or not complying with requests or directions ■ Compiling information requested by creditors
Creditor reports	■ Preparing Statutory Report by Liquidator OR Voluntary Administrator's report, investigation, meeting and general reports to creditors
Dealing with proofs of debt	■ Receipting and filing POD when not related to a dividend ■ Corresponding with OSR and ATO regarding POD when not related to a dividend

Task area/General description	Future work
Proposals to Creditors	■ Preparing proposal notices and voting forms ■ Forward notice of proposal to all known creditors ■ Reviewing votes and determining outcome of proposal ■ Preparation and lodgement of proposal outcome with ASIC
Investigations	\$15,000
Conducting investigation	■ Collection of company books and records ■ Correspondence with ASIC to receive assistance in obtaining reconstruction of financial statements, company's books and records and Report on Company Affairs and Property ■ Reviewing company's books and records ■ Review and preparation of company nature and history ■ Conducting and summarising statutory searches ■ Preparation of comparative financial statements ■ Preparation of deficiency statement ■ Review of specific transactions and liaising with directors regarding certain transactions ■ Liaising with directors regarding certain transactions ■ Preparation of investigation file ■ Lodgement of investigation with the ASIC ■ Preparation and lodgement of supplementary report if required
ASIC reporting	■ Preparing statutory investigation reports ■ Preparing affidavits seeking non-lodgement assistance ■ Liaising with ASIC
Administration	\$3,000

Task area/General description	Future work
Correspondence	■ General correspondence with various parties
Document maintenance/file review/checklist	■ First month, then six-monthly administration reviews ■ Filing of documents ■ File reviews ■ Updating checklists
Insurance	■ Identification of potential issues requiring attention of insurance specialists ■ Correspondence with insurer regarding initial and ongoing insurance requirements ■ Reviewing insurance policies ■ Correspondence with previous brokers
Funds handling	■ Preparing correspondence opening and closing accounts ■ Entering receipts and payments into accounting system ■ Requesting bank statements ■ Bank account reconciliations ■ Correspondence with bank regarding specific transfers
ASIC Forms and lodgements	■ Preparing and lodging ASIC forms including 505, 5602/5603, 911 etc. ■ Correspondence with ASIC regarding statutory forms
ATO and other statutory reporting	■ Notification of appointment ■ Preparing BAS ■ Completing STP reporting obligations
Finalisation	■ Notifying ATO of finalisation ■ Cancelling ABN / GST / PAYG registration ■ Completing checklists ■ Finalising WIP

Task area/General description	Future work
Planning / Review	■ Discussions regarding status of administration
Books and records / storage	■ Dealing with records in storage ■ Sending job files to storage

Schedule B – Resolutions

Resolution 1: 30 May 2022 to finalisation of the Liquidation

“That the future remuneration of the Liquidation for the period from 30 May 2022 to finalisation of the Liquidation, is determined at a sum equal to the cost of time spent by the Liquidator and their partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice provided to creditors, up to a capped amount of \$30,000, exclusive of GST, and that the Liquidator can draw the remuneration from available funds as time is incurred on a monthly basis or as funds become available.”

Schedule C – FTI Consulting schedule of rates effective 1 July 2021

Typical classification	Standard Rates \$/hour	General guide to classifications
Senior Managing Director/Appointee	720	Registered Liquidator and/or Trustee, with specialist skills and extensive experience in all forms of insolvency administrations. Alternatively, has proven leadership experience in business or industry, bringing specialist expertise and knowledge to the administration.
Managing Director	660	Specialist skills brought to the administration. Extensive experience in managing large, complex engagements at a very senior level over many years. Can deputise for the appointee. May also be a Registered Liquidator and/or Trustee. Alternatively, has extensive leadership/senior management experience in business or industry.
Senior Director	580	Extensive experience in managing large, complex engagements at a very senior level over many years. Can deputise for the appointee, where required. May also be a Registered Liquidator and/or Trustee or have experience sufficient to support an application to become registered. Alternatively, has significant senior management experience in business or industry, with specialist skills and/or qualifications.
Director	530	Significant experience across all types of administrations. Strong technical and commercial skills. Has primary conduct of small to large administrations, controlling a team of professionals. Answerable to the appointee, but otherwise responsible for all aspects of the administration. Alternatively, has significant senior management experience in business or industry, with specialist skills and/or qualifications.
Senior Consultant 2	480	Typically an Australian Restructuring Insolvency & Turnaround Association professional member. Well developed technical and commercial skills. Has experience in complex matters and has conduct of small to medium administrations, supervising a small team of professionals. Assists planning and control of medium to larger administrations.
Senior Consultant 1	435	Assists with the planning and control of small to medium-sized administrations. May have the conduct of simpler administrations. Can supervise staff. Has experience performing more difficult tasks on larger administrations.
Consultant 2	390	Typically Institute of Chartered Accountants in Australia qualified chartered accountant (or similar). Required to control the tasks on small administrations and is responsible for assisting with tasks on medium to large-sized administrations.
Consultant 1	360	Qualified accountant with several years' experience. Required to assist with day-to-day tasks under the supervision of senior staff.
Associate 2	335	Typically a qualified accountant. Required to assist with day-to-day tasks under the supervision of senior staff.

Typical classification	Standard Rates \$/hour	General guide to classifications
Associate 1	300	Typically a university graduate. Required to assist with day-to-day tasks under the supervision of senior staff.
Treasury	290	Typically, qualified accountant and/or bookkeeper working in a treasury function. Undertakes treasury activities and is skilled in all aspects of bookkeeping, funds handling, banking, payroll, tax compliance, accounts receivable and accounts payable.
Junior Associate	220	Undergraduate in the latter stage of their university degree.
Administration 2	220	Well developed administrative skills with significant experience supporting professional staff, including superior knowledge of software packages, personal assistance work and/or office management. May also have appropriate bookkeeping, accounting support services or similar skills.
Administration 1	185	Has appropriate skills and experience to support professional staff in an administrative capacity. May also have appropriate bookkeeping, accounting support services or similar skills.
Junior Accountant	180	Undergraduate in the early stage of their university degree.

The FTI Consulting Standard Rates above apply to the Corporate Finance & Restructuring practice and are subject to periodical review.