

Initial information for creditors

Asset Solar Tech Pty Ltd (In Liquidation) A.C.N. 630 625 544 (“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.

1. Information for creditors

1.1 Notification of appointment

I was appointed Liquidator of the Company on 17 March 2021 pursuant to an order made by the Supreme Court of Victoria. The petitioning creditor is Powerark Solar Pty Ltd (“the **Petitioning Creditor**”).

A copy of my Declaration of Independence, Relevant Relationships and Indemnities (“**DIRRI**”) is attached as **Annexure A**. The DIRRI assists you to understand any relevant relationships that I have, and any indemnities or upfront payments that have been provided to me. I have considered each relationship and it is my opinion that none of the relationships disclosed in the DIRRI result in a conflict of interest or duty or affect my independence.

1.2 What is a court liquidation?

A court liquidation is where an order to place a Company into liquidation is made by the court. Usually this is on application of a creditor where the Company has not paid its outstanding debt. In most circumstances, this means that the Company is insolvent.

My role as Liquidator is to administer the affairs of the Company, realise the assets and pay dividends (if any). I am also required to investigate the affairs of the Company and report any offences to the Australian Securities and Investment Commission (“**ASIC**”).

1.3 What happens to your debt?

According to the information available to me, you are or may be a creditor of the Company.

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.

If you have leased the Company property, have a retention of title claim or hold a Personal Property Security interest over any assets or property of the Company, please contact my staff as soon as possible.

1.4 Your rights as a creditor

Information regarding your rights as a creditor is provided in the information sheet included at **Annexure B**. This includes your right to:

- Make reasonable requests for a meeting;
- Make reasonable requests for information;
- Give directions to me;
- Appoint a reviewing liquidator; and
- To replace me as liquidator.

2. Summary of the Company's affairs

Below is a summary of the information available from ASIC for the Company.

Company Details		
Registration Date	17 December 2018	
Current Registered Office	2 Foreshore Drive, Urangan QLD 4655	
Current Principal Place of Business	2 Foreshore Drive, Urangan QLD 4655	
Director	Appointed	Ceased
Charline Gray	10 July 2020	-
Former Directors	Appointed	Ceased
Donna Jacqueline Michelle Michel	4 March 2019	4 March 2019
Andrew Alexander Smith	17 December 2018	1 March 2019
Share Structure	Amount Paid	Amount Unpaid
100 Ordinary Shares	\$100.00	\$0.00
Current Shareholders	Shares Held/Type	Fully Paid
Donna Jacqueline Michelle Michel	80 Ordinary Shares	No
Hayden Dylan Craig Frost	10 Ordinary Shares	No
James North	10 Ordinary Shares	No

3. Update on Liquidation

Background

Since the commencement of the liquidation, I have contacted the Company's former director, Ms Donna Jacqueline Michelle Michel ("Ms Michel") and she advised the following:

- Ms Michel was the main person managing the affairs of the Company and overlooked the Company's operation.
- Reasons for the Company's failure are as follows:

- Ms Michel took around 2 months leave to attend to her son as he was unwell,
 - A key employee/installer went on paternal leave and as a result there were cancellation of contracts;
 - Various employees left the Company and either started working somewhere else or opened their own business; and
 - Covid-19 pandemic led to delays and cancellation of contracts.
- The current director, Charline Gray is her partner, and that the former director Mr Andrew Alexander Gray is brother in law's brother.
 - There is no current lease at the Company's premises as they were evicted in October 2020.
 - Most of the Company's books and records were destroyed by the owner of a container (where they were kept) for non-payment of invoices. Ms Michel indicated that she filed a police report in relation to same.
 - Remaining books and records were maintained by a bookkeeper. I am currently awaiting to receive them from Ms Michel.

My investigations into the above are currently ongoing.

Assets

Ms Michel advised that the Company does not own any assets including stock as it was purchased on an order basis from suppliers, mainly the Petitioning creditor.

Ms Michel advised there is one debtor who owes the Company \$4,000 and that she will provide the details of same shortly.

Subsequent to my appointment, I notified Commonwealth Bank of Australia ("CBA") and other banks of my appointment. CBA responded and advised that the Company's two bank accounts held with them are in debits.

Creditors

Security Interest Holder

A search of the Personal Property Securities Register ("PPSR") has revealed the following security interests registered against the Company by the Petitioning creditor:

Secured Party	Registration(s)	Collateral class
Powerark Solar Pty Ltd	201907150027348	Commercial

On 24 March 2021, the Petitioning creditor provided documents in respect of their security interest registered against the Company. The payout amount as per the Judgement Order dated 13 October 2020 is \$15,816.45 including \$787.07 interest as at the date of the order and \$1,858.68 in costs.

Employees

Ms Michel advised there is a dispute with one employee regarding amounts owed but no other amounts or entitlements are owed to any other employees.

Unsecured Creditors

Ms Michel advised of two unsecured creditors Raystech and One Stop Warehouse in the amount of \$6,000 and \$19,000 respectively.

Investigations

My investigations are continuing, in particular with the following:

- Obtaining the report on the Company's affairs;
- Obtaining books and records; and
- Investigations into the affairs of the business.

Whilst I have only commenced my preliminary investigations into the Company, I am seeking creditors assistance in providing any additional information which may assist with my investigations or recoveries.

Please contact Vincent Nguyen of my office, by email at vnguyen@hogansprowles.com.au or by phone 02 8020 5872 if you have any information which may assist in my investigations or recoveries.

I will write to you within three months of my appointment advising the likelihood of a dividend and update you on the progress of my investigations.

4. What happens next?

I will proceed with the liquidation including but not limited to:

- Recovering and selling any available property;
- Investigating and pursuing recoveries;
- Investigating the Company's affairs; and
- Reporting to the corporate regulator ASIC.

5. Costs of the liquidation

Included at **Annexure C** is my Initial Remuneration Notice. This document provides you with information about how I propose to be paid for undertaking the liquidation.

I am seeking approved of my proposed remuneration, without a meeting of creditors, via the following circular resolutions:

- Approve the remuneration of the Liquidator for \$45,000 exclusive of GST (**Annexure D**); and
- Approve the future internal disbursements of the Liquidator for \$2,000 exclusive of GST (**Annexure E**).

Annexure F is the Proof of Debt Form

Annexure G is the ARITA Information sheet: Proposals without meeting

Annexure H is a copy of Liquidator Remuneration Report

6. Further information

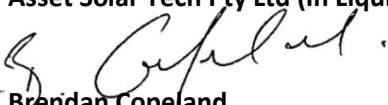
The Australian Restructuring Insolvency and Turnaround Association (“**ARITA**”) provides information to assist creditors with understanding liquidations and insolvency. This information is available from ARITA’s website at www.arita.com.au/creditors.

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

Should you have any questions in relation to this matter, please contact Vincent Nguyen of my office, by email at vnguyen@hogansproawles.com.au or by phone on (02) 8020 5872.

DATED this 26th day of March 2021

Asset Solar Tech Pty Ltd (In Liquidation)


Brendan Copeland
Liquidator

Attachments

Annexure A	Declaration of Independence, Relevant Relationships and Indemnities
Annexure B	Information Sheet - Creditor Rights in Liquidation
Annexure C	Initial Remuneration Notice
Annexure D	Proposal 1: Future Remuneration
Annexure E	Proposal 2: Future Disbursements
Annexure F	Informal Proof of Debt form
Annexure G	ARITA Information Sheet: Proposals without meeting
Annexure H	Liquidator’s Remuneration Report

Form 505

Corporations Act 2001
415(1), 427(2), 427(4), 450A(1)(a),
499(2C)(a) & (b), 537(1) & (2),
Insolvency Practice Rules (Corporations) 2016
s70-60(2)
Corporations Regulations 2001
5.3B.50, 5.3B.54, 5.5.06

External Administration or Controllership Appointment of an administrator or controller

Liquidator details

Registered liquidator number

421144

Registered liquidator name

BRENDAN JAMES COPELAND

Company details

Company name

ASSET SOLAR TECH PTY LTD

ACN

630 625 544

Company industry type

Other (Business and Personal) Services

Add a new appointment

Appointee details

Liquidator No. **421144**

Person Name

BRENDAN JAMES COPELAND

Address

**HOGANSPROWLES PTY LTD, LEVEL 9 60
PITT STREET SYDNEY NSW 2000 Australia**

Type of Appointment

Appointed Singly

Appointment Details

Provide the date of appointment.

17-03-2021

Type of administrator

Liquidator of Court liquidation

Method of appointment

appointment by court order

Court

Supreme Court

State or Territory of Court

VIC

Date of obtaining order: **19-03-2021**

Proceeding Matter Number **00340**

Year **2021**

Authentication

This form has been authenticated by

Name **BRENDAN JAMES COPELAND**

This form has been submitted by

Name **Brendan James COPELAND**

Date **19-03-2021**

Payment

You need to pay the fee (and any late fees if required) by Bpay or cheque in accordance with the instructions on your invoice

For more help or information

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

DECLARATION OF INDEPENDENCE, RELEVANT RELATIONSHIPS AND INDEMNITIES

Asset Solar Tech Pty Ltd (In Liquidation) A.C.N. 630 625 544 ("the Company")

The purpose of this document is to assist creditors with understanding any relationship that the liquidator has and any indemnities or upfront payments that have been provided to the liquidator. None of the relationships disclosed in this document are such that the independence of the liquidation is affected.

This information is provided to you to enable you to make an informed assessment on any independence concerns, so you have trust and confidence in my independence and, if not, can act to remove and replace me if you wish.

This document requires the Practitioner appointed to an insolvent entity to make declarations as to:

- A. their independence generally;
- B. relationships, including
 - i the circumstances of the appointment;
 - ii any relationships with the Insolvent and others within the previous 24 months;
 - iii any prior professional services for the Insolvent within the previous 24 months;
 - iv. that there are no other relationships to declare; and
- C. any indemnities given, or up-front payments made, to the Practitioner.

This declaration is made in respect of myself, my partners and HoganSprowles.

1. Independence

I, Brendan Copeland of HoganSprowles have undertaken a proper assessment of the risks to my independence prior to accepting the appointment as liquidator of the Company in accordance with the law and applicable professional standards. This assessment identified no real or potential risks to our independence. I am not aware of any reasons that would prevent me from accepting this appointment.

2. Declaration of Relationships

i. Circumstances of appointment

On **15 February 2021**, I was contacted by Sam Haguthee of Hilton Bradley Lawyers who represents Powerark Solar Pty Ltd, the petitioning creditor, seeking my consent to act as Liquidator of the Company. On 15 February 2021, I provided my consent to act as Liquidator of the Company. Subsequently, on **17 March 2021**, I was contacted by Mr Haguthee who informed me I was appointed Liquidator of Asset Solar Tech Pty Ltd by the Supreme Court of Victoria.

The reason I believe this relationship does not result in the Liquidator having a conflict of interest or duty are:

- Referrals from lawyers are commonplace and do not impact on my independence in carrying out my duties as Liquidator of the Company.

- Referrals from this source, and associated fees, are not a significant percentage of my business and accordingly, I am by no means dependent on referrals from this source.
- The referrer has not been remunerated for the referral.

ii. Relevant Relationships (excluding Professional Services to the Insolvent)

Neither I, nor my firm, have, or have had within the preceding 24 months, any relationships with the Company, an associate of the Company, a former insolvency practitioner appointed to the Company or any person or entity that has a charge on the whole or substantially whole of the Company's property.

iii. Prior Professional services to the Insolvent

Neither I, nor my firm, have provided any professional services to the Company in the previous 24 months.

iv. No other relevant relationships to disclose

There are no other known relevant relationships, including personal, business and professional relationships, from the previous 24 months with the Company, an associate of the Company, a former insolvency practitioner appointed to the Company or any person or entity that has a charge on the whole or substantially whole of the Company's property that should be disclosed.

C. Indemnities and up-front payments

We have not been indemnified in relation to this administration, other than any indemnities that we may be entitled to under statute and we have not received any up-front payments in respect of our remuneration or disbursements.

Dated: 26 March 2021



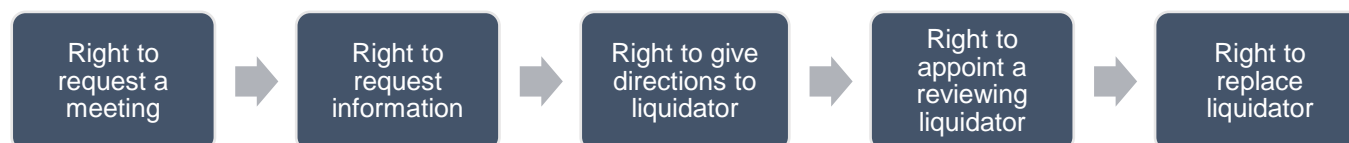
Brendan Copeland
Liquidator

Notes:

- 1. If circumstances change, or new information is identified, I am/we are required under the Corporations Act and the ARITA Code of Professional Practice to update this Declaration and provide a copy to creditors with my/our next communication as well as table a copy of any replacement declaration at the next meeting of the insolvent's creditors.*
- 2. Any relationships, indemnities or up-front payments disclosed in the DIRRI must not be such that the Practitioner is no longer independent. The purpose of components B and C of the DIRRI is to disclose relationships that, while they do not result in the Practitioner having a conflict of interest or duty, ensure that creditors are aware of those relationships and understand why the Practitioner nevertheless remains independent.*

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.

Specific queries about the liquidation should be directed to the liquidator's office.

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.

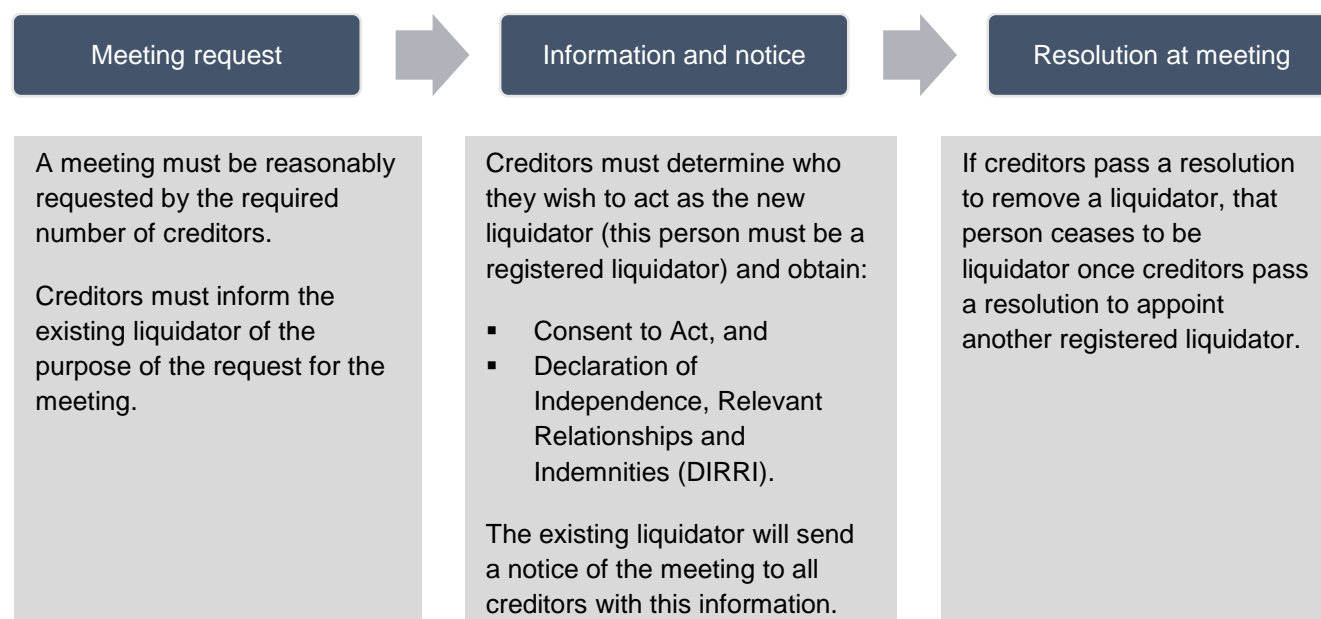
The cost of the reviewing liquidator is paid from the assets of the liquidation, in priority to creditor claims.

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.
Specific queries about the liquidation should be directed to the liquidator's office.**

INITIAL REMUNERATION NOTICE

Insolvency Practice Schedule (Corporations) 70-50
Insolvency Practice Rules (Corporation) 70-35

Asset Solar Tech Pty Ltd (In Liquidation)
A.C.N. 630 625 544 ("the Company")

The purpose of the Initial Remuneration Notice is to provide you with information about how I propose my remuneration for undertaking the Liquidation will be set.

1 Remuneration Methods

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

- A. **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.
- B. **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.
- C. **Percentage:** The total fee charged is based on a percentage of a particular variable, such as the gross proceeds of assets realisations.
- D. **Contingency:** The practitioner's fee is structured to be contingent on a particular outcome being achieved.

2 Method chosen

Given the nature of this liquidation I propose that my remuneration be calculated on a time based/hourly rates basis. The amount of work required and the recoveries from Company assets are at this stage not known to me and accordingly the time based/hourly rates basis best allows me to accurately determine how much work has been completed in the liquidation and remunerate accordingly. I have chosen the time based/hourly rates method because:

- This method is considered to be the most suitable for this appointment as it ensures creditors are only charged for work that is performed in the liquidation, which can be difficult to accurately estimate at the date of appointment.
- Even later than the date of appointment, it can be difficult to estimate the time that may be required in advance of the substantive work being undertaken. The time-based method in this case again ensures that creditors are only charged for work that is actually performed in the external Liquidation.
- The practitioner is required to perform a number of tasks which do not relate to the realisation of assets, for example, reporting to the Australia Securities and Investments Commission ("ASIC"), undertaking investigations, responding to creditor enquiries and distributing funds to creditors.

- The practitioner has a time recording system that can produce a detailed analysis of the time spent on each type of task by each individual staff member in the liquidation.
- Time based remuneration calculates fees upon a basis of time spent at the level appropriate to the work performed.

3 Explanation of Hourly Rates

The rates for my remuneration calculation are set out in the attached table, schedule of hourly rates, together with a general guide showing the qualifications and experience of staff 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. Time is charged in six-minute increments.

4 Estimated remuneration

I have estimated that this liquidation will cost approximately \$45,000 exclusive of GST to completion, subject to the following variables which may have a significant effect on this estimate and that I am unable to determine at this early stage in the administration:

- The time required to obtain the Company books and records from the director and third parties;
- The recovery of the Company's assets (if any);
- Investigations required into the business affairs of the Company and identify any assets or recoveries available to the liquidator; and
- Any matters identified that are required to be reported to statutory authorities, such as ASIC.

The Liquidator's time costs are recoverable only against the asset realisations available.

5 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. The recovery of these costs must be on a reasonable commercial basis.

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 creditor's consent for the payment of internal disbursements where there may be a profit or advantage. Creditors will be asked to approve my internal disbursements where there is a profit or advantage prior to these disbursements being paid from the liquidation.

Details of the basis of recovering disbursements in this liquidation are provided below.

Basis of disbursement claim

Disbursements	Rate (Excl GST)
Externally provided professional services	At cost
Externally provided non-professional services	At cost
Internal disbursements	
Advertising	At cost
Search fees	At cost
Courier	At cost
Printing, Faxes & Photocopies	\$0.20 per page
Postage	At cost
Stationary and other incidental disbursements	At cost
Travel - Staff by own vehicle	\$0.72 per km
Travel - other	At cost

Scale applicable for the financial year ending 30 June 2021.

Queries

Creditors have the right to request and obtain further information from the liquidator.

Information Sheet

Creditors may access the remuneration information sheet (ASIC Information Sheet 85 – Approving fees: a guide for creditors) at ASIC's website under Regulatory Resources.

<http://www.asic.gov.au/regulatory-resources/insolvency/insolvency-for-creditors/approving-fees-a-guide-for-creditors/>

DATED this 26th day of March 2021
Asset Solar Tech Pty Ltd (In Liquidation)


Brendan Copeland
Liquidator

hogan sprowles

Schedule of rates as @ 1 July 2020

Private & Confidential

Title	Description	Hourly rate (Excl. GST) (\$)
Partner	Registered liquidator, Chartered Accountant, degree qualified with more than fifteen years of extensive experience in insolvency, restructuring and business advisory matters. experience. Leads engagements with full accountability for strategy and execution.	595
Director	Generally Chartered Accountant and degree qualified with more than ten years of experience. Extensive experience in managing large, complex engagements at a senior level. Autonomously leads complex insolvency appointments reporting to Partner.	535
Senior Manager	Generally Chartered Accountant and degree qualified with more than seven years of experience. Significant experience across all types of engagements. Self-sufficiently conducts small to medium insolvency appointments.	470
Manager	Generally Chartered Accountant and degree qualified with more than five years of experience. Experience in complex matters, day to day conduct of small to medium engagements. Assists senior staff on complex matters.	420
Supervisor	Generally Chartered Accountant and degree qualified with more than three years of experience. Assists senior staff in planning and conduct of small to large engagements. Supervise a small team and control small engagements.	400
Senior Analyst 1	Generally degree qualified and undertaking Chartered Accountant's qualification. Controls certain tasks on small engagements and assists staff with completing tasks on medium to large engagements.	350
Senior Analyst 2	Experienced graduate controlling certain tasks on small engagements. Assists senior staff in completing tasks on small to large engagements.	340
Analyst 1	Experienced graduate. Required to assists senior staff in completing tasks on small to large engagements.	295
Analyst 2	Generally a university graduate with appropriate qualifications. Assists with day to day tasks under the supervision of senior staff.	220
Graduate	Generally degree qualified and undertaking or about to undertake Chartered Accountant's qualification with less than one year of experience. Assists with day to day tasks under the supervision of senior staff.	200
Undergraduate	Undertaking relevant degree. Assists with tasks within workstreams and appointments under supervision.	180
Senior Bookkeeper	Experienced bookkeeper with more than 18 months experience. Assist senior staff with accounting functions of engagement.	180
Bookkeeper	Assist senior staff with accounting functions of engagement.	170
PA	Appropriate skills and experience to support professional staff in an administrative capacity.	150
Administration	Appropriate skills and experience to support professional staff in an administrative capacity.	120

NOTICE OF PROPOSAL TO CREDITORS

Dated: 26 March 2021

Voting Poll Closes: 20 April 2021

**Asset Solar Tech Pty Ltd (In Liquidation)
A.C.N. 630 625 544 ("the Company")**

Proposal No. 1 for creditor approval

“That the future remuneration of the Liquidator for the period 17 March 2021 to the conclusion of the liquidation is determined at a sum equal to the cost of time spent by the liquidator and his partners and staff, calculated at the hourly rates as detailed in the Remuneration Approval Report of 26 March 2021 of fees equalling \$45,000 exclusive of GST, and that the liquidator can draw the remuneration immediately or as required.”

Vote on the Proposal No. 1

Please select the appropriate Yes, No or Object box referred to below with a to indicate your preferred position.

- 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

For your vote to count, your claim against the Company must have been admitted for the purposes of voting by the Liquidator. Please select the option that applies to you:

- 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
- I am **not** a related creditor of the Company
- I am a related creditor of the Company*

relationship: _____

*eg Director, relative of Director, related company, beneficiary of a related trust.

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

- A Liquidator is entitled to be fairly remunerated for undertaking statutory and other duties, including reporting obligations in acting as a liquidator.
- I am unable to pay my remuneration without the approval of the Committee of Inspection (if one has been appointed), Creditors, or the Court.
- Approval by Creditors is efficient and timely, and is less costly than an application to the Court.
- Approval of my remuneration will allow me to progress further investigations in a timely manner to ensure the prospect of any dividends can be maximised.
- Approval by Creditors, by circulating resolution from the Notice of Proposal to Creditors, is less costly than convening a meeting of creditors to obtain remuneration approval.
- This may negatively impact on creditors, as a formal meeting of creditors may be convened later than it may otherwise be convened, or not convened at all. That said, creditors are welcome to contact the Liquidators staff, by email or telephone, for an update on the liquidation.

**Name of creditor /
authorised person:** _____

Address: _____

Signature: _____

Date: _____

For your vote to count, you **must complete** this document and return it together with any **supporting documents** by no later than close of business on **Tuesday 20 April 2021**, by email to Vincent Nguyen at vnguyen@hogansprowles.com.au. Should you have any queries in relation to this matter, please contact Vincent Nguyen on (02) 8020 5872.

HoganSprowles
Level 2, 152 Marsden Street
Parramatta NSW 2150

NOTICE OF PROPOSAL TO CREDITORS
Dated: 26 March 2021**Voting Poll Closes: 20 April 2021**

**Asset Solar Tech Pty Ltd (In Liquidation)
A.C.N. 630 625 544 ("the Company")**
Disbursements

Disbursements are divided into three types:

- **Externally provided professional services** (eg legal fees) – these are recovered at cost.
- **Externally provided non-professional costs** (eg travel, accommodation and search fees) – these are also recovered at cost.
- **Internal disbursements** (eg photocopying, telephone, fax, printing and postage costs) – these are generally recovered at cost, however, expenses such as telephone calls, photocopying and printing may be charged at a rate which recoups both variable and fixed costs on a reasonable commercial basis.

I am not required to seek creditor approval for disbursements paid to third parties, however, I am required to account to creditors for such expenses and I must be satisfied that those disbursements are appropriate, justified and reasonable. In respect of Internal disbursements, to the extent that these may be recovered at more than their cost, they may be considered as deriving a profit or advantage and must therefore be approved by creditors, a committee of inspection (if one is appointed), or by the Court prior to them being drawn.

Declaration

I, Brendan Copeland of HoganSprowles have undertaken a proper assessment of disbursements claimed in the matter of the Company, in accordance with the law and applicable professional standards and I am satisfied that the disbursements claimed are necessary and proper.

It is proposed that future disbursements to be provided by my firm will be charged to the Company on the following basis:

Disbursements	Rate (Excl GST)
Externally provided professional services	At cost
Externally provided non-professional services	At cost
Internal disbursements	
Advertising	At cost
Search fees	At cost
Courier	At cost
Printing, Faxes & Photocopies	\$0.20 per page
Postage	At cost
Stationary and other incidental disbursements	At cost
Travel - Staff by own vehicle	\$0.72 per km
Travel - other	At cost

Proposal No. 2 for creditor approval

“That the internal disbursements of the liquidator for the period 17 March 2021 to the conclusion of the liquidation at the rates outlined in the Remuneration Approval Report dated 26 March 2021 be capped at the amount of \$2,000 plus GST and can be drawn by the liquidator as required.”

Vote on the Proposal No. 2

Please select the appropriate Yes, No or Object box referred to below with a to indicate your preferred position.

- 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

For your vote to count, your claim against the Company must have been admitted for the purposes of voting by the Liquidator. Please select the option that applies to you:

- 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
- I am **not** a related creditor of the Company
- I am a related creditor of the Company*

relationship: _____

*eg Director, relative of Director, related company, beneficiary of a related trust.

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

- A Liquidator is entitled to be fairly remunerated for undertaking statutory and other duties, including reporting obligations in acting as a liquidator.
- I am unable to pay my disbursements without the approval of the Committee of Inspection (if one has been appointed), Creditors, or the Court.
- Approval by Creditors is efficient and timely, and is less costly than an application to the Court.
- Approval of my disbursements will allow me to progress further investigations in a timely manner to ensure the prospect of any dividends can be maximised.
- This may negatively impact on creditors, as a formal meeting of creditors may be convened later than it may otherwise be convened, or not convened at all. That said, creditors are welcome to contact the Liquidator’s staff, by email or telephone, for an update on the liquidation.

Creditor details

Name of creditor

Address

ABN (if applicable)

Contact number

Email address

Name of creditor / authorised person: _____

Signature: _____ **Date:** _____

For your vote to count, you **must complete** this document and return it together with any **supporting documents** by no later than close of business on **Tuesday 20 April 2021**, by email to Vincent Nguyen at vnnguyen@hogansprowles.com.au. Should you have any queries in relation to this matter, please contact Vincent Nguyen on (02) 8020 5872.

HoganSprowles
Level 2, 152 Marsden Street
Parramatta NSW 2000

INFORMAL PROOF OF DEBT FORM

Regulation 5.6.47

Asset Solar Tech Pty Ltd (In Liquidation)
A.C.N. 630 625 544

Name of creditor:

Address of creditor:
.....

ABN:

Telephone number:

Amount of debt claimed: \$..... (including GST \$

Consideration for debt (i.e, the nature of goods or services supplied and the period during which they were supplied):

.....
.....
.....

Is the debt secured? YES/NO

If secured, give details of security including dates, etc:

.....
.....
.....

Other information:

.....
.....

Signature of Creditor
(or person authorised by creditor)

Dated

Notes:

Under the Insolvency Practice Rules (Corporations) (IPR) 75-85, a creditor is not entitled to vote at a meeting unless:

- a. his or her claim has been admitted, wholly or in part, by the Liquidator; or
b. he or she has lodged with the Liquidator particulars of the debt or claim, or if required, a formal proof of debt.

At meetings held under Section 436E and 439A, a secured creditor may vote for the whole of his or her debt without regard to the value of the security (IPR 75-87).

Proxies must be made available to the Liquidator.

Information sheet: Proposals without meetings

You may be a creditor in a liquidation, voluntary administration or deed of company arrangement (collectively referred to as an external administration).

You have been asked by the liquidator, voluntary administrator or deed administrator (collectively referred to as an external administrator) to consider passing a proposal without a meeting.

This information sheet is to assist you with understanding what a proposal without a meeting is and what your rights as a creditor are.

What is a proposal without a meeting?

Meetings of creditors were previously the only way that external administrators could obtain the views of the body of creditors. However, meetings can be very expensive to hold.

A proposal without a meeting is a cost effective way for the external administrator to obtain the consent of creditors to a particular course of action.

What types of proposals can be put to creditors?

The external administrator is able to put a range of proposals to creditors by giving notice in writing to the creditors. There is a restriction under the law that each notice can only contain a single proposal. However, the external administrator can send more than one notice at any single time.

What information must the notice contain?

The notice must:

- include a statement of the reasons for the proposal and the likely impact it will have on creditors if it is passed
- invite the creditor to either:
 - vote yes or no to the proposal, or
 - object to the proposal being resolved without a meeting, and
- specify a period of at least 15 business days for replies to be received by the external administrator.

If you wish to vote or object, you will also need to lodge a Proof of Debt (POD) to substantiate your claim in the external administration. The external administrator will provide you with a POD to complete. You should ensure that you also provide documentation to support your claim.

If you have already lodged a POD in this external administration, you do not need to lodge another one.

The external administrator must also provide you with enough information for you to be able to make an informed decision on how to cast your vote on the proposal. With some types of proposals, the law or ARITA's Code of Professional Practice sets requirements for the information that you must be provided.

For example, if the external administrator is asking you to approve remuneration, you will be provided with a Remuneration Approval Report, which will provide you with detailed information about how the external administrator's remuneration for undertaking the external administration has been calculated.

What are your options if you are asked to vote on a proposal without a meeting?

You can choose to vote yes, no or object to the proposal being resolved without a meeting.

How is a resolution passed?

A resolution will be passed if more than 50% in number and 50% in value (of those creditors who did vote) voted in favour of the proposal, but only so long as not more than 25% in value objected to the proposal being resolved without a meeting.

What happens if the proposal doesn't pass?

If the proposal doesn't pass and an objection is not received, the external administrator can choose to amend the proposal and ask creditors to consider it again or the external administrator can choose to hold a meeting of creditors to consider the proposal.

The external administrator may also be able to go to Court to seek approval.

What happens if I object to the proposal being resolved without a meeting?

If more than 25% in value of creditors responding to the proposal object to the proposal being resolved without a meeting, the proposal will not pass even if the required majority vote yes. The external administrator will also be unable to put the proposal to creditors again without a meeting.

You should be aware that if you choose to object, there will be additional costs associated with convening a meeting of creditors or the external administrator seeking the approval of the Court. This cost will normally be paid from the available assets in the external administration.

This is an important power and you should ensure that it is used appropriately.

Where can I get more information?

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

This information is available from ARITA's website at artia.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").

Liquidators Remuneration Approval Report

Asset Solar Tech Pty Ltd (In Liquidation) A.C.N. 630 625 544 (“the Company”)

This remuneration report provides you with the information you need to be able to make an informed decision regarding the approval of my remuneration for undertaking the liquidation of Asset Solar Tech Pty Ltd.

This report has the following information:

Contents

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Part 6: Remuneration Recoverable from External Sources	4
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Part 8: Summary of Receipts and Payments.....	4
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Part 10: Approval of remuneration and internal disbursements	4

What do you need to do next?

You should read this report and the other documentation that I have sent you.

To minimise the costs in the administration and this liquidation, I have elected to seek the approval of creditors for my remuneration without a meeting. Information about the proposals without a meeting process is included as Annexure H.

You can cast your vote by using the included voting form. This form needs to be returned to my office by post, scanned and emailed or faxed. I need to receive your forms by **Tuesday 20 April 2021** for your vote to count. If you choose to use post, please allow enough time for your letter to be delivered.

If you have any questions or need any assistance in this matter, please contact Vincent Nguyen of my office on (02) 8020 5872 or by email at vnguyen@hogansprowles.com.au.

Part 1: Declaration

I, Brendan Copeland of HoganSprowles, have undertaken a proper assessment of this remuneration claim for my appointment as liquidator of the Company in accordance with the law and applicable professional standards. I am satisfied that the remuneration claimed is in respect of necessary work, properly performed, or to be properly performed, in the conduct of the liquidation.

Part 2: Executive Summary

The total remuneration for this appointment is estimated to be \$45,000 exclusive of GST.

Remuneration currently claimed is summarised below:

Period	Report Reference	Amount (ex GST)
Future Remuneration claim:		
Liquidation		
Resolution 1: 17 March 2021 to the conclusion	Part 3	\$45,000.00
Total remuneration		\$45,000.00
* Approval for the future remuneration sought is based on an estimate of the work necessary to the completion of the liquidation. Should additional work be necessary beyond what is contemplated, further approval may be sought from creditors.		

Internal disbursements currently claimed are summarised below:

Period	Report Reference	Amount (ex GST)
Future Internal disbursements approval		
Resolution 2: 17 March 2021 to the conclusion	Part 4	\$2,000.00
Total – future disbursements		\$2,000.00
* Approval for the future internal disbursements sought is based on an estimate of the internal disbursements necessary to the completion of the liquidation. Should additional disbursements be necessary beyond what is contemplated, further approval may be sought from creditors.		

Please refer to report section references detailed in the above table for full details of the calculation and composition of the remuneration approval sought.

Part 3: Remuneration

3.1 Remuneration claim resolutions

I will be seeking approval of the following resolutions to approve my remuneration. Details to support these resolutions are included in section 3.2 and in the attached schedules.

Resolution 1: remuneration from 17 March 2021 to the conclusion of the liquidation

“That the future remuneration of the Liquidator from 17 March 2021 to completion is determined at a sum equal to the cost of time spent by the Liquidator and his partners and staff, calculated at the hourly rates as detailed in the Liquidator’s Remuneration Approval Report dated 26 March 2021 that may be increased at a rate of 10% at 1 July each year (rounded to the nearest \$10), up to a capped amount of \$45,000 exclusive of GST, and that the Liquidator can draw the remuneration on a monthly basis or as required.”

3.2 Details of remuneration

The below table sets out the predicted time charges to each major task area by staff members working on the liquidation for the period 17 March 2021 to the conclusion which is the basis of the Resolution 1 claim. More detailed descriptions of the tasks performed within each task area, matching the amounts below, are contained in Schedule A below.

3.3 Total remuneration reconciliation

In preparing this remuneration approval report, I have made my best estimate at what I believe the liquidation will cost to complete and I do not anticipate that we will have to ask creditors to approve any further remuneration. However, should the liquidation not proceed as expected, I will advise creditors and I may seek approval of further remuneration and provide details on why the remuneration has changed. Matters that may affect the progress and the cost of the liquidation, include the task involved in pursuing recoveries.

Part 4: Disbursements

Details of the type and calculation of disbursements are included in the attached initial remuneration notice. 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** - these are recovered at cost. Examples of externally provided non-professional costs are travel, accommodation and search fees.
- **Internal disbursements** such as photocopying, printing and postage. These disbursements, if charged to the Liquidation, 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. The recovery of these costs must be on a reasonable commercial basis. Details of the basis of recovery of each of these costs is discussed in my initial remuneration notice.

I have undertaken a proper assessment of disbursements claimed for the Company, in accordance with the law and applicable professional standards. I am satisfied that the disbursements claimed are necessary and proper.

Approval of the payment of my internal disbursements at the rates detailed in the attached initial remuneration notice to a capped amount of \$2,000 exclusive of GST is being sought from creditors via a proposal without a meeting.

Resolution 2: internal disbursements

“That the internal disbursements of the liquidator for the period 17 March 2021 to the conclusion of the liquidation at the rates outlined in the Remuneration Approval Report dated 26 March 2021 be capped at the amount of \$2,000 plus GST and can be drawn by the liquidator as required.”

Part 5: Likely impact on dividends

The likelihood of a dividend being paid to creditors depends on the outcome of my investigations and any recoveries. A further notice will be sent to creditors prior to any dividend distribution.

Part 6: Remuneration Recoverable from External Sources

At this stage the Liquidator has not received, and is not entitled to receive, any funding from external sources in respect of remuneration.

Part 7: Report on Progress of the Liquidation

Please see the Liquidators' Report to Creditors dated 26 March 2021.

Part 8: Summary of Receipts and Payments

There have been no receipts or payments to date.

Part 9: Queries

If you have any queries in relation to the information in this report, please contact Vincent Nguyen on (02) 8020 5872 or via email at vnguyen@hogansproyles.com.au.

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

- ARITA at www.arita.com.au/creditors; and
- ASIC at www.asic.gov.au (search for “insolvency information sheets”).

Part 10: Approval of remuneration and internal disbursements

At **Annexure E to H**, we have enclosed the following for your completion by **Tuesday 20 April 2021**:

- Voting slip for the Liquidator's future remuneration;

- Voting slip for the Liquidator's disbursements; and
- Proof of debt form.

In my report I am seeking creditors to vote via a proposal without a meeting on the following resolutions:

Resolution 1: remuneration from 17 March 2021 to the conclusion of the liquidation

“That the future remuneration of the Liquidator from 17 March 2021 to completion is determined at a sum equal to the cost of time spent by the liquidator and his partners and staff, calculated at the hourly rates as detailed in the Remuneration Approval Report of 26 March 2021 that may be increased at a rate of 10% at 1 July each year (rounded to the nearest \$10), up to a capped amount of \$45,000 exclusive of GST, and that the liquidator can draw the remuneration on a monthly basis or as required.”

AND

Resolution 2: internal disbursements

“That the internal disbursements of the liquidator for the period 17 March 2021 to the conclusion of the liquidation at the rates outlined in the Remuneration Approval Report dated 26 March 2021 be capped at the amount of \$2,000 plus GST and can be drawn by the liquidator as required.”

Schedule A – Resolution 1 - Calculation of remuneration

Asset Solar Tech Pty Ltd (In Liquidation)
A.C.N. 630 625 544 ("the Company")
ESTIMATED HOURS FOR THE PERIOD 3 FEBRUARY 2021 TO CONCLUSION OF THE LIQUIDATION
CALCULATION OF REMUNERATION

Employee	Position	\$/hour	Total actual hours	Total (\$)	Task Area						
					Assets hrs	Creditors hrs	Investigation hrs	Administration hrs	Investigation hrs	Administration hrs	
Brendan Copeland	Partner	595.0	15.0	8,925	2.0	1,190	2,975	6.0	3,570	2.0	1,190
Mahima Sharma	Senior Analyst	350.0	59.0	20,650	5.0	1,750	7,700	25.0	8,750	7.0	2,450
Vincent Nguyen	Analyst	220.0	67.7	14,885	5.0	1,100	5,500	27.7	6,085	10.0	2,200
Christine Xiao	Undergraduate	180.0	3.0	540	0.0	0	180	0.0	0	2.0	360
Total			144.7	45,000	12.0	4,040	16,355	58.7	18,405	21.0	6,200
GST				4,500							
Total (incl GST)				49,500							
Average hourly rate				311							

Schedule C – Resolution 1 - Table of major tasks for remuneration

The below table provides a description of the work which has been undertaken in each major task area during the course of the liquidation.

Task Area	General Description	Includes
Assets [12.0 hours] [\$4,040]	Other Assets	Tasks associated with realising debtor Tasks associated with realising other assets (if any)
Creditors [53.0 hours] [\$16,355]	Dealing with proofs of debt	Receipting and filing POD's when not related to a dividend Corresponding with OSR and ATO regarding POD's when not related to a dividend
	Creditor Enquiries	Receive and follow up creditor enquiries via telephone Maintaining creditor enquiry register Review and prepare correspondence to creditors and their representatives via facsimile, email and post
	Reports to creditors	Prepare initial report to creditors Review return of proposals Preparation of statutory report
Investigation [58.7 hours] [\$18,405]	ASIC reporting	Preparing statutory investigation reports Liaising with ASIC
	Correspondence	With various stakeholders Meeting with Directors and other third parties (if required)
	Conducting investigation	Collection of company books and records 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
Administration [21.0 hours] [\$6,200]	ASIC Form 524 and other forms	Preparing and lodging ASIC forms including 505, 5602, 5011 etc Correspondence with ASIC regarding statutory forms

Task Area	General Description	Includes
	Bank account administration	Requesting bank statements Bank account reconciliations Correspondence with bank regarding specific transfers Correspondence with pre-appointment bank regarding closure of account
	ATO and other statutory reporting	Notification of appointment Preparing BAS' Correspondence with ATO regarding lodgements and registration
	Planning / Review	Discussions regarding status of administration
	Books and records / storage	Dealing with records in storage Sending job files to storage
Total 45,000 GST 4,500		



Schedule of rates as @ 1 July 2020
Private & Confidential

Title	Description	Hourly rate (Excl. GST) (\$)
Partner	Registered liquidator, Chartered Accountant, degree qualified with more than fifteen years of extensive experience in insolvency, restructuring and business advisory matters. experience. Leads engagements with full accountability for strategy and execution.	595
Director	Generally Chartered Accountant and degree qualified with more than ten years of experience. Extensive experience in managing large, complex engagements at a senior level. Autonomously leads complex insolvency appointments reporting to Partner.	535
Senior Manager	Generally Chartered Accountant and degree qualified with more than seven years of experience. Significant experience across all types of engagements. Self-sufficiently conducts small to medium insolvency appointments.	470
Manager	Generally Chartered Accountant and degree qualified with more than five years of experience. Experience in complex matters, day to day conduct of small to medium engagements. Assists senior staff on complex matters.	420
Supervisor	Generally Chartered Accountant and degree qualified with more than three years of experience. Assists senior staff in planning and conduct of small to large engagements. Supervise a small team and control small engagements.	400
Senior Analyst 1	Generally degree qualified and undertaking Chartered Accountant's qualification. Controls certain tasks on small engagements and assists staff with completing tasks on medium to large engagements.	350
Senior Analyst 2	Experienced graduate controlling certain tasks on small engagements. Assists senior staff in completing tasks on small to large engagements.	340
Analyst 1	Experienced graduate. Required to assists senior staff in completing tasks on small to large engagements.	295
Analyst 2	Generally a university graduate with appropriate qualifications. Assists with day to day tasks under the supervision of senior staff.	220
Graduate	Generally degree qualified and undertaking or about to undertake Chartered Accountant's qualification with less than one year of experience. Assists with day to day tasks under the supervision of senior staff.	200
Undergraduate	Undertaking relevant degree. Assists with tasks within workstreams and appointments under supervision.	180
Senior Bookkeeper	Experienced bookkeeper with more than 18 months experience. Assist senior staff with accounting functions of engagement.	180
Bookkeeper	Assist senior staff with accounting functions of engagement.	170
PA	Appropriate skills and experience to support professional staff in an administrative capacity.	150
Administration	Appropriate skills and experience to support professional staff in an administrative capacity.	120