



**EDDIE
SENATORE**

EDDIE SENATORE
Advisory

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14 January 2020

To the creditor as addressed

Initial Information for creditors

KAS Coffee Pty Ltd (In Liquidation) ACN 133 830 065 As Trustee For KAS Coffee Unit Trust Trading As Coffee Club Tuggeranong (the “Company”)

According to the Company’s records, you may be owed money by the Company. If you are owed money, you are called a creditor.

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

Notification of appointment

I was appointed liquidator of the Company by a resolution of the Company’s members on 6 January 2020.

What is a members’ voluntary liquidation?

A members’ voluntary liquidation is a solvent winding up of a company. As the Company is solvent, **all creditors will be paid in full, however this is subject to a successful sale of business**. Please find attached a formal proof of debt form, Form 535, attached in Appendix A. Please fill out this form and return to me in order to substantiate your claim.

Your rights as a creditor

All creditors of the Company are now creditors in the liquidation. Although your debt will be paid in full, while you are a creditor, you have certain rights.

Information regarding your rights as a creditor is provided in the information sheet included at Appendix 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
- To replace me as liquidator.

If you do have an outstanding debt and have any concerns, please contact my office so that I can resolve your concerns in a timely manner.

If you are not paid within three months, I am required to write to you and update you on the progress of the liquidation and payment of a dividend.



Costs of the liquidation

Included at Appendix C is my Initial Remuneration Notice. Under law I am required to provide this document to you. However, as this is a solvent winding up, the members of the company are responsible for approving my remuneration – not creditors. You do not have to take any action in respect of my remuneration.

Please contact my office should you require further information.

Yours faithfully

Ezio Senatore
Liquidator

Appointment date: 6 January 2020
Contact name: Ezio (Eddie) Senatore
Contact number: (02) 6100 3435
Email: hello@eddiesenatore.com

Attachments

Appendix A - Formal proof of debt, Form 535.
Appendix B - Information Sheet - Creditor Rights in Members' Voluntary Liquidations.
Appendix C - Initial remuneration notice.



Appendix “A”

FORMAL PROOF OF DEBT OR CLAIM

To the Liquidator of **KAS Coffee Pty Ltd (In Liquidation) As Trustee For KAS Coffee Unit Trust Trading As Coffee Club Tuggeranong ACN 133 830 065 (the "Company")**

1. This is to state that the company was on 6 January 2020, and still is, justly and truly indebted to:

(full name, ABN and address of the creditor and, if applicable, the creditor's partners. If prepared by an employee or agent of the creditor, also insert a description of the occupation of the creditor) for _____ dollars and _____ cents

Particulars of the debt are:

Date	Consideration	Amount	Remarks
	<i>(state how the debt arose)</i>	\$	<i>(include details of voucher substantiating payment)</i>

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. Signed by (select option):

- I am the creditor personally.
- I am employed by the creditor and authorised in writing by the creditor to make this statement. 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.
- I am the creditor's agent authorised in writing to make this statement in writing. I know the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied.

Signature: _____ Dated: _____

Name: _____ Occupation: _____

Address: _____

RECEIVE REPORTS BY EMAIL	Yes	No
Do you wish to receive all future reports and correspondence from our office via email?	<input type="checkbox"/>	<input type="checkbox"/>
Email:.....		

If being used for the purpose of voting at a meeting:

- a) Is the debt you are claiming assigned to you? No Yes
- b) If yes, attach written evidence of the debt, the assignment and consideration given. Attached
- c) If yes, what value of consideration did you give for the assignment (eg, what amount did you pay for the debt?) \$ _____
- d) If yes, are you a related party creditor of the Company? No Yes
(f you are unsure contact the Liquidator))



Appendix “B”

Creditor Rights in Members' Voluntary Liquidations



A Members' Voluntary Liquidation is a solvent winding up and all creditors will be paid in full. However, while you are a creditor, you have rights under law to request meetings and information or take certain actions:



Right to request a meeting

In liquidations, including solvent windings up, 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.

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
- ≥ 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 information with creditors as required. If you are still a creditor at three months into the liquidation, you should receive a statutory report which provides information on the liquidation and payment of a dividend.

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.

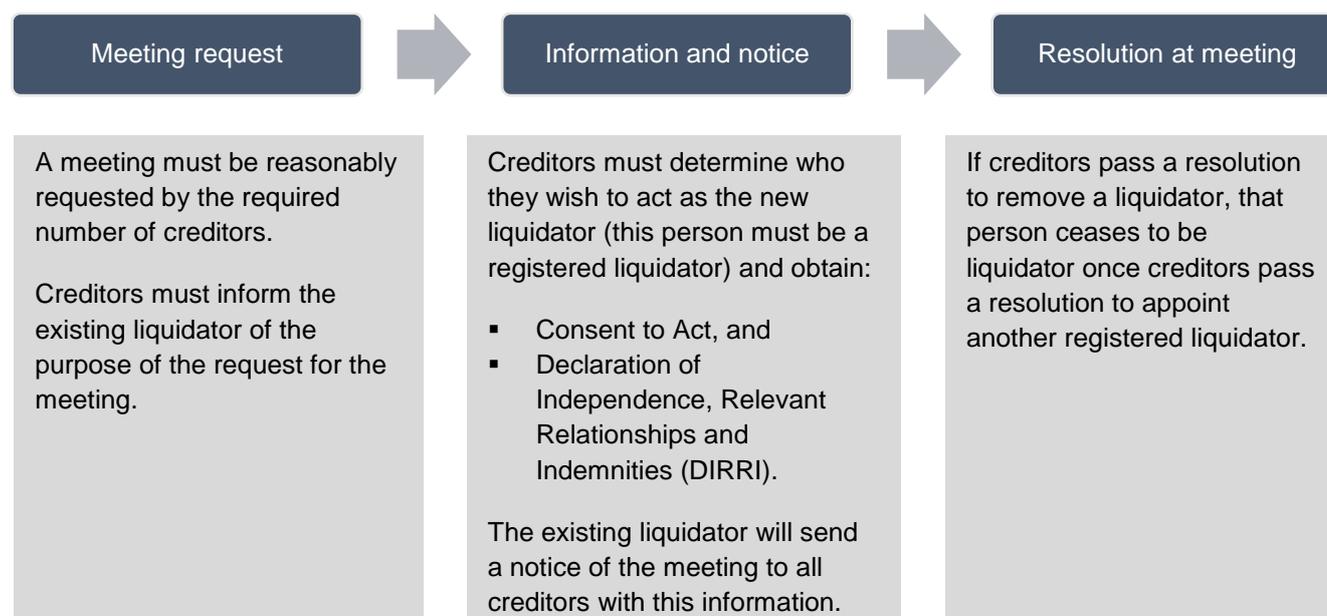
The cost of the reviewing liquidator is paid from the assets of the liquidation, in priority to creditor claims.

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 “C”



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Initial Remuneration Notice

KAS Coffee Pty Ltd (In Liquidation) ACN 133 830 065 As Trustee For KAS Coffee Unit Trust Trading As Coffee Club Tuggeranong (the “Company”)

The purpose of the Initial Remuneration Notice is to provide you with information about how my remuneration will be set for undertaking the solvent voluntary liquidation of the Company. By law I am required to provide you with this information, but in a solvent winding up where any creditors of the company will be paid in full, creditors are not involved in the setting or approval of remuneration.

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

My remuneration will be calculated on time based/hourly rates. This is because this is the method chosen by the members, who are responsible for approving this remuneration.

3 Explanation of Hourly Rates

The rates for my remuneration calculation are set out in the following table 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.



Title	Description	Hourly Rate (\$) (ex GST)
Appointee	Registered liquidator, Chartered Accountant, degree qualified with more than twelve years of experience. Assignment lead.	\$550
Manager	Chartered Accountant and degree qualified with more than five years of experience. Self-sufficiently conducts insolvency appointments and takes a supervisory role on matters.	\$450
Intermediate	Generally degree qualified and undertaking or about to undertake professional year qualification or comparable relevant qualification with less than one year of experience.	\$300
Secretary	Appropriately experienced and undertakes senior activities such as oversight of the processing of payment of receipts and banking administration.	\$250
Clerk	Appropriately experienced and undertakes support activities such as meeting coordination and preparation of materials where it is efficient and appropriate to do so.	\$150

4 Estimated remuneration

I estimate that this administration will cost approximately \$35,000 to complete.

This remuneration has been approved by the members at a general meeting of the Company.



5 Disbursements

Disbursements are divided into three types and are calculated and recovered as follows:

- **External professional services** - these are recovered at cost. An example of an externally provided professional service is legal fees. It does not include insolvency services, as insolvency services are claimed as remuneration.
- **External non-professional costs** – these are recovered at cost. Examples of external non-professional expenses include travel, accommodation and search fees.
- **Firm non-professional costs** – such as photocopying, printing and postage. These costs, 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 member approval for disbursements paid to third parties, but must account to members and creditors. However, I must be satisfied that these disbursements are appropriate, justified and reasonable.

I am required to obtain member's consent for the payment of internal disbursements where there may be a profit or advantage. However as I will only be claiming disbursements at costs, this was not required.

6 Queries

If you have any queries in relation to the information in this report, please contact my staff:

Dated this 14th day of January 2020

Ezio Senatore
Liquidator

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Contact number:	(02) 6100 3435
Email:	hello@eddiesenatore.com