



**EDDIE
SENATORE**

EDDIE SENATORE
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Initial Remuneration Notice

Modele Living Pty Limited ACN 130 976 751 (the Company)

Introduction

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

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.

Method proposed

Given the nature of this administration I propose that my remuneration will be calculated on a:

- time based / hourly rates basis

This is because:



- I will only be paid for work done, subject to sufficient realisations of the Company assets.
- It ensures creditors are only charged for work performed. My time is recorded and charged in fifteen-minute increments and I use resources with the relevant experience and qualifications.
- I am required to perform a number of tasks which do not relate to the realisation of assets, for example, responding to creditor enquiries, reporting to the ASIC, distributing funds in accordance with the provisions of the Corporations Act 2001.
- I have a time recording system that can produce a detailed analysis of time spent on each type of task and resource used in the administration.
- Time based remuneration calculates fees upon a basis of time spent at the level appropriate to the work performed.
- The method provides full accountability in the calculation of remuneration.

Explanation of Hourly Rates

All work performed at Eddie Senatore Advisory is performed by or under my direct supervision. Remuneration is determined on a time-cost basis and based on a rate of \$450 an hour with other support personnel generally providing booking-keeping or secretarial style services are charged at a rate \$300 an hour on work performed. The hourly rates charged encompass the total cost of providing professional services and should not be compared to an hourly wage.

Estimate of the cost of the administration

I estimate this administration will cost approximately \$25,000 (plus GST) to complete, subject to the following variables which may have a significant effect on this estimate and I am unable to determine until I have commenced the administration:

- Any offences discovered during the course of the liquidation
- Delays in recovering assets
- Recoveries which may require prolonged negotiations or litigation

Prior to my appointment, I provided an estimate of the cost of the administration to the director. This estimate set out above is consistent with the estimate provided to the director.



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 will be charged at cost.

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

Ezio Senatore

Liquidator

Dated 16th Day of November 2018