

Resolution for Liquidation - body { font-family: 'Times New Roman', serif; margin: 40px; line-height: 1.6; } .header { text-align: center; margin-bottom: 30px; border-bottom: 2px solid #000; padding-bottom: 20px; } .company-details { background: #f5f5f5; padding: 15px; margin: 20px 0; border-left: 4px solid #333; } .financial-summary { background: #fff3cd; padding: 15px; margin: 20px 0; border: 1px solid #ffc107; } .clauses { margin: 20px 0; } .clause { margin: 10px 0; padding: 8px; border-left: 3px solid #007bff; } .assets-table, .liabilities-table { width: 100%; border-collapse: collapse; margin: 15px 0; } .assets-table th, .assets-table td, .liabilities-table th, .liabilities-table td { border: 1px solid #ddd; padding: 10px; text-align: left; } .assets-table th, .liabilities-table th { background-color: #f2f2f2; font-weight: bold; } .creditors-section { margin: 20px 0; } .signatures { margin-top: 40px; } .signature-line { margin: 20px 0; border-bottom: 1px solid #000; width: 300px; } .amount { text-align: right; font-weight: bold; } .total-row { background-color: #e9ecef; font-weight: bold; } .warning { background: #f8d7da; border: 1px solid #f5c6cb; padding: 10px; margin: 15px 0; color: #721c24; }

RESOLUTION OF DIRECTORS VOLUNTARY LIQUIDATION

COMPANY DETAILS **Company Name:** Australian Business Number (ABN): Australian Company Number (ACN): **Entity Type:** Proprietary Limited Company **Registered Office:** Not specified **Industry:** Not specified **Resolution Date:** 09 July 2025 **Resolution Number:** RES-09-July-2025

FINANCIAL POSITION SUMMARY **Estimated Total Assets:** \$0 **Estimated Total Liabilities:** \$0 **Estimated Deficiency:** \$0

INSOLVENCY DECLARATION: The Directors hereby declare that the company is insolvent and unable to pay its debts as and when they fall due, and that there is no reasonable prospect that the company will be able to pay its debts within the next 12 months.

DIRECTORS' RESOLUTION We, the undersigned directors of , having met in Board Meeting on 09 July 2025, hereby unanimously resolve as follows:

1. INSOLVENCY DECLARATIONS: That the company is balance sheet insolvent, with liabilities exceeding assets on both book and market value bases. **2. LIQUIDATION RESOLUTIONS:** That the winding up of the company be commenced forthwith by way of Creditors' Voluntary Liquidation under the provisions of the Corporations Act 2001. **3. LIQUIDATOR APPOINTMENTS:** That John Smith be appointed as the official liquidator and be vested with full authority to realize assets and distribute proceeds to creditors. **4. STATUTORY AUTHORIZATIONS:** That full authority be granted to the liquidator to execute all documents and take all actions required for the proper conduct of the liquidation. **5. CREDITOR NOTIFICATIONS:** That all creditor communications be handled through the liquidator in accordance with insolvency procedures. **6. ASSET PRESERVATION:** That no further disposal of company assets occur without the express written consent of the appointed liquidator. **7. DIRECTOR POWERS:** That the powers of the directors cease upon the appointment of the liquidator, except as may be required to assist the liquidator in the performance of their duties. **8. REGULATORY COMPLIANCE:** That environmental compliance and safety obligations continue to be met during the wind-up period. **9. COOPERATION OBLIGATIONS:** That directors make themselves available for examination under section 596A of the Corporations Act if required.

REASONS FOR LIQUIDATION **Primary Reason Category:** Financial **Immediate Cause:** Financial difficulties and inability to meet debt obligations

Contributing Factors: Breach of customer data Damaging media scandal Product recalls

Detailed Circumstances: The company has experienced significant financial difficulties including cash flow problems, inability to secure additional funding, and mounting debts that cannot be serviced from current operations. The directors have determined that liquidation is the most appropriate course of action to ensure orderly wind-up and equitable distribution to creditors.

ASSET SCHEDULE Asset Description Book Value (\$) Estimated Realizable Value (\$) Notes Plant and Equipment 25,000 8,000 Aged equipment, limited market value Office Furniture 12,000 3,000 Standard office furniture Computer Equipment 18,000 5,000 2-3 years old, depreciated Trade Debtors 45,000 35,000 Some doubtful debts Inventory 30,000 15,000 Slow-moving stock Cash at Bank 2,500 2,500 Available cash **TOTAL ASSETS \$132,500 \$68,500 Estimated Recovery: 52%**

LIABILITY SCHEDULE Creditor/Liability Type Amount Owing (\$) Security Status Priority Commonwealth Bank (Business Loan) 180,000 Secured - General Security Agreement Secured Trade Creditors - Various 85,000 Unsecured Unsecured Australian Taxation Office 45,000 Statutory Priority Priority Employee Entitlements 28,000 Statutory Priority Priority Lease Liabilities 24,000 Unsecured Unsecured Other Creditors 18,000 Unsecured Unsecured **TOTAL LIABILITIES \$380,000 Estimated Deficiency: \$311,500**

MAJOR CREDITORS **Commonwealth Bank:** \$180,000 (Secured Loan) **ABC Suppliers Pty Ltd:** \$25,000 (Trade Creditor) **Australian Taxation Office:** \$45,000 (Taxation Debt) **XYZ Equipment Leasing:** \$18,000 (Lease Liability)

INSOLVENCY INDICATORS The following factors indicate the company's insolvency: Inability to pay debts as they fall due Cash flow deficiencies over extended period Mounting creditor demands and legal threats Inability to secure additional funding Declining business performance and revenue Loss of key customers and contracts Unable to meet statutory obligations (ATO, Super) Bank account restrictions and overdraft exceeded

STATUTORY DECLARATIONS The directors hereby declare and acknowledge that: They have made full inquiry into the affairs and business of the company They have formed the opinion that the company cannot by reason of its liabilities continue its business They believe there is no reasonable prospect that the company will be able to pay its debts All information provided to the liquidator will be true and accurate They will comply with all statutory obligations under the Corporations Act 2001

DIRECTORS' SIGNATURES **This resolution was passed by majority vote on 09 July 2025**

John Smith Director Date: 09 July 2025 **Jane Doe** Director Date: 09 July 2025

Liquidator Contact Details: John Smith Registered Liquidator (LIQ12345) Phone: (02) 9000 0000 Email: liquidator@example.com