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| Our Ref: CVL310  Your Ref:  **TO ALL KNOWN CREDITORS** | [Date]  When telephoning please ask for:  [Contact Name]  Direct Line:  [Direct Line] |

Dear Sirs

**Company Name Limited (**the **Company)**

The directors having regard to the financial position of the Company, have decided to take steps to place it into creditors’ voluntary liquidation.

**Introduction**

This firm is assisting the directors in this regard and it is proposed that IP Name, who is a licensed insolvency practitioner bound by the Insolvency Code of Ethics (**the Ethics Code**), will be appointed Liquidator following a resolution to wind-up the Company being passed by its shareholders.

We would confirm that this firm has had no prior involvement with the Company, its directors or shareholders and have not identified any threats to compliance with the fundamental principles of the Ethics Code.

*[OR where there has been any prior involvement or threats identified, include the following paragraph instead]*

We would confirm that this firm has had prior involvement with the Company OR the Company's directors or shareholders. The nature of this involvement was outline details of the prior involvement ie, when it was done, whom with and what was the nature of the work done/the firm's involvement - SIP6 requirement. We have considered the possible threats to compliance with the fundamental principles of the Ethics Code in accepting the instructions from the directors to assist in liquidating the Company and [do not consider that our prior involvement causes any threat to these principles *[OR]* have identified threats, to which the following safeguards have been introduced to mitigate these threats outline details of the safeguards introduced.

**Creditor Decisions**

The directors are also required to seek a decision of the Company’s creditors on the nomination of a liquidator.

This decision is being sought by ***deemed consent***, which means that the decision to appoint the proposed liquidator(s) will be approved, unless creditors object by the date set for this decision to be made. Please note that a physical meeting of creditors can no longer be convened to consider this nomination, unless the required threshold of creditors request such a meeting.

Further information on this process, how to object to the deemed consent process being used for the nomination of a liquidator, or how to request a physical meeting in the alternative, is included in the Notice which accompanies this letter.

It is proposed that the date for the creditors’ decision in this regard will be **Date** (the **Decision Date**).

As a result of the above, please find enclosed:

* Notice of a decision on the nomination of a liquidator to be considered by ***deemed consent***
* A Proof of Debt form - please complete this form and return it to my office with any supporting documentation

Unless 10% in value of the Company’s creditors object to the nomination of a liquidator via the ***deemed consent*** procedure by no later than the Decision Date above, creditors will be treated as having made the proposed decision.

Further details on this process and the rights of creditors to request a physical meeting in the alternative, can be found in the deemed consent Notice.

**Liquidation Committees**

Under insolvency legislation, whenever a decision is sought from creditors, the Convener of the decision must at the same time invite creditors to decide whether a liquidation committee should be established if sufficient creditors are willing to be members of the committee.

Information on the role of a liquidation committee and also a guide to the Creditors’ Voluntary Liquidation process can be found at <https://www.r3.org.uk/technical-library/england-wales/technical-guidance/creditor-guides/>

*[Then select* ***one*** *of the two following options]*

At this stage, it is not considered that a committee would be beneficial in the proposed liquidation. For this reason, it is proposed that a decision by ***deemed consent*** be taken that a liquidation committee will **not** be established.

Any objection to this decision should again be delivered in writing to the Convener by no later than the Decision Date and should be accompanied by your nomination for membership. Please see the enclosed ***deemed consent*** Notice for further information.

*[Or, if it is considered that a liquidation committee may be beneficial or if creditors have already indicated a desire to form a committee, then a decision by deemed consent regarding its formation is unlikely to be appropriate. Use this section to seek a decision by correspondence on the formation of a committee instead and delete the two paragraphs immediately above]*

I am also inviting creditors to consider whether a liquidation committee should be established. As a result, a decision by correspondence is being sought at the same time as the decision by ***deemed consent*** on the nomination of the liquidator.

Therefore, please also find enclosed:

* Notice of a further decision to be considered by correspondence
* A Voting Form which should be returned to my office by no later than the Decision Date together with the Proof of Debt form enclosed with this letter and any supporting documentation, in order for your votes to count

**Statement of Affairs and Report on the Company’s Financial Position**

The directors are required to deliver to creditors a copy of the Company’s statement of affairs by not later than on the business day before the Decision Date. They are also required to make available information on the financial affairs of the Company ahead of the decision on the nomination of a liquidator being taken.

The Company’s statement of affairs is enclosed with this letter for your information.

*[Where the costs of preparing the SoA and seeking the decision of creditors on the nomination of the liquidator have already been paid by the Company, also add the following (required by r6.7(3))]*

Please note that the costs of assisting with preparing the statement of affairs and seeking the decision of creditors on the nomination of a liquidator in the total sum of £Amount plus VAT and expenses of £Amount have already been paid by the Company to Firm Name.

*[OR]*

The Company’s statement of affairs is currently being prepared and will be delivered to creditors before the Decision Date or before the end of the period of 7 days beginning with the day after the day on which the Company passes a resolution for winding up, should this be sooner than the creditors’ Decision Date.

The report on the Company’s financial position will be available for viewing and downloading from the following website from enter date - this should be no later than the business day prior to the decision date:

Enter details of website and any password required to access it

*[OR]*

The report on the Company’s financial position is enclosed *[OR]* will be made available by not later than the business day prior to the Decision Date.

**Creditor Information**

It is proposed that decisions regarding the basis of the Liquidator’s remuneration will be sought after the Company has been placed into liquidation.

In the meantime, a copy of a guide for creditors about the fees of a Liquidator is available on request or can be downloaded from [Enter location of guide eg, firm's website or ICAEW/IPA website, etc & ensure creditors are directed to the relevant guide version applicable to the appointment].

Finally, I would ask you to note that my role in the period leading up to the creditors’ decision is to assist the directors in taking the necessary steps to place the Company into liquidation and does not involve advising the directors personally on their own position. It is also possible that a different insolvency practitioner may be the eventual liquidator appointed to the Company.

If you require further information, Name can be contacted at the address above and will be pleased to help you with any queries you may have.

Yours faithfully

**Name**

Firm Name