**NOTICE OF DECISION(S) BEING SOUGHT BY CORRESPONDENCE   
(A DECISION PROCEDURE)**

Pursuant to S246ZE of the Insolvency Act 1986 and Rule 15.8 of Part 15 of the Insolvency (England and Wales) Rules 2016 (**the Rules**).

**[COMPANY NAME] LIMITED (**the **Company)**

**Registered Number - [Insert registered number]**

**THE PROPOSED DECISION(S)**

The following decisions are proposed as decisions to be made by the Company’s creditors by correspondence:

*[Include or delete decisions as appropriate]*

1. *That the unpaid pre-appointment costs as detailed below be approved for payment.*
2. *That the basis of the Liquidator’s remuneration be fixed [insert either - as time costs OR as a percentage of the value of the company's assets OR as a set amount OR insert details of the combination of bases] as detailed in the fees estimate/information provided to creditors with this Notice. The Liquidator be authorised to draw remuneration on account of costs incurred as and when funds permit*
3. *That the Liquidator be authorised to draw Category 2 expenses in accordance with his firm’s published tariff, provided to creditors with this Notice.*

*[If none of the above decisions are being sought at the same time as the liquidator’s nomination, but it is felt that a liquidation committee may be beneficial or creditors have already indicated a desire that one be formed then include the committee invite decision below, delete 1-3 above and re-number. CVL313A would be the appropriate voting form to use where it is* ***only*** *the committee invite by correspondence that is being dealt with. If no fee decisions are being sought* ***and*** *it is* ***not*** *considered that a committee would be beneficial, use CVL311 instead of this decision notice and deal with the committee invite by deemed consent]*

1. *Whether a liquidation committee should be established if sufficient creditors are willing to be members of a committee and if so, who the creditors’ wish to nominate for membership of the committee.*

**ENSURING YOUR VOTES ON THE PROPOSED DECISIONS ARE COUNTED**

In order for votes on the Proposed Decisions to be counted, a creditor must have delivered the **Voting Form** accompanying this Notice, together with a proof in respect of their claim to the Convener, whose contact details are below, by no later than [Insert the agreed Decision Date] (**the Decision Date**), failing which their votes will be disregarded.

*[If pre-appointment costs approval is not being sought, delete the section below prior to issue. If they have been paid already, disclosure of the same should be made in the SIP6 report and this section will not be required]*

**Pre-appointment costs**

The services provided by [IP firm] were requested by the directors and given for the benefit of creditors of the Company. The Insolvency Rules provide that any reasonable and necessary expenses associated with these services may be paid out of the Company’s assets after the commencement of the liquidation as an expense of it. If approval for the costs as an expense of the liquidation is sought, this must be from any liquidation committee (if appointed) or if no committee, from creditors.

The following pre-appointments costs were approved by the directors on behalf of the Company and a decision is now being sought to approve these as an expense of the liquidation.

1. £[amount] plus VAT and necessary expenses, in respect of assistance rendered by [IP firm] in connection with the preparation of the statement of affairs. *[If applicable continue with the following sentence, otherwise delete it]* In addition, the Company’s accountants, [Name], be paid £[amount] plus VAT for assistance provided with the preparation of the statement of affairs.
2. £[amount] plus VAT and necessary expenses, in respect of assistance given by [IP firm] to the directors to deal with the work required to seek a decision of the Company’s creditors over the nomination of a liquidator.

*[Nb, Where unpaid pre-appointment fee approval is being sought to be paid as an expense of the estate, IPs are required to explain to creditors why the proposed set fee is expected to represent a fair and reasonable reflection of the work the IP firm has had to undertake (SIP9 requirement).* *The statements below are examples of what might be disclosed but should be edited as necessary for the circumstances of each case. If the fee being proposed is more than the firm’s usual costs (due to the extent of the work required on a particular case), the explanation should be tailored to explain what that work was and why it was necessary in support of the request for approval. Including the same generic explanation regardless of the level of fee may attract regulatory criticism. If more detailed work was carried out by the 3rd party accountant for example, you should also ensure the explanation covers the work they have done in more detail and why this was deemed necessary.]*

The above costs in assisting the director(s) to prepare a statement of affairs for the Company include reviewing the Company’s accounting records, liaising with agents where necessary to establish values for any assets owned by the Company and liaising with the Company’s accountants, bankers, director(s) and staff as necessary to enable this document to be prepared and verified ahead of the Decision Date. This may have included instructing the Company’s accountants to assist in this process, in which case, their costs will also be reflected above.

The costs associated with seeking a decision from the Company’s creditors on the nomination of a liquidator, include making available information on the financial affairs of the Company in order that creditors can make an informed decision. The decision-making process involved liaising with the director(s) to understand the Company’s relevant trading activity and financial history in the period leading up to liquidation and reviewing and extracting company/accounting information in order to prepare the necessary paperwork and circulating creditors with the decision-related documentation on behalf of the director(s).

In view of the scope of pre-appointment work done in order to place a Company into liquidation and in considering this against the likely costs that would be incurred on a time cost basis in the alternative, we consider that the set fees agreed with the director(s) and proposed for approval by creditors as an expense of the liquidation represent a fair and reasonable reflection of the above work this firm has carried out to assist the director(s) to place the Company into liquidation in this instance.

**Appeal of Convener’s decision**

Pursuant to Rule 15.35 of the Rules, any creditor may apply to the court to appeal a decision of the Convener. However, an appeal must be made within 21 days of the Decision Date.

*[If the creditor committee invite is being dealt with by deemed consent rather than by correspondence, delete the section below on committee nominations and continue with ‘Creditors with a small debt’ instead]*

**Creditors’ committee - nominations**

In relation to the proposed decision set out above concerning the formation of a committee, any nominations for membership of the committee must be received by the Convener on or before the Decision Date and will only be accepted if the Convener is satisfied as to the nominee’s eligibility to be a member of such committee under Rule 17.4 of the Rules. Please note that nominations for membership can be made on the Voting Form accompanying this notice.

Under Rule 17.4, a creditor is eligible to be a member of such a committee if the creditor has proved for a debt, the debt is not fully secured and the proof has not been wholly disallowed for voting purposes or wholly rejected for the purpose of distribution or dividend. Please note that a person cannot be a member as both a creditor and a contributory and whilst a body corporate may be a member of a creditors’ committee, it can only act through a representative appointed under Rule 17.17.

**Creditors with a small debt**

Any creditor whose debt may be treated as a small debt (less than £1,000 inclusive of VAT) must still deliver a proof in respect of their claim should they wish to vote on the decision(s) being proposed.

**Opting-out**

Any creditor who may wish to opt-out from the proceedings in due course, must still deliver a proof in respect of their claim should they wish to vote on the decisions(s) being proposed at this stage.

**Request for a physical meeting**

Insolvency legislation also provides that creditors who meet certain thresholds, namely 10% in value of creditors, 10% in number of creditors or 10 creditors, may require a physical meeting to be held to consider the Proposed Decisions. Such a request must be made in writing to the Convener before the Decision Date. To enable the Convener to determine whether a threshold has been met, please also provide a proof in respect of your claim with any request.

**Contact details**

Documents required to be delivered to [Name of director acting as the Convener], the director (**the Convener**) pursuant to this notice can be sent by post to [IP Firm Name & Address] or alternatively by email to [IP email address]. Any person who requires further information may contact [Name] by telephone on [Telephone] or alternatively by e-mail at [Email address].

Dated:

Signed: …………………………………………..

**Convener**