

**Freedom Insurance Pty Limited (In Liquidation)
ACN 138 864 543
("the Company")**

Initial Notice to Creditors - IPR Rule 70-30

DATE OF REPORT

14 February 2020

DATE OF APPOINTMENT

13 February 2020

EXTERNAL ADMINISTRATORS

Joseph Hayes and Andrew McCabe

CONTACT

Tom Gilbert
(02) 9210 1700
Email: freedominsurance@wexted.com

Wexted Advisors
Level 12, 28-34 O'Connell Street
SYDNEY NSW 2000



1. Executive summary

We note the Company was placed into Members Voluntary Liquidation on 13 February 2020 and Joseph Hayes and Andrew McCabe of Wexted Advisors were appointed Joint and Several Liquidators.

All outstanding creditors of the Company must be paid in full within 12 months of our appointment and before any distribution to members. This notice is a procedural step only to ensure that any creditor with an outstanding debt lodges their claim before calculation of the distribution to members. We request that all claims be lodged within 21 days of this notice to expedite the process as much as possible.

We are obtaining information on the assets and records of the Company and compiling details of all creditors at present.

2. Update on the progress of the Liquidation

Statutory Information

| | |
|--------------------------------|---------------------------------------------------------------------|
| Company Name: | Freedom Insurance Pty Limited |
| Trading Name: | N/A |
| Director: | Doug Halley |
| Secretary: | N/A |
| Date of Incorporation: | 14 August 2009 |
| Registered Office: | 'Tower 2' Level 14 101 Grafton Street Bondi Junction 2022 NSW |
| Principal Place of Business: | Level 12, 28-34 O'Connell Street, Sydney NSW 2000 |
| Registered Security Interests: | Winc Australia Pty Limited |

Source: ASIC Records

Nature of the Business of the Company

We understand that the Company is part of the Freedom Insurance Group of companies. The Group's other entities include:

- Freedom Insurance Group Limited ACN 608 717 728;
- Insurance Network Services Australia Pty Limited (In Liquidation) ACN 137 632 770;
- Freedom Insurance Administration Pty Limited (In Liquidation) ACN 164 880 193;
- Customer Contact Pty Limited (In Liquidation) ACN 165 981 466;
- Spectrum Wealth Advisers Pty Limited (In Liquidation) ACN 134 661 706; and
- Finwealth Holdings Limited (In Liquidation) ACN 146 033 865.

The Group provided life insurance distribution and administration services as well as financial planning services.



What happens to your debt?

All creditors of the Company are now creditors in the liquidation. As a creditor, you have certain rights, although your debt will now be dealt with in the liquidation. We request that creditors complete the Proof of Debt document attached to this advice.

If you have leased the Company property, have a retention of title claim or hold a Personal Property Security ("PPS") in relation to the Company, please contact Tom Gilbert of our office on (02) 9210 1700 or via email at freedominsurance@wexted.com.

Your rights as a creditor

Information regarding your rights as a creditor are provided in the information sheet attached to this advice. These rights include your right to:

- Make reasonable requests for a meeting;
- Make reasonable requests for information;
- Give directions to us;
- Appoint a reviewing liquidator; and
- To replace us as liquidators of the Company.

Further details are included in the information sheet attached to this report.

Next steps in the Liquidation

We will proceed with the liquidation, which will include:


- Advertising for any claims against the Company on the ASIC Published Notices website;
- Recovering and selling any available property for the benefit of creditors;
- Preparing of the Company's final accounts up to the date of liquidation (13 February 2020) with lodgement of the final income tax return with the Australian Taxation Office ("ATO") for the financial year ended 30 June 2020;
- Requesting the ATO to provide a tax clearance in order to distribute the surplus assets in accordance with its constitution; and
- Prepare and lodge an End of Administration return with ASIC to formally wind up and deregister the Company.

3. Enquiries

Should you have any enquires please contact Tom Gilbert of this office on (02) 9210 1700 or by email at freedominsurance@wexted.com.

DATED this 14th day of February 2020
Freedom Insurance Pty Limited (In Liquidation)


Joseph Hayes
Joint and Several Liquidator


Andrew McCabe
Joint and Several Liquidator

FORMAL PROOF OF DEBT OR CLAIM (GENERAL FORM)

1. To the Joint and Several Liquidators of Freedom Insurance Pty Limited (In Liquidation)
This is to state that the company was, on 13 February 2020 ⁽¹⁾ and still is, justly and truly indebted to⁽²⁾ (full name):

.....
(‘Creditor’)

.....
of (full address)

for \$ dollars and cents.

Particulars of the debt are:

| Date | Consideration ⁽³⁾ state how the debt arose | Amount \$ | GST included \$ | Remarks ⁽⁴⁾ include details of voucher substantiating payment |
|------|----------------------------------------------------------|-----------|--------------------|--------------------------------------------------------------------------------|
| | | | | |

2. To my knowledge or belief the creditor has not, nor has any person by the creditor's order, had or received any manner of satisfaction or security for the sum or any part of it except for the following:

Insert particulars of all securities held. Where the securities are on the property of the company, assess the value of those securities. If any bills or other negotiable securities are held, specify them in a schedule in the following form:

| Date | Drawer | Acceptor | Amount \$ c | Due Date |
|------|--------|----------|-------------|----------|
| | | | | |

- I am **not** a related creditor of the Company ⁽⁵⁾
- I am a related creditor of the Company ⁽⁵⁾
relationship: _____

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

Is the debt you are claiming assigned to you?

No Yes

If yes, attach written evidence of the debt, the assignment and consideration given.

Attached

If yes, what value of consideration did you give for the assignment (eg, what amount did you pay \$ for the debt?) _____

3A.^{(6)*} 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, still remains unpaid and unsatisfied.

3B.^{(6)*} I am the creditor's agent authorised to make this statement in writing. I know that the debt was incurred and for the consideration stated and that the debt, to the best of my knowledge and belief, still remains unpaid and unsatisfied.

DATED this day of 2020

Signature of Signatory.....

NAME IN BLOCK LETTERS

Occupation

Address

See Directions overleaf for the completion of this form

OFFICE USE ONLY

| | | | |
|-----------------------------------------|-----|------------------------------------------|----|
| POD No: | | ADMIT (Voting / Dividend) - Ordinary | \$ |
| Date Received: | / / | ADMIT (Voting / Dividend) – Preferential | \$ |
| Entered into CORE IPS: | | Reject (Voting / Dividend) | \$ |
| Amount per ROCAP | \$ | Object or H/Over for Consideration | \$ |
| Reason for Admitting / Rejection | | | |
| PREP BY/AUTHORISED | | TOTAL PROOF | \$ |
| DATE AUTHORISED / / | | | |

Proof of Debt Form Directions

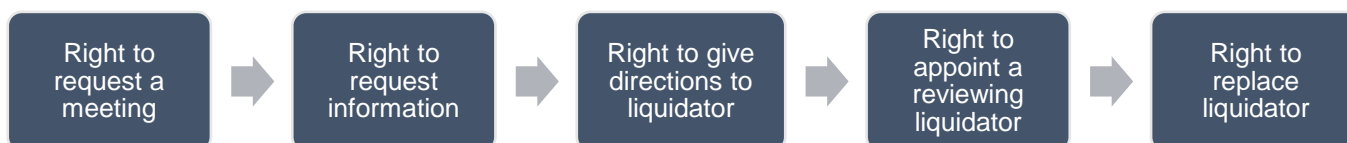
- * Strike out whichever is inapplicable.
- (1) Insert date of Court Order in winding up by the Court, or date of resolution to wind up, if a voluntary winding up.
- (2) Insert full name and address (including ABN) of the creditor and, if applicable, the creditor's partners. If prepared by an employee or agent of the creditor, also insert a description of the occupation of the creditor.
- (3) Under "Consideration" state how the debt arose, for example "goods sold and delivered to the company between the dates of", "moneys advanced in respect of the Bill of Exchange".
- (4) Under "Remarks" include details of vouchers substantiating payment.
- (5) Related Party / Entity: Director, relative of Director, related company, beneficiary of a related trust.
- (6) If the Creditor is a natural person and this proof is made by the Creditor personally. In other cases, if, for example, you are the director of a corporate Creditor or the solicitor or accountant of the Creditor, you sign this form as the Creditor's authorised agent (delete item 3A). If you are an authorised employee of the Creditor (credit manager etc), delete item 3B.

Annexures

- A. If space provided for a particular purpose in a form is insufficient to contain all the required information in relation to a particular item, the information must be set out in an annexure.
- B. An annexure to a form must:
 - (a) have an identifying mark;
 - (b) and be endorsed with the words:
 - i) "This is the annexure of *(insert number of pages)* pages marked *(insert an identifying mark)* referred to in the *(insert description of form)* signed by me/us and dated *(insert date of signing)*;
and
 - (c) be signed by each person signing the form to which the document is annexed.
- C. The pages in an annexure must be numbered consecutively.
- D. If a form has a document annexed the following particulars of the annexure must be written on the form:
 - (a) the identifying mark; and
 - (b) the number of pages.
- E. A reference to an annexure includes a document that is with a form.

Creditor Rights in Liquidations

As a creditor, you have rights to request meetings and information or take certain actions:



Right to request a meeting

In liquidations, 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.

A meeting may be requested in the first 20 business days in a creditors' voluntary liquidation by $\geq 5\%$ of the value of the debts held by known creditors who are not a related entity of the company.

Otherwise, 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
- $\geq 25\%$ 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 important information with creditors as required in a liquidation. In addition to the initial notice, you should receive, at a minimum, a report within the first three months on the likelihood of a dividend being paid.

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.

Specific queries about the liquidation should be directed to the liquidator's office.

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.

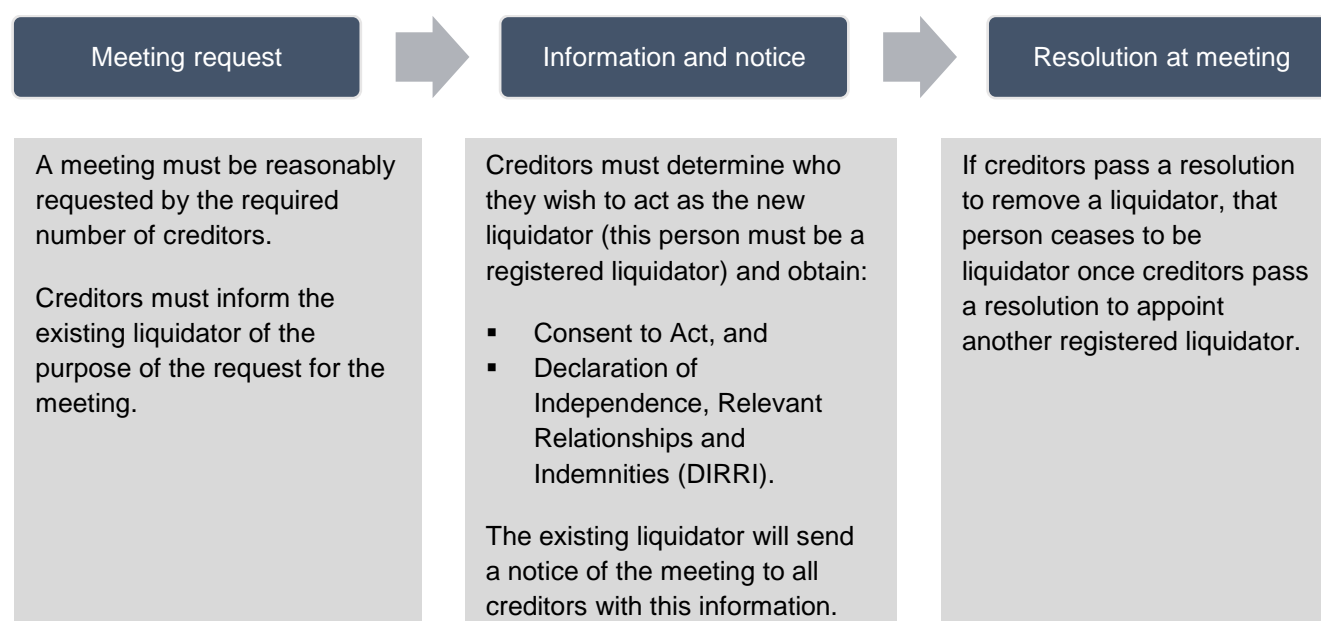
The cost of the reviewing liquidator is paid from the assets of the liquidation, in priority to creditor claims.

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.
Specific queries about the liquidation should be directed to the liquidator's office.**