

This is in reference to the Senate enquiry into Liquidators & Administrators.

Our situation occurred in May 2006. The company concerned was (...) (...) (...) were appointed as the Liquidators and Administrators.

The original quote from (...) of (...) was \$80,000 for 4 weeks and \$10,000 a week for next 2 weeks. It turned out to \$130,000 after 2 weeks plus more as the years went on.

A brief summary of this is that the finalizing of Liquidation & Administration was ended in July 27 2009. at a cost of \$590,663. (...) took control of assets of approx. \$2,500,000 from (...). At the end of the administration and liquidation there was a shortfall to the Commonwealth Bank of \$990,000. This had to be paid by the directors of (...). And unsecured creditors did not receive any money.

I wrote to ASIC twice in this period of 3 years and they could not help us.

I have the letters which I wrote to ASIC and also to (...).

I can also confirm two people who rang (...) wanting to buy the (...) (in the first week) were never contacted and calls were not returned by anybody from (\

The problem with Administrators and Liquidators they run on a “charge and do” basis and have no one controlling their costs. They keep spending the money disregarding creditors and stop charging their fees when the money runs out. It seems to me they take all they can and anything left over “good luck” to creditors. At the moment of their appointment the management team of (...) was pushed aside instead of using their experience and knowledge of the industry they go ahead as “THE EXPERTS” and dispose of assets at ridiculous discounts. One example is an instance of (...) selling raw materials of \$100,000 for \$700.00. Previous managers would have been able to sell them for more than \$50,000. This is only one of many examples where their incompetence and inefficiency cost creditors but did not affect their fees

If you need further information (letters documents etc) I would very happy to supply these to your enquiry.