

# The regulatory minefield of creditors meetings

**Given the intense scrutiny facing insolvency practitioners, the onus is on voluntary administrators to ensure creditors meetings are conducted in full compliance with legal and regulatory requirements.**

**Quorum provides voluntary administrators with a rapid response to planning and convening often contentious meetings; which are attended in many cases by hundreds of creditors.**

## Challenges overcome:

- *Logistical complexity*
- *Risk of exposure*
- *Demanding statutory timeframes*
- *Clearly communicating with stakeholders*
- *Demands on senior internal resources*

### *Consider this scenario:*

Following your appointment as a voluntary administrator, you need to coordinate simultaneous, separate creditors meetings encompassing multiple states and meeting sites, core staff for attendance at all locations on the day and a number of separate entities (requiring the maintenance of each entity, multiple data streams and multiple sets of documentation).

### *How do you ensure your ability to manage all the logistical requirements?*

## Growing complexity brings added challenges

Particularly with meetings of this complexity, which faced the voluntary administrator of a prominent Australian industrial company, the risk of exposure is high. As a result, it was important for the voluntary administrator to seek specialist support to help both mitigate risk, and also avoid the often costly strain on senior internal resources due to a lack of expertise. The tight statutory timeframes placed an added demand on the operational and mailing requirements associated with a job of this scale and scope.

With a reputation for successfully managing a number of contentious and complex creditors meetings for high profile Australian companies, Computershare was appointed to manage the logistical requirements for each of the meetings.



## The solution: Quorum - mitigating the risk

Quorum enabled the voluntary administrator to respond swiftly in completing the logistical requirements for the simultaneous meetings; ensuring 'best endeavours' in satisfying its legal and regulatory obligations.

Under the pressure of the demanding five day statutory timeframe, the solution included:

- Registration of creditors' details
- Printing and mailing of all documentation; including registration sheets, Notice of Meeting, proxy forms, proof of debt forms, sets of results and voting cards
- Receipt, processing and reconciliation of all proof of debt information and proxy forms
- Co-ordination of staff to manage all at-meeting requirements
- Effective liaison with the voluntary administrator and union delegates.

### Specialist staff

Central to the solution was the ability to draw on an experienced pool of specialist employees from around the country, which ensured the necessary level of expertise and resourcing to effectively manage all meeting requirements. This was achieved despite a constantly changing project scope and continual client changes to documentation, which invariably occurred with limited notice.

The possibility of error and subsequent exposure was heavily mitigated by significant process efficiencies; despite pre-meeting tasks occurring essentially 24 hours per day over the five day timeframe.

These tasks included liaising with union representatives to collect and process proof of debt and proxy forms, regular client liaison, data reconciliation (which includes the ongoing maintenance of all data) and the personal delivery of employee documentation to union delegates at all sites; as requested by the voluntary administrator.

### Technical and procedural support

The technical expertise of staff ensured the reformatting and upload of data was completed within the tight timeframe; despite the challenges faced by the voluntary administrator in gaining access to the data of the insolvent business.

Importantly, the voluntary administrator had access to detailed audit trails throughout a sensitive and convoluted process. This ensured the ability both to monitor the progress of the process internally, and to demonstrate to external parties the integrity of the processes used to complete the meeting requirements.

### Benefits

Quorum allowed the voluntary administrator to:

- focus on core priorities
- mitigate risk
- deal with unforeseen issues and meet statutory timelines
- communicate clearly and effectively with all stakeholders.

### Critical Response Times

Day 1	Day 2	Day 3	Day 4	Day 5	Day 15 - 60
<ul style="list-style-type: none"><li>• Appointment</li><li>• Collection of information</li></ul>	<ul style="list-style-type: none"><li>• Provision of data</li><li>• Voluntary administrator signs off documentation</li><li>• Print &amp; distribution of Creditor Information Packs</li></ul>	<ul style="list-style-type: none"><li>• Finalise 'Business Rules'</li></ul>	<ul style="list-style-type: none"><li>• Finalise meeting requirements</li><li>• Processing nominated forms</li></ul>	<ul style="list-style-type: none"><li>• Meeting</li></ul>	<ul style="list-style-type: none"><li>• Subsequent meeting planning</li></ul>

Meet statutory obligations

Creditors are provided 2 clear business days for review

**Computershare Limited**

ABN 71 005 485 825

**Telephone 1300 132 333**

**[www.computershare.com](http://www.computershare.com)**