

MLG Associates Insolvency & Business Solutions

Insolvency Assignment Charging and Disbursement Recovery Policy

Remuneration of Insolvency Practitioners

MLG Associates will normally seek creditors' approval for remuneration to be fixed on a time cost basis, one of the bases permitted by the statutory provisions, at the first appropriate meeting of the creditors. Once the basis of remuneration has been approved, MLG Associates will be able to draw remuneration from time to time on account without specific reference to creditors.

Time recording

Time spent by insolvency practitioners and staff of the firm that relates directly to insolvency assignments is charged under the five major categories set out below, as required by Statement of Insolvency Practice 9 ("SIP9").

SIP9, which provides guidance as to how an insolvency practitioner's remuneration is authorised, can be obtained from the R3 website, www.r3.org.uk/publications.

SIP9 provides for time to be recorded under the following categories:

Administration and planning	Case planning; administrative set-up; appointment notification; maintenance of records; statutory reporting; dealing with taxation and VAT
Investigations	Undertaking an investigation into the accounting records and the conduct of the business and affairs as required by SIP2; work carried out examining antecedent transactions with a view to recovering assets; complying with obligations to make reports on the conduct of directors under the Company Directors Disqualification Act 1986
Realisation of Assets	Identifying, securing and insuring assets; debt collection and dealing with the realisation of property and other assets; disposing of a business
Trading	Managing operations; accounting for trading and dealing with ongoing employee and supplier issues
Creditors	Communication with creditors and shareholders; dealing with creditors claims (including employees, secured, preferential and unsecured creditors)
Case Specific Matters	Dealing with ad hoc matters arising in the administration of an estate where specific analysis is required, for example litigation in respect of antecedent transactions

MLG Associates will provide details of time spent in relation to assignments in reports issued to creditors and shareholders in accordance with the provisions of SIP9.

Charge out rates

Time is charged in respect of assignments in 6 minute units. The current charge out rates per hour for each grade of staff are as follows:

	From 31st October 2010	From 1st January 2015
Insolvency Practitioner	£250.00	£300.00
Case Manager	£100.00	£150.00
Case Administrator	£37.50	£100.00
Assistant/Support Staff		£50.00

Disbursement recovery

MLG Associates recover direct Category 1 Disbursements incurred in relation to an insolvency assignment. These are costs that are readily identifiable as specifically relating to an insolvency assignment and referable to a payment to an independent third party

Recovery of Category 2 Disbursements requires approval by Creditors or any Creditors Committee. These are costs, which, whilst being in the nature of expenses or disbursements, include elements of shared or overhead costs. MLG Associates do not recover disbursements under this category.