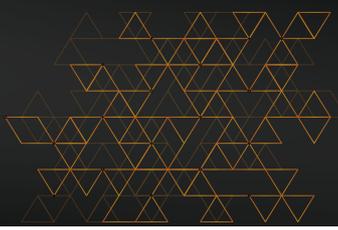




## ***The Board's duties and obligations***

We should like to draw the following points to your attention:

1. The Board remains responsible for the conduct of the affairs of the Company until such time as it is placed into liquidation and it is under a duty to act so as to preserve the Company's assets and minimise its liabilities for the benefit of creditors and members generally.
2. The Board must ensure that any action that it takes will not result in any creditor or member, or group of creditors or members, being preferred or given an advantage over the remainder. In particular, the Board should ensure that any secured creditor having either a legal mortgage or debenture over the Company's assets is not put in a better position as a result of any action it may take with regard to disposing of the Company's assets.
3. No payments should be made to existing creditors of the Company, nor should the Company obtain any further goods or services on credit.
4. Credit and charge cards issued to Directors and staff should no longer be used.
5. No deliveries of goods or services already ordered should be accepted without our written consent.
6. No assets should be disposed of, except to the extent necessary to meet essential costs and expenses of the Company. In the event that material assets are to be sold, these should first be valued by appropriate independent agents with adequate professional indemnity insurance. In addition, if any of the directors or any other party connected with the Company is interested in purchasing the business or any of the Company's assets, they should seek independent advice.
7. The Board should take care not to allow any of the Company's creditors to obtain possession of any assets pending investigation of their entitlement to such possession by a subsequently appointed liquidator. Creditors seeking to recover goods supplied, including those supplied pursuant to retention of title clauses embodied in their conditions of sale, should similarly not be allowed to remove any items from the Company's or other premises.
8. The Company should not supply any goods to existing creditors except on a pro forma payment basis.
9. No goods should be despatched with carriers or hauliers who are owed money by the Company.
10. Cash or cheques received by the Company should be handed over to us for payment into a Clients' Account. Depending on the source of such funds and any relevant security over them, these funds may be utilised, inter alia, in discharging the costs and expenses of seeking members' and creditors' decisions on the proposed liquidation and any ongoing operational expenses necessary for the beneficial realisation of the Company's assets. Further we shall utilise these funds to discharge our fees for the assistance in the preparation of the estimated Statement of Affairs and ancillary documentation, together with the costs of any instructed agents and solicitors. Any remaining balance will be held pending confirmation of the liquidator's appointment by the creditors. In the event that the appointment of an Insolvency Practitioner employed by us is not ratified by the creditors, any surplus funds held will be handed over to the duly elected Liquidator, after the deduction of our fees and costs.
11. The Board authorises us to instruct agents of our choosing to value the assets of the Company and to pay their reasonable expenses incurred in undertaking the valuation out of any Company funds received by us prior to liquidation, or as an expense of preparing the statement of Company's affairs.
12. The Board must ensure that all assets of the Company should be properly insured and all liability insurances, such as for employees, products, professional indemnity, property owners and public, should be maintained. The appropriate premiums should be paid such that adequate insurance cover remains in force until such time as the liquidator confirms that alternative arrangements are in place.



13. The Board must deliver up to us all the books and records of the Company. These are required by us to enable sufficient information to be provided to creditors regarding the financial affairs of the Company. In the meantime, it is your responsibility to ensure that the Company continues to comply with all data protection legislation. This includes ensuring that access to and copies of digital data are restricted so that the risk of any data breach is mitigated.
14. The Board should prepare, with our assistance where necessary, a statement of the Company's affairs in the prescribed form, together with a report, which will need to be provided to creditors prior to their decision.
15. Please ensure that neither members of the Board of Directors nor any member of staff speaks to the press or media. If appropriate, a formal press release will be prepared and this will be made available for distribution by the Board.
16. Where dismissals are proposed, the Board has various obligations under the employment legislation that will need to be met and we suggest that you obtain legal advice on your responsibilities as a Board to the employees and government agencies.
17. The Board should provide us with details of any known health and safety breaches in the last 3 years and deliver up to us the Company's accident book and any inspection or safety certificates held in respect of the Company's plant and machinery.

It is important that the above procedures are followed, as failure to do so could result in penalties or personal liability being incurred by members of the Board under the provisions of the Insolvency Act 1986.

Please note that nothing contained within this engagement instruction should be taken as directing the Board to do anything which would compromise the safety of the Board, the Company's employees, agents or any third party.

The current government guidelines and requirements in light of the COVID-19 pandemic must be followed first and foremost and public safety is paramount.