

Remuneration of Liquidator, Interim Liquidator, Corporate
Rescue Practitioner and Council of Estate Administrators Levy
(Amendment) (No. 1) of 2023

IT is hereby notified that the Minister of Justice, Legal and Parliamentary Affairs, has, in terms of section 196(2) of the Insolvency Act [*Chapter 6:07*], made the following amendment:—

1. These amendments may be cited as the Remuneration of Liquidator, Interim Liquidator, Corporate Rescue Practitioner and Council of Estate Administrators and Insolvency Practitioners Levy (Amendment) (No. 1) of 2023.

2. Tariff A of the Second Schedule to the Insolvency Act [*Chapter 6:07*] (hereinafter referred to as the “principal tariff”, is repealed and substituted by the following—

“SECOND SCHEDULE

TARIFF A (SECTION 29(2)(d))

REMUNERATION OF LIQUIDATOR, INTERIM LIQUIDATOR AND
CORPORATE RESCUE PRACTITIONER

ITEM 1: REMUNERATION OF LIQUIDATOR (SECTIONS 48(2) AND 136(1))

A liquidator appointed under the provisions of this Act is entitled to remuneration at the following tariffs—

1. On the proceeds of and any income or rentals arising from any property which was subject to the rights of a secured creditor in respect of the gross amount reflected in each encumbered asset account—
 - (a) on the first \$15 000..... 8 *per centum*
 - (b) on the next \$10 000..... 6 *per centum*
 - (c) on the balance..... 5.5 *per centum*
 - (d) minimum fee \$5 000
2. On the gross amount of the free residue of the company, including any surplus brought into the free residue from an encumbered asset account—
 - (a) on the first \$15 000..... 13.5 *per centum*
 - (b) on the next \$10 000..... 11 *per centum*

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- (c) on the balance..... 8 *per centum*
- (d) minimum fee \$5 000
- 3. On the gross turnover of any trading or carrying on of business—
 - (a) on the first \$5 000.....2 *per centum*
 - (b) on any excess over \$5 0003 *per centum*
- 4. On the value of any asset taken over by a creditor with the consent of the liquidator minimum fee is 2 *per centum*.
- 5. Where the liquidator is appointed for the purpose of carrying out a scheme of arrangement, post liquidation composition or compromise under the provision of this Act, he/she shall be entitled to a fee calculated as follows on the value of the debtor's property as estimated in the statement of affairs—
 - (a) on the first \$10 000 or fraction thereof 1 *per centum*
 - (b) on the next \$40 000 or fraction thereof..... 1.5 *per centum*
 - (c) on the next \$50 000 or fraction thereof..... 2 *per centum*
 - (d) on the next \$100 000 or fraction thereof..... 2.5 *per centum*
 - (e) there after 3 *per centum*
- 6. A liquidator shall be entitled to recover travelling expenses incurred during the course of his duties at a rate to be determined in the discretion of the Master.

ITEM 2: REMUNERATION OF INTERIM LIQUIDATOR (Section 79(9))

A reasonable remuneration, to be determined by the Master, not to exceed the rate of remuneration of a liquidator under these tariffs.

ITEM 3: REMUNERATION OF CORPORATE RESCUE PRACTITIONER
(SECTION 136 (1))

- 1. A corporate rescue practitioner under the provisions of this Act is entitled to—
 - On Gross sale or turnover (on gross income value) 3 *per centum*
 - On disposal of assets or business units (on gross asset value) 3 *per centum*
 - On securing an investor (on value of investment)..... 3 *per centum*
 - On arranging loan Finance 1 *per centum*

On carrying on of reconstruction or other scheme by which the affairs of the company are reconstructed and re-organised (on gross asset value)3 *per centum*

Where a company is not trading or making sales then charges will be based on time basis as prescribed by the Estate Administrators Council from time to time.

2. Paragraph (1) does not apply to, limit or restrict any “further remuneration” for a Business Rescue practitioner, as contemplated in section 136(2) to (4).
3. In addition to the remuneration in paragraphs (1) and (2), a practitioner is entitled to be reimbursed for the actual cost of any disbursement made by the practitioner, or expense incurred by the practitioner to the extent reasonably necessary to carry out the practitioner’s functions and facilitate the conduct of the company’s corporate rescue proceedings.

ITEM 4: COUNCIL OF ESTATE ADMINISTRATORS AND INSOLVENCY PRACTITIONERS LEVY

1. There shall be charged 4% on fees earned by every Estate Administrator or Insolvency Practitioner as a levy to be paid to the Council of Estate Administrators.
2. The Master of High Court shall not approve any fee note from an Estate Administrator or Insolvency Practitioner or authorize any account for distribution where proof of payment of this levy to the Council of Estate Administrators and Insolvency Practitioners has not been furnished to him or her.
3. No practising certificate for the ensuing year shall be issued by the Council of Estate Administrators and Insolvency Practitioners in the absence of payment of this levy as will have been advised by The Master of High Court.
4. The fees stated herein are in United States dollars, and can be paid in Zimbabwean dollars at the prevailing interbank rate on the date of payment. The Council of Estate Administrators levy in Item 4 shall be payable in the currency in which the Estate Administrator or Insolvency Practitioner, as the case may be, has been remunerated for the relevant assignment.”

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