

Our Ref: JDEM/MDR/TAG/DT/JP/CVL405/B023

24 July 2019

**TO ALL KNOWN CREDITORS AND MEMBERS**When telephoning please ask for:  
John Pierce  
Direct Line:  
020 7002 7960

Dear Sirs

**British Steel Holdings Limited - In Liquidation (the Company)**

I am writing to give notice under R6.15 of the Insolvency (England & Wales) Rules 2016 (**the 2016 Rules**) that my partner, Michael David Rollings, and I were appointed Joint Liquidators of the Company by the shareholders on 27 June 2019. The decision was then confirmed by the Company's creditors by the deemed consent on 8 July 2019. Please note that I am licensed to act as an insolvency practitioner by the Institute of Chartered Accountants in England and Wales and Mike Rollings is licensed to act as an insolvency practitioner by the Insolvency Practitioners Association. As such, we are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment.

**Outcome of Decision Process**

Under the provisions of Rule 1.49 of the 2016 Rules, I am giving creditors notice that a report on the above decision process can be downloaded from <http://rollingsbutt.com/case-documents/british-steel-holdings-limited/> which includes details of any other decisions agreed on the same date.

Creditors may at any time request a hard copy of this report by contacting John Pierce on 020 7002 7960 or via [john.pierce@rollingsbutt.com](mailto:john.pierce@rollingsbutt.com) or by writing to my office at the above address.

**Liquidators' Fee Approval**

It was proposed that the decision agreeing the basis of the Liquidators' remuneration would be agreed following the Liquidators' appointment. Therefore, please now find enclosed with this letter:

- Information on the work I anticipate will need to be done in order to wind-up the Company's affairs, together with my fees estimate and a statement of expenses I consider are likely to be incurred including details of this firm's policy on the recovery of disbursements.
- Notice of the decisions to be considered by correspondence. Please note this may, where relevant, include a decision about any outstanding pre-liquidation costs where approval has not yet been obtained from creditors.
- A Voting Form - please complete this and return it to my office by 12 August 2019. Alternatively, it can be emailed to [mail@rollingsbutt.com](mailto:mail@rollingsbutt.com).

Michael David Rollings and Steven Edward Butt are licensed to act in the UK as insolvency practitioners by the Insolvency Practitioners Association. James Douglas Ernie Money is licensed as an insolvency practitioner in the UK by the Institute of Chartered Accountants in England & Wales.

Where acting as administrators, liquidators or receivers, our insolvency practitioners act as agents of the relevant company and without personal liability.

All our practitioners are bound by the Insolvency Code of Ethics when carrying out all professional work in relation to an insolvency appointment. The Insolvency Code of Ethics can be found at <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>

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- Proof of debt form - if you have not already submitted a proof of your claim in the liquidation, please return this completed with your Voting Form.

A simple majority of creditors voting on the decisions proposed will be required for them to be passed.

Please note that where creditors decide to fix the basis of my remuneration by reference to time properly given in attending to matters arising in the winding-up, the fees estimate provided with this letter will act as a cap on my remuneration unless further approval is obtained from creditors to increase this. I reserve the right to revert to creditors should I consider that the estimate will be exceeded and will provide relevant information on the reasons for this, together an updated estimate of costs if this proves necessary.

A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from [https://www.r3.org.uk/media/documents/publications/professional/Guide\\_to\\_Liquidators\\_Fees.pdf](https://www.r3.org.uk/media/documents/publications/professional/Guide_to_Liquidators_Fees.pdf).

### **Liquidation Committee**

I would advise creditors that a decision was taken not to form a liquidation committee in the liquidation.

Please note that whilst I do not consider a committee to be warranted, I am obliged to invite creditors to consider the formation of a committee each time I seek a decision from them. It is for this reason that the invitation appears on the decision Notice.

### **Claiming as a creditor**

Under insolvency legislation, a Liquidator may, depending on the circumstances of the case, decide to treat a 'small debt' of the Company (*meaning a debt not exceeding £1,000 inclusive of VAT*), as having been proved, without a creditor having to submit a proof in respect of their claim. Where a dividend is anticipated and it is intended that any of the Company's debts will be treated in this way, notice will be given to the affected creditors, who will be entitled to any dividend paid in respect of their debt, without proving.

In such circumstances, if there is a discrepancy or difference between the amount a creditor believes they are owed and the Company's records, or should such any creditor wish to participate in any decisions made by creditors, it will be necessary for a creditor to submit a proof regardless of this provision.

The above does not preclude you from submitting a proof now if you are a creditor owed less than £1,000. Alternatively, if you do not consider that you are a creditor of the Company, please notify us and we will update our records.

If you are a creditor of the Company owed more than £1,000, you will be required to submit a proof of the debt owed to you as at the date of my appointment before you can participate in the proceedings. A proof of debt form is enclosed for you to provide full details of your claim which should be completed and returned to my office as soon as possible.

If you believe that you hold any form of security or reservation of title, would you please forward details in writing to me as soon as possible.

Creditors registered for VAT may be able to claim VAT bad debt relief in accordance with Section 36 of the Value Added Tax Act 1994. Relief is available when the debt is six months old and "written off" by the creditor entering it on his VAT refunds-for-bad-debts-account.

Insolvency Practitioners have no role in administering VAT bad debt relief. Creditors who are uncertain how to claim should contact their VAT office or take professional advice.

You can also find useful information for creditors online through R3, the insolvency profession's trade body at [www.creditorinsolvencyguide.co.uk](http://www.creditorinsolvencyguide.co.uk).

### **The Prescribed Part for Creditors**

The Company granted floating charges to Olympus Steel Limited and PNC Business Credit (for itself and as Security Agent) on 31 May 2016. Accordingly, I am required to create a fund out of the Company's net floating charge property for unsecured creditors (known as the **Prescribed Part**).

At this stage it is not known whether there will be any realisations at all. The outcome will depend upon realisations by the liquidators of British Steel Limited (in Liquidation), and it is too early for such information to be available. The directors' estimated Statement of Affairs indicates that there will be no realisations.

### **Information Request**

Please inform me if you hold any property or monies belonging to the Company and note that you are not authorised to deal with them without prior approval in writing.

As Joint Liquidator, I have a duty to consider the conduct of those who have been directors of the Company at any time during the last three years. I also have a duty to consider whether any civil proceedings should be taken against the directors or others for the recovery of, or contributions to, the Company's assets.

If you are aware of any matters in connection with the directors' conduct, or have any concerns regarding the way in which the Company's business has been conducted or potential recoveries for the estate, which you think may be relevant to my investigations, please complete the attached questionnaire. This request forms part of the Liquidator's usual investigation procedures and does not imply any criticism of the directors.

### **Your ability to opt out**

Creditors have the right to elect to opt out of receiving further documents about the Liquidation, however where you choose to opt out, please be aware that you will continue to receive documents where:

- The Insolvency Act requires me to deliver a document to all creditors,
- It is notification of change in the appointed Liquidator or the Liquidator's contact details,
- It is notification about a dividend or proposed dividend, or
- It is a notice which the court orders to be sent to all creditors

Opting-out will not affect your entitlement to receive a dividend, in circumstances where a dividend is to be paid.

Although a creditor who has opted out is entitled to participate in the making of decisions in relation to the Liquidation, please note that by opting out you will not be given notice of decisions being sought.

In order to opt out of receiving further documents, please make your request in writing, signed and dated by you or (if a company) someone entitled to sign on the creditor company's behalf. You will become an opted-out creditor when the notice is received by my office. You may at any time revoke your election to opt out by a further notice in writing, sent in the same way.

### **Notice about future communications**

To minimise costs in the Liquidation, I am giving creditors notice required by Rule 1.50 of the Insolvency (England & Wales) Rules 2016 that all future documents in relation to the Liquidation are to be made available for viewing and downloading at <http://rollingsbutt.com/case-documents/british-steel-holdings-limited/> without further notice to creditors and that I will not be obliged to deliver any such documentation, unless it relates to:

- A notice of intention to declare a dividend
- A document for which personal delivery is required
- A document which is not delivered generally to all, or a class of creditors or members

If, however, I consider it is a document which should specifically be brought to the attention of creditors in the Liquidation then I will either deliver it by post or make creditors aware of its availability on the website in the alternative.

To access details relating to this case on the above website, you will need the following logon information:

Please see below for an indication as to when documents may be posted online:

Document	Availability
Periodic progress report	Within 2 months of each 12-month period from the date of appointment of the Liquidators

The Liquidators' final account will also be made available on the above website as soon as the Company's affairs are fully wound-up. It is not possible at this stage to predict when this will be available.

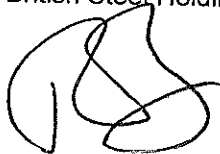
Creditors may at any time request a hard copy of any documents currently available for viewing on the above website and all future documents by contacting John Pierce on 020 7002 7960 or via [john.pierce@rollingsbutt.com](mailto:john.pierce@rollingsbutt.com) or by writing to my office.

#### **Privacy and Data Protection**

As part of my role as Joint Liquidator, I would advise you that I may need to access and use data relating to individuals. In doing so, I must abide by data protection requirements. Information about the way that we will use, and store personal data in relation to insolvency appointments can be found at [www.rollingsbutt.com/legal](http://www.rollingsbutt.com/legal). If you are unable to download this, please contact my office and a hard copy will be provided to you.

To the extent that you hold any personal data of the Company's data subjects provided to you by the Company or obtained otherwise, you must process such data in accordance with data protection legislation. Please contact John Pierce of my office if you believe this applies or require any further information or wish to discuss any aspect of the Liquidation.

Yours faithfully  
For British Steel Holdings Limited



James Money  
Joint liquidator