

THE MEDITERRANEAN INSURANCE & REINSURANCE COMPANY LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION ("THE COMPANY")

LIQUIDATOR'S PROGRESS REPORT PURSUANT TO SECTION 104A OF THE INSOLVENCY ACT 1986 AND RULE 18.2 OF THE INSOLVENCY (ENGLAND & WALES) RULES 2016

FOR THE PERIOD 17 NOVEMBER 2024 TO 16 NOVEMBER 2025

14 JANUARY 2026

CONTENTS

1. Introduction and executive summary
2. Progress and asset realisations
3. Investigations
4. Liabilities, dividend prospects and allocation of costs
5. Liquidator's remuneration and expenses
6. Creditors' rights to further information and to challenge liquidators remuneration and expenses
7. Further information
8. Concluding remarks

APPENDICES

1. Statutory information
2. Liquidator's receipts and payments account for the period from 17 November 2024 to 16 November 2025, together with a cumulative
3. Liquidator's analysis of time costs and narrative of work undertaken
4. Liquidator's expenses incurred and paid

1. INTRODUCTION AND EXECUTIVE SUMMARY

- 1.1 I, Steven Edward Butt of Menzies LLP, was appointed as Joint Liquidator of the Company on 17 November 2021, together with Michael David Rollings. As previously advised, Michael David Rollings resigned as Joint Liquidator on the 26 June 2024, the effect being that I am now the sole Liquidator of the Company.
- 1.2 The former Joint Liquidators had previously acted as Joint Administrators of the Company, having been appointed by order of the High Court on 4 December 2015. Please refer to previously issued reports in the Administration for details of the work undertaken during the period of the Administration.
- 1.3 Pursuant to Section 104A of the Insolvency Act 1986 (“the Act”) and Rule 18.2 of the Insolvency (England & Wales) Rules 2016 (“the Rules”). I now present my progress report for the 4th year of the Liquidation, which covers the period from 17 November 2024 to 16 November 2025 (“the Period”) and should be read in conjunction with any previous progress reports which have been issued in relation to the Administration and the Liquidation (“the Previous Reports”).
- 1.4 The Company’s statutory information is attached at Appendix 1 of this report.
- 1.5 As advised previously, a creditors’ committee was formed following the initial meeting of creditors in the Administration. In accordance with Rule 17.29(2) of the Rules, once the Administrators were appointed as Liquidators the creditors’ committee continued in existence after the date of Liquidation as if appointed as a Liquidation committee (“the Committee”). The current composition of the Committee is as follows:
- Hannover Ruck SE
 - GIC of India
 - Fair Reinsurance Pool
- 1.6 The manner in which the affairs of the Company have been managed since my last progress report for the period from 17 November 2023 to 16 November 2024 (“the Last Report”) is set out below.
- 1.7 Based on current known information about the Company’s financial position, and after taking into account the estimated office holders’ fees and expenses, it is anticipated that there will be a final distribution to unsecured creditors. Please see section 4 below for further information.

2. PROGRESS AND ASSET REALISATIONS

- 2.1 My receipts & payments account for the period from 17 November 2024 to 16 November 2025, which I have reconciled to the financial records that I am required to maintain, is attached at Appendix 2. All receipts and payments are shown net of VAT.
- 2.2 During the Period, realisations totalled £100,970.24 and payments amounted to £112,990.45. Further information on the realisations can be found below. The balance of funds amounting to £294,306.66 are held in an interest-bearing estate bank account.

Supported debtors

- 2.4 Creditors may recall from the Previous Reports that together with the Run-Off Agent that had been appointed by the Company prior to the Administration, substantial amounts of work had been undertaken in reconciling the receivables due from the various reinsurance counterparties, either directly (“Direct Balances”) or via Brokers (“Indirect Balances”) and that McNulty-Re Legal Services, LLC, specialist Reinsurance Debt Collection Agents (“the Agents”) had been instructed to assist the (then) Liquidators in pursuing these outstanding debts.
- 2.5 As previously reported, the Direct Balances were subject to a Commutation and Settlement Type Agreement which was completed in March 2023, and the full settlement amount has been received into the estate in previous periods. Further details on this balance can be found in the Previous Reports.
- 2.6 It was agreed with the Committee that the Liquidation would be kept open for a period of time following the above realisations in order to pursue the Indirect Balances. As creditors may recall, documents had been provided to the insurer who ceded risks to the Company under the relevant reinsurance agreement (“the Reinsurance Counterparty”) along with a Commutation and Settlement Type Agreement (“the Indirect Agreement”) in the last period and this Indirect Agreement had been agreed in principle.
- 2.7 Prior to the completion, the Reinsurance Counterparty took further advice and indicated that they were no

longer able to complete the original Indirect Agreement in its form and amendments were required. These amendments (which included adding the Broker to the Indirect Agreement) and reconciliations were completed which allowed completion of the Indirect Agreement on 20 June 2024.

- 2.8 The agreed upon settlement amount was DZD16,125,812.98 and was received by the Broker on the 12 September 2024. As per the Last Report, additional delays at the Brokers, for which the reasons were unclear, arose and the final funds due to the Company were received on the 9 December 2024 totaling £95,664.09.
- 2.9 The receipt of these funds represented the final funds due to the Company in respect of either the Direct Balances or the Indirect Balances which I consider to be recoverable following the exhaustive work that has been carried out during the period of the Administration and the Liquidation to date. Consequently, no further realisations will be made in this regard.

Bank Interest

- 2.10 The funds held in the Liquidation are on an interest-bearing account. During the Period we received interest totaling £5,306.15. The total interest that is anticipated will be realised in this regard will depend on the duration of the Liquidation and the amount of funds held in the estate account during this time.
- 2.11 It should be noted that Corporation Tax is payable on the interest received, and we continue to submit the relevant returns and make payments in this regard.

Legal Fees – Disbursement Refund

- 2.12 During the Period, we were informed that there was a refund due to the Company in relation to legal disbursements paid during December 2017 totaling £50.00. These funds were promptly received into the Liquidation estate account and are represented in the Receipts and Payments account at Appendix 2 under a negative payment. No further realisations are anticipated.

Matters still to be dealt with

- 2.13 Following receipt of the final realisations in the Period and the resolving the changes in the Committee (see paragraphs 4.14 – 4.19 below), I am now in a position to undertake the work required to declare and pay the final distribution to non-preferential unsecured creditors with Bar Date Order claims (“Bar Date Order Creditors”). During this, we will review the unclaimed dividends from the first two interim dividends and, where any creditors with unclaimed dividends are able to provide information which enables me to pay these amounts to them, I will facilitate this.
- 2.14 Following payment of the final distribution, the Liquidator will deal with any relevant additional unclaimed dividend issues arising and then conclude the Liquidation.

3. INVESTIGATIONS

- 3.1 You may recall that some work the Liquidator is required to undertake is to comply with legislation such as the Company Directors’ Disqualification Act 1986 (“CDDA 1986”) and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that the Liquidator can pursue for the benefit of creditors.
- 3.2 As referred to in the Previous Reports, a report on the conduct of the Directors of the Company was submitted during the Administration and a disqualification order was made against the Company’s former finance director. Consequently, no additional report was required for the Liquidation.
- 3.3 In addition, it was concluded that all necessary investigations had been fully addressed, with no outstanding issues that might lead to future recoveries. Therefore, no further investigations were deemed necessary.
- 3.4 Since the last progress report, I would advise that no further asset realisations have come to light that may be pursued by me for the benefit of creditors.

4. LIABILITIES, DIVIDEND PROSPECTS AND ALLOCATION OF COSTS

- 4.1 Liquidators are not only required to deal with correspondence and claims from unsecured creditors (which may include retention of title claims), but also those of any secured and preferential creditors of the Company.

This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security, most typically a debenture.

- 4.2 Since 1 December 2020, claims from preferential creditors now fall into one of two categories, either ordinary (typically involving employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal, which rank equally among themselves), or secondary (which are claims by HMRC for VAT or other relevant tax deductions such as PAYE and employee NIC deductions, together with student loans and CIS deductions, which also rank equally among themselves). Ordinary preferential claims rank ahead of secondary preferential claims, and all preferential creditors must be paid in full before any distribution can be made to the unsecured creditors of a company. Given the relevant date for claims is the date of the commencement of the Administration Order (i.e. 4 December 2015), this will not apply here.
- 4.3 Work undertaken by the Liquidator in dealing with a company's creditors may only therefore bring a financial benefit to certain classes of creditor such as a secured creditor or the preferential creditors, however the Liquidator is required by statute to undertake this work. Similarly, if a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the dividend payments to each relevant class of creditor. The more creditors a company has, the more time and cost will be involved by the Liquidator in dealing with those claims.

Secured creditors

- 4.4 The Company has no charges registered against it at Companies House and there are no known creditors with a claimed security interest over the assets of the Company.
- 4.5 The legislation requires that if the Company has created a floating charge on or after 15 September 2003, a prescribed part of the Company's net property (i.e. the money that would otherwise be available to the charge holder) should be ring-fenced for distribution to unsecured creditors. In this case there were no creditors secured by a floating charge such that the prescribed part provisions do not apply.

Preferential creditors

- 4.6 The Company had no preferential creditors.

Non-preferential unsecured creditors

- 4.7 The Statement of Affairs at the outset of the Administration, showed that the Company had approximately 224 creditors with an estimated total claim value of c£2,880,000.
- 4.8 As creditors will be aware, there was an application made to Court during the period of the Administration for the purpose of creating a Bar Date for claims against the Company and establishing a valuation methodology for IBNR claims. There are 191 agreed claims from unsecured creditors with Bar Date Order claims totalling £2,791,129.30 ("Bar Date Order Creditors"). Please find below a schedule of the Bar Date Order claims that were agreed in the Administration and continue to apply in the Liquidation.

Creditor	Number of Creditors	Claim Value (£)	Accepted Value (£)
Individual Claimants	68	3,496,240.34	1,964,060.74
Claimants through Brokers	123	1,284,145.46	827,059.56
Total	191	4,780,385.80	2,791,120.30

- 4.9 During the Administration, two interim distributions were declared and paid to Bar Date Order Creditors of the Company. Together these dividends totalled £1,256,004.13 and represent a return of 45p in £.
- 4.10 A final distribution will be paid to Bar Date Order Creditors, and we anticipate that further information regarding this distribution will be available to be circulated to creditors soon.
- 4.11 Currently, and as previously reported, there remains unclaimed dividends in relation to the interim dividends. Unclaimed dividends in relation to the first dividend total £91,967.77 and relate to 19 creditors. Unclaimed dividends in relation to the second dividend total £53,303.80 and relate to 23 creditors. These funds are held in a separate account for these creditors.
- 4.12 We continue to assist creditors to enable them to receive the benefit of the distributions that they have previously been unable to receive. If any creditors awaiting these distributions are able to provide alternative

methods for making these payments, please contact us, and we will work with you wherever possible.

- 4.13 It should be noted that any unclaimed dividends that remain following the final distribution will be sent to the Insolvency Service to be held by them so that these can be reclaimed by the relevant creditors following the cessation of the Liquidation.

The Committee

- 4.14 The purpose of the Committee is to assist the Liquidator(s) in the discharge of their functions and with representing the interests of the creditor body as a whole to determine the Liquidator's remuneration. The Committee are also tasked with assisting the Liquidator generally and act as a sounding board for them to obtain views on matters pertaining to the Liquidation, as well as passing resolutions relevant to the ongoing conduct of the Liquidation. This includes, but is not limited to, setting the basis of the Liquidator(s)'s remuneration, approving the fee estimates for the relevant periods and, in this particular matter, approving the fees to be paid to the Liquidator. The Committee have been provided with detailed information in relation to the matters that the Liquidator needs to resolve to bring the Liquidation to an end.
- 4.15 As advised during the period of the Administration, the costs incurred in dealing with Committee matters can be significant. The principal reason for this is the frequency and detailed nature of our reporting to the Committee (and providing the information requested).
- 4.16 The Liquidator is obliged to report to the Committee a minimum of every 6 months or such other frequency as agreed with the Committee. However, given the limited nature of the outstanding issues, the Committee agreed that the provisions of Rule 17.23(2)(a) of the Insolvency (England and Wales) Rules 2016 be disapplied whereby, from the 25 November 2022, the liquidators no longer have an obligation to report to the Committee at least once in every 6 month period, but will do so as and when it is deemed appropriate or when directed to do so by the Committee. Consequently, the amount of time incurred in relation to reporting to the Committee has reduced significantly and we have sought to reduce this as far as possible.
- 4.17 During the period, we were advised of changes affecting two of the members of the Committee, which necessitated the appointment of new nominated representatives for these entities.
- 4.18 Considerable time was devoted to corresponding with these parties to confirm appropriate representatives and to provide them with a comprehensive understanding of the insolvency, including developments since the initial Administration order in December 2015. Time has also been spent on the administrative matters arising from these changes.
- 4.19 Given the complexities of the insolvency's history and the nature of the representation of some of the Committee members, it has been necessary and appropriate for much of this correspondence to be undertaken personally by me as Liquidator. As a result, this has led to higher costs than originally anticipated, although these actions were essential and unavoidable.

5. LIQUIDATOR(S)'S REMUNERATION & EXPENSES

- 5.1 As advised during the period of the Administration, upon their appointment it became the responsibility of the Committee to agree the basis and quantum of the Administrators' remuneration and subsequently that of the Liquidator(s).

Liquidator(s)'s remuneration

- 5.2 The Committee resolved in the Administration that the basis of the Administrators' (and now Liquidator(s)'s) remuneration should be fixed by reference to the time properly spent in attending to matters arising in the insolvency. In addition, it was agreed that the Administrators/Liquidators would defer payments of 20% of the value of time incurred by them and their staff on a monthly basis, subject to the approval of the fee estimates, with the balance of this deferment to be considered with the Committee at a later point in time. It should be noted that it was subsequently agreed that this deferred amount will not now be sought to be recovered in respect of either the Administration or the Liquidation.
- 5.3 The Liquidator provides the Committee with fee estimates and details of the work proposed to undertake during the relevant period of the Liquidation. The Committee then consider the proposed fee estimates and can pass resolutions to approve these and any payments to be made in respect of the value of the time incurred.

- 5.4 There have been fee estimates submitted and agreed in the Liquidation so far, covering periods from 17 November 2021 – 31 May 2024, as well as an estimate covering the period from 1 June 2024 to the end of the Liquidation. Copies of these fee estimates have been circulated to creditors and are available on the website at <http://rollingsbutt.com/case-documents/mipublic/>.
- 5.5 The Committee are provided with a comparative analysis of the actual time costs incurred and explanations of any significant variations from the initial estimates at the time we seek approval to draw our remuneration. For the avoidance of doubt, all payments in relation to the remuneration of the Administrators/Liquidators during the insolvency to date have been specifically approved by resolution of the Committee.
- 5.6 A summary of the approved fee estimates in the Liquidation and the actual time costs incurred for these periods is provided below:

Fee Estimate Period	Fee Estimate (£)	Actual time costs incurred (£)	Time costs net of 20% agreed deferral (£)	Date Approved by Committee
17 November 2021 to 16 November 2022	63,562.50	56,397.00	45,117.60	December 2022
17 November 2022 to 16 May 2023	43,707.50	44,133.50	35,306.80	December 2022
17 May 2023 to 30 November 2023	25,061.50	22,594.50	18,075.60	February 2024
1 December 2023 to 31 May 2024	50,841.50	48,629.00	38,903.20	February 2024
1 June 2024 to End of Liquidation	67,963.00	93,151.50	67,963.00	September 2025

Note: the amounts shown as the time costs net of the agreed deferral for the final fee period of the liquidation are shown as the value of the Fee Estimate approved by the Committee, being the cap on fees to be paid

- 5.7 The Liquidator's time costs for the Period are £68,504.00. This represents 179.90 hours at an average rate of £380.79 per hour. Attached at Appendix 3 is a Time Analysis which provides details of the activity costs incurred by staff grade during this period in respect of the costs fixed by reference to time properly spent in managing the Liquidation.
- 5.8 The cumulative time costs for the Liquidation to the end of the Period are £265,277.50 representing 694.50 hours at an average rate of £381.97 per hour.
- 5.9 To date, we have drawn fees in the Liquidation totalling £194,091.20.

Joint Administrators' Remuneration and Disbursements

- 5.10 As Creditors will be aware, the Administration of the Company ended on the 17 November 2021, and the Company went into Liquidation. During the course of the Administration, the total Joint Administrators' remuneration drawn was £1,345,460.46.
- 5.11 At time the Company went into Liquidation, the final Joint Administrators' fees had not been finalised and agreed with the Committee. Subsequently, the final Joint Administrators' fees were agreed with the Committee in the first meeting held during the Liquidation. These final Joint Administrators' fees were to be paid as an expense of the Liquidation.
- 5.12 The total fees agreed and drawn, as an expense, in the Liquidation relating to the Joint Administrators' Fees are £100,228.30 with disbursements totalling £166.46. Further details of the final Joint Administrators' fees were provided to the Committee when seeking resolutions to draw these amounts and are set out in the Last Report.

6. CREDITORS' RIGHTS TO FURTHER INFORMATION AND TO CHALLENGE LIQUIDATORS' REMUNERATION AND EXPENSES

Creditors' right to request information

- 6.1 Any secured creditor, or an unsecured creditor with the support of at least 5% in value of unsecured creditors or with the leave of court, may (in writing) request me to provide additional information regarding remuneration or expenses already supplied within this report. In accordance with rule 18.9(2) of the Rules, such a request or application for leave must be made within 21 days of receipt of this report.

Creditors' right to challenge remuneration and/or expenses

- 6.2 Any secured creditor, or an unsecured creditor with the support of at least 10% in value of the unsecured creditors or with permission of the court, may apply to court for one or more orders under Rule 18.36(4) or 18.37(4) of the Rules. In accordance with rule 18.34(3) of the Rules such applications must be made within eight weeks of receipt of this report.

7. FURTHER INFORMATION

- 7.1 The Joint Liquidators are data controllers of personal data as defined by the relevant provisions of the applicable data protection legislation. Menzies LLP will act as a data processor on their instructions. Personal data will be kept secure and processed only for matters relating to the insolvency appointment. Full details of our privacy notice is at the following link: <https://www.menzies.co.uk/legal/>.
- 7.2 To comply with the Provision of Services Regulations, some general information about Menzies LLP, including about our complaints policy and Professional Indemnity Insurance, can be found at <https://www.menzies.co.uk/legal/> and <https://www.menzies.co.uk/helping-you/business-recovery/making-a-complaint/>.

8. CONCLUDING REMARKS

- 8.1 The Liquidation will remain open until the final distribution has been completed. We estimate that this will have been completed by the middle part of 2026 and once resolved, we will be in a position to conclude the Liquidation.
- 8.2 We will report again on the progress of the Liquidation after the next anniversary or in the final account, whichever is earlier. For the avoidance of doubt, it is not currently anticipated that the Liquidation will still be open by the time of the next anniversary in November 2026.
- 8.3 If creditors have any queries regarding the conduct of the Liquidation, or if they want hard copies of any of the documents made available on-line, they should contact Molly Matthews by email at MMatthews@menzies.co.uk, or by phone on +44 (0)3309 129562.

Signed by:

12FFC06DC0D249C...
Steve Butt
Liquidator

**APPENDIX 1
STATUTORY INFORMATION**

Company name: The Mediterranean Insurance & Reinsurance Company Limited
Company number: 01395873
Registered office: Menzies LLP, 4th Floor, 95 Gresham Street, London, EC2V 7AB
Former registered office: 20 St Dunstons Hill, London, EC3R 8HL
Former trading address: Same as registered office
Principal trading activity: Non-life reinsurance
Liquidators' names: Steven Edward Butt
Liquidators' address: Menzies LLP, 4th Floor, 95 Gresham Street, London, EC2V 7AB
Date of appointment: 17 November 2021

Contact details of Liquidator Molly Matthews on +44 (0)3309 129562 or at
MMatthews@menzies.co.uk

Name, address, and appointment details of the former Liquidator: Michael David Rollings of former Rollings Butt LLP, 6 Snow Hill, London, EC1A 2AY resigned as Liquidator of the Company on 26 June 2024 and Steven Edward Butt now holds office solely.

APPENDIX 2

THE MEDITERRANEAN INSURANCE & REINSURANCE COMPANY LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION – (“THE COMPANY”)

LIQUIDATOR'S RECEIPTS AND PAYMENTS ACCOUNT FOR THE PERIOD 17 NOVEMBER 2024 TO 16 NOVEMBER 2025, TOGETHER WITH A CUMULATIVE RECEIPTS AND PAYMENTS ACCOUNT FOR THE PERIOD SINCE THE LIQUIDATOR'S APPOINTMENT

The Mediterranean Insurance & Reinsurance Company Limited
(In Liquidation)

Summary of Receipts & Payments for the Period 17 November 2024 to 16 November 2025

Statement of Affairs (£)	RECEIPTS	From 17/11/2024 To 16/11/2025 (£)	From 17/11/2021 To 16/11/2025 (£)
1,503,156.00	Cash at Bank	Nil	Nil
	Transfer of funds from Administration	Nil	378,988.93
	Unclaimed dividends from Administration	Nil	7,372.33
	Bank Interest	5,306.15	8,918.54
1,480,176.00	Supported debtors	95,664.09	281,844.86
		<u>100,970.24</u>	<u>677,124.66</u>
	PAYMENTS		
	Administrators' Fees	Nil	100,228.30
	Administrators' Disbursements	Nil	166.46
	Bank Charges	15.00	271.09
	Corporation Tax	903.10	1,686.69
	Debt Collection Fees	15,091.20	43,783.43
	Legal Fees	1,437.50	21,011.05
	Legal Fees - Disbursement refund	(50.00)	(50.00)
	Office Holders' Fees	95,591.20	194,091.20
	Office Holders' Expenses	2.45	2,125.05
		<u>112,990.45</u>	<u>363,313.27</u>
<u>(1,592,277.00)</u>	Net Receipts/(Payments)	<u>(12,020.21)</u>	<u>313,811.39</u>
	Represented By		
	Bank 2 Current IB		294,306.66
	VAT Receivable		19,504.73
			<u>313,811.39</u>

* Note the Statement of Affairs figures are as at the commencement of the Administration and the Receipts and Payments shows only the net balance transferred from the Administration

APPENDIX 3

THE MEDITERRANEAN INSURANCE & REINSURANCE COMPANY LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION – (“THE COMPANY”)

LIQUIDATOR’S TIME COSTS

TIME CHARGE OUT SUMMARY FOR THE PERIOD FROM 17 NOVEMBER 2024 TO 16 NOVEMBER 2025

Classification of Work Function	HOURS					Total Hours	Time Costs £	Blended Hourly Rate £
	Partner/ Director	Manager	Senior	Administrator	Support			
Brought Forward From 16 November 2024						514.60	196,773.50	382.38
Administration & Planning	8.50	12.00	-	41.30	2.60	64.40	19,432.50	301.75
Realisation of Assets	7.30	4.90	-	2.00	-	14.20	7,147.00	503.31
Creditors	33.90	29.00	-	38.40	-	101.30	41,924.50	413.86
Investigations	-	-	-	-	-	-	-	-
Total Hours	49.70	45.90	-	81.70	2.60	179.90		
Total Costs	33,547.50	17,011.50	-	17,570.50	374.50		68,504.00	380.79
Total Carried Forward						694.50	265,277.50	381.97

Fees Drawn for Period Ended:		
16 November 2022		-
16 November 2023		45,117.60
16 November 2024		53,382.40
16 November 2025		95,591.20
Total Fees Drawn to Date:		194,091.20
Balance of Time Costs Accrued but Unpaid		71,186.30

CHARGE OUT RATES OF INSOLVENCY TEAM MEMBERS		
	From 1 October 2025	1 July 2024 to 30 September 2025
	£ per hour	£ per hour
Partner/Director	550-675	530-675
Manager	350-465	330-495
Senior	315-325	300-310
Administrator	175-255	165-245
Support Staff	135	130

Note 1 There may have been a number of promotions through the various grades during the period of the administration.

Note 2 Overhead costs are reflected in the charge out rates detailed.

Note 3

The charge-out rate of the Insolvency Practitioner for this assignment is currently £675, Manager is £395 per hour, and the administrator is £215 per hour.

Note 4 Time is recorded in minimum units of 6 minutes.

THE MEDITERRANEAN INSURANCE & REINSURANCE COMPANY LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION – (“THE COMPANY”)

JOINT LIQUIDATORS' NARRATIVE OF WORK UNDERTAKEN IN THE PERIOD

1 Administration and planning

There are certain aspects of the case that are required by statute and for the efficient running of the case. They are not expected to provide a direct quantifiable benefit to creditors; however, without them, other aspects of the case which do provide a quantifiable benefit to creditors would be less efficient. They include:

- The maintenance of physical case files and electronic case management information.
- Periodic review of files,
- Strategic case planning and the routine administration of the case.
- Preparation of documentation and reports, dealing with correspondence and statutory advertising.

Specifically:

Reporting

- Preparation of a progress reports to members and creditors for circulation following anniversaries to advise upon the progress made over the year.
- Regular Reporting to the Creditors' Committee with detailed updates as and when deemed appropriate.

Cashiering

- Lodging receipts
- Preparing and processing invoices for payments
- Reconciling the bank accounts, and producing the receipts and payments accounts.
- Preparation and submission of VAT and corporation tax returns.
- Regular review of outstanding and unclaimed dividend amounts and funds held.

2 Asset realisations

Net asset realisations provide the financial benefit to creditors and their quantum directly contributes to any dividend ultimately available to creditors.

During the Period, time has been incurred in this respect with communicating with the Broker in order to resolve the issues causing delays their end and in order to receive the settlement funds in relation to the Indirect Balances.

Further details can be found in Section 2 above.

3 Investigations

Complying with statutory requirements will not necessarily produce a financial benefit to creditors but may identify potential avenues which could lead to a recovery for the benefit of creditors.

Since the last progress report, no further asset realisations have come to light that may be pursued by me for the benefit of creditors.

4 Creditors (claims and distribution)

Time spent in this category included the following:

- Dealing with routine correspondence and queries and taking telephone calls from creditors.
- Maintaining creditor information on the electronic case management files as well as the physical case files.
- Reconciliation of the unclaimed dividends from the 1st and 2nd interim distributions and correspondence with creditors to assist in them receiving the benefits of these.
- Dealing with the creditors committee, convening meetings and reporting to the committee and dealing with correspondence and queries. Significant time has been incurred during this Period due to

changes in leadership within the Committee Companies. As a result, additional administrative work and meetings have been necessary to ensure that appropriate representatives are appointed and have been provided with a suitable understanding of the Company's insolvency to date.

APPENDIX 5**THE MEDITERRANEAN INSURANCE & REINSURANCE COMPANY LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION – (“THE COMPANY”)****LIQUIDATOR'S EXPENSES INCURRED AND PAID**

Expense	Estimated Overall Cost in Liquidation (£)	Paid in Prior Period (£)	Paid in Period (£)	Incurred but not paid (£)
Advertising	90.00	90.00	0.00	0.00
Call Charges	50.00	46.05	2.45	0.00
Courier fees	87.07	87.07	0.00	0.00
Debt Collection Fees	43,783.43	28,692.23	15,091.20	0.00
Legal Fees	21,011.05	19,573.55	1,437.50	0.00
Legal Disbursements	0.00	0.00	(50.00)	0.00
Postage	250.00	246.20	0.00	0.00
Storage	2,150.00	1,629.31	0.00	0.00
Travel Costs	23.97	23.97	0.00	0.00
Total	67,445.52	50,388.38	16,481.15	0.00

EXPENSES

Expenses are any payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. The term expenses also includes disbursements which are payments which are first met by the office holder, and then reimbursed to the office holder from the estate.

Category 1 Expenses

Specific expenditure relating to the administration of the insolvent estate and payable to a person or persons who are not associates of the office holder is recoverable without creditor approval. Such expenditure is made if funds are available from the insolvent estate. If funds are not available, then payment is made from this firm's office account and reimbursed from the estate should funds become available.

Category 1 expenses will generally comprise external supplies of incidental services specifically identifiable to the case. Typical items include legal fees, agents' fees, sub-contractors' fees, statutory advertising, insurance of assets, search fees, specific penalty bonding, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case.

Category 2 Expenses

These are expenses that are directly referable to the administration of the insolvent estate and are made to associates of the officeholder or have an element of shared costs.

Category 2 Expenses require creditor approval.

Menzies LLP do not as a matter of policy seek approval of, or claim any, Category 2 expenses other than those which are paid to associates of the office holder.

Administrators' Expenses

The table below sets out the Joint Administrators' expenses and disbursements that were incurred during the Administration and outstanding at the date of Liquidation. The following have been paid as an expense of the Liquidation.

Administration Expense	Estimated Overall Cost (£)	Paid in Prior Period (£)	Paid in Period (£)	Incurred but not paid (£)
Legal Fees	2,714.80	2,714.80	0.00	0.00
Postage	166.46	166.46	0.00	0.00
Total	2,881.26	2,881.26	0.00	0.00

The legal fees relate to the value of time incurred by Cooley (UK) LLP predominately during the period of the Administration, together with time incurred during the period of conversion of the Administration to the Liquidation.