

Rule 1.29

**The Insolvency Act 1986
Notice of Completion of
Voluntary Arrangement
Pursuant to Rule 1.29 of the
Insolvency Act 1986**

R.1.29

To the Registrar of Companies

For Official Use

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Company Number

164204

Insert full name of
company

Name of Company

Federal – Mogul Sealing Systems (Slough) Limited


Insert full name and
address

I, Anne O'Keefe
Of Zolfo Cooper
The Observatory
Chapel Walks
Manchester
M2 1HL

Insert date

the supervisor of a voluntary arrangement approved on 11 October 2006 enclose a copy of my notice to the creditors and members of the above-named company that the voluntary arrangement has been completed, together with a report of my receipts and payments.

Signed



Date

10 October 2009

Presenter's name,
address and reference
(if any)

Anne O'Keefe
Zolfo Cooper
The Observatory
Chapel Walks
Manchester
M2 1HL

For Official Use

Liquidation Section

Post Room

FRIDAY



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COMPANIES HOUSE

**Joint Supervisors'
Final Report to Creditors**

**Federal-Mogul Sealing Systems
(Slough) Limited -
Company Voluntary Arrangement**

5 November 2009



zc ZOLFO COOPER



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1 Introduction

- 1.1 I refer to my appointment as Joint Supervisor of Federal-Mogul Sealing Systems (Slough) Limited (the Company)'s CVA, together with my partners, J Gleave and S Mackellar on 11 October 2006.
- 1.2 This is my final report on the implementation of the CVA in accordance with Rules 1.26 and 1.29 of the Insolvency Rules 1986. At Appendix A, I have provided an account of my Receipts and Payments for the year ended 10 October 2009 together with a Cumulative Account since my appointment.

2 Realisation of Assets

Voluntary Contributions

- 2.1 As stated in my last report, in accordance with the CVA proposal, at the start of the CVA a reserve was established with a deposit of £3,000,000. This was used to pay dividends to the creditors of the Company.
- 2.2 Interest was accrued for the benefit of the CVA. Since my last report £22,436 has been realised in respect of bank interest making a total of £236,615 for the duration of the CVA.
- 2.3 In addition to the reserve, funds have also been received from Federal-Mogul Limited (formerly T&N Limited) (FM Ltd) in respect of an agency dividend together with funds from other Federal Mogul Group companies, which were also in CVA (other CVA Companies), who had a surplus following payment of their creditors. These funds have been distributed as detailed in section 3.2 below.

3 Creditors' Claims

Preferential Creditors

- 3.1 A total of £180,134 has been paid to the Company's preferential creditors. All preferential creditors have been paid in full.

Unsecured Creditors

Trade & Expense Creditors

- 3.2 A final dividend of £286,115 has been paid to the trade and expense unsecured creditors of the Company. This represented a combined dividend, incorporating three elements as follows;
- A final dividend from funds available in this CVA
 - A dividend of 25 pence in the pound on outstanding claims, as a result of the Company's Agency status with FM Ltd and
 - In accordance with the terms of the CVA proposal, a further dividend which has been made available from the surpluses from the other CVA Companies

- 3.3 The final dividend takes the total dividend paid to £408,935.

Inter-Company Creditors

- 3.4 Since my last report, a final dividend has been paid to Inter-Company creditors of £18,455. This brings the total dividend paid to Inter-Company creditors to £32,055.

S75 Pension Creditor

- 3.5 Since my last report an additional £1,980,222 has been distributed to the Pension Protection Fund (PPF). A total of £3,439,502 has been distributed to the PPF in respect of their claim and interest of £22,929 as reported previously, representing the interest accrued during the period the PPF's dividend was withheld pending judgment of the High Court.

Asbestos Personal Injury Claimants

- 3.6 As mentioned in my last report and under the terms of the CVA, the T&N Asbestos Trustee Company Limited (the Trustee Company) deals with all claims from asbestos personal injury claimants. The Company then reimburses the Trustee Company for any payments made. To date, £46,209 has been reimbursed to the Trustee Company in respect of asbestos claimants of the Company.
- 3.7 As compensation claims by asbestos personal injury claimants could continue to be made against the Company for many years, the Trustee Company will continue to adjudicate and pay asbestos claims for many years to come.

If you think you are entitled to make a claim in the UK Asbestos Trust or if you require an annual report on the UK Asbestos Trust and EL Trust, please contact:

T&N Asbestos Trustee Company Limited
Suite 11b
Manchester International Office Centre
Styal Road
Manchester
M22 5WB

Non-Asbestos Personal Injury Claims (P I Claims)

- 3.8 A dividend of £354 has been paid to the one non-asbestos personal injury claim which was received during the CVA.

Escrow Fund

- 3.9 The surplus funds received from the other CVA Companies who had paid their creditors in full, included an element of interest which had accrued on their surplus funds. The Joint Supervisors have taken advice which confirms that any potential tax liability in respect of that interest, and the interest earned on the funds in the Company's reserve should be the liability of the Federal-Mogul Group, not the Supervisors, and that these funds should be distributed to certain of the unsecured creditors.
- 3.10 However, at the date of this report this is disputed by the Federal-Mogul Group and therefore funds are being held in escrow until such time as the matter is resolved. Once released, the funds will be paid to the T&N Asbestos Trustee Company Limited, the PPF and the Federal-Mogul Group in respect of their inter-company claim.
- 3.11 No further distributions will be made to the unsecured creditors of the Company in this CVA.

4 Supervisors' Remuneration

- 4.1 The CVA provides that my remuneration will be based upon the time costs of the Joint Supervisors and their staff in executing the CVA.
- 4.2 The Joint Supervisors' time costs as at 10 October 2009 total £120,039. This represents 602 hours at an average rate of £199 per hour. To date, £120,590 and VAT has been drawn on account which represents fees of £120,039 plus disbursements of £551.
- 4.3 As previously advised, a Remuneration Reserve was established to pay the Joint Supervisors' remuneration. As a result, the Joint Supervisors' fees have had no impact on the level of dividends available to the Company's creditors.
- 4.4 Attached as Appendices B and C are Time Analyses for the period since my last report, together with a Cumulative Account for the duration of the CVA. The Time Analyses are produced in accordance with the provisions of Statement of Insolvency Practice 9 (SIP9), which provides details of the activity costs incurred by staff grade to date.
- 4.5 Attached, as Appendix D is additional information in relation to my policy on staffing, the use of sub-contractors and re-charging of disbursements.

FEDERAL-MOGUL SEALING SYSTEMS (SLOUGH) LIMITED
COMPANY VOLUNTARY ARRANGEMENT (CVA)

5 Closure of the CVA

5.1 Finally at Appendix E, I attach a Notice of Completion of the Voluntary Arrangement, Form 1.4.

Should you require further information at any time, please do not hesitate to contact Stuart Parnham of this office.

Yours faithfully

A handwritten signature in black ink, appearing to read 'A O'Keefe', with a stylized, cursive script.

Anne O'Keefe
Joint Supervisor

Enc

FEDERAL-MOGUL SEALING SYSTEMS (SLOUGH) LIMITED
COMPANY VOLUNTARY ARRANGEMENT (CVA)

Receipts and Payments Account for the Period from 11 October 2008
to 10 October 2009 and a Cumulative Account for the Period from 11
October 2006 to 10 October 2009

Appendix A

	From 11/10/2008 To 10/10/2009 £	From 11/10/2006 To 10/10/2009 £
RECEIPTS		
Transfer from Administration	-	3,000,000
Bank Interest Gross	22,436	236,615
Federal Mogul Limited Agency Dividend Received	123,257	123,257
Surplus from Federal Mogul Group Companies	938,786	938,786
	<u>1,084,479</u>	<u>4,298,658</u>
PAYMENTS		
Interest payable to PPF	-	22,929
Bank Charges	8	477
HMRC - VAT	-	109,826
HMRC - PAYE/NI	-	70,308
Escrow for Future Dividends Payable	168,063	168,063
Trade & Expense Creditors	286,115	408,935
Asbestos Personal Injury Claimants	26,520	46,209
Inter-Company Creditors	18,455	32,055
S75 Pension Creditor	1,980,222	3,439,502
P I Claims	354	354
	<u>2,479,737</u>	<u>4,298,658</u>
BALANCE		<u>-</u>

In accordance with the requirements of Statement of Insolvency Practice 7, I should advise that the Supervisors' fees have been paid from a separate Remuneration Reserve.

Fees drawn to date total £120,039, plus disbursements of £550.70 and VAT.

FEDERAL-MOGUL SEALING SYSTEMS (SLOUGH) LIMITED
COMPANY VOLUNTARY ARRANGEMENT (CVA)

Time Analysis for the Period from 11 October 2008 to 10 October 2009

Appendix B

	Employee Grade					(£'s)	
	(Hours)	Senior	Associate/	Junior Analyst/	Total Hours	Total Cost	Average
	Partner/ Director	Associate	Analyst	Support			Rate p/h
Administration and Planning							
Strategy and Control	0.6	6.0	-	-	6.6	2,640.0	400
Bank and Creditor Reporting	0.4	0.3	0.4	0.5	1.6	461.5	288
Creditors Committee	-	-	-	-	-	-	-
Statutory Duties	0.1	-	-	0.3	0.4	87.0	218
Job Administration	0.1	0.4	1.1	1.7	3.3	750.0	227
Cash Accounting and Time Records	0.6	2.0	0.5	7.4	10.5	2,459.0	234
Travel and Waiting Time	-	-	-	-	-	-	-
Case Closure	-	-	-	-	-	-	-
Internal Documentation and IT	-	-	-	-	-	-	-
Investigations							
D Reports	-	-	-	-	-	-	-
Other Investigations	-	7.5	-	-	7.5	2,925.0	390
Internal Documentation	-	-	-	-	-	-	-
Realisation of Assets - Fixed Charge							
Initial Actions and Valuations	-	-	-	-	-	-	-
Sale of Assets	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-
Litigation	-	-	-	-	-	-	-
Internal and External Documentation	-	-	-	-	-	-	-
Realisation of Assets - Debtors							
Debt Collection	-	-	-	-	-	-	-
Debtors Litigation	-	-	-	-	-	-	-
Crown Debtors	-	-	-	-	-	-	-
Internal and External Documentation	-	-	-	-	-	-	-
Realisation of Assets - Floating Charge							
Initial Actions and Valuations	-	-	-	-	-	-	-
Sale of Assets	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-
Retention of Title	-	-	-	-	-	-	-
Hire Purchase / Leased Assets	-	-	-	-	-	-	-
Litigation	-	-	-	-	-	-	-
Internal and External Communications	-	-	-	-	-	-	-
Trading							
Initial Actions	0.3	-	-	-	0.3	165.0	550
Cash Accounting	0.1	-	-	-	0.1	55.0	550
Ongoing Trading Activities	-	-	-	-	-	-	-
Internal and External Communications	-	-	-	-	-	-	-
Creditors							
Creditor Dealings	-	0.1	5.7	3.9	9.7	2,238.0	231
Creditor claims	0.6	0.6	6.4	4.2	11.8	2,868.0	243
Litigation	-	-	-	-	-	-	-
Shareholders / Bankrupts	-	-	-	-	-	-	-
Internal Documentation	-	-	-	-	-	-	-
Employees	-	-	-	-	-	-	-
Employee Communications	-	-	-	-	-	-	-
Totals	2.8	16.9	14.1	18.0	51.8	14,648.5	283

FEDERAL-MOGUL SEALING SYSTEMS (SLOUGH) LIMITED
COMPANY VOLUNTARY ARRANGEMENT (CVA)

Cumulative Time Analysis for the Period from 11 October 2006 to 10 October 2009

Appendix C

	Employee Grade					(£'s)	
	(Hours)	Senior	Associate/	Junior Analyst/	Total Hours	Total Cost	Average
	Partner/ Director						
		Associate	Analyst	Support			Rate p/h
Administration and Planning							
Strategy and Control	5.3	19.0	9.9	10.5	44.7	12,897.0	289
Bank and Creditor Reporting	0.4	1.5	4.3	2.2	8.4	2,063.0	246
Creditors Committee	-	-	-	-	-	-	-
Statutory Duties	0.3	0.7	0.9	0.8	2.7	689.0	255
Job Administration	0.1	2.4	4.8	37.3	44.6	6,528.0	146
Cash Accounting and Time Records	4.0	7.0	8.0	26.7	45.7	10,625.0	232
Travel and Waiting Time	7.2	-	-	-	7.2	3,060.0	425
Case Closure	-	-	-	-	-	-	-
Internal Documentation and IT	-	0.5	1.6	1.3	3.4	764.5	225
Investigations							
D Reports	-	-	-	-	-	-	-
Other Investigations	-	7.5	-	-	7.5	2,925.0	390
Internal Documentation	-	-	-	-	-	-	-
Realisation of Assets - Fixed Charge							
Initial Actions and Valuations	-	-	-	-	-	-	-
Sale of Assets	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-
Litigation	-	-	-	-	-	-	-
Internal and External Documentation	-	-	-	-	-	-	-
Realisation of Assets - Debtors							
Debt Collection	-	0.3	-	-	0.3	97.5	325
Debtors Litigation	-	-	-	-	-	-	-
Crown Debtors	-	-	-	-	-	-	-
Internal and External Documentation	-	-	-	-	-	-	-
Realisation of Assets - Floating Charge							
Initial Actions and Valuations	-	-	-	-	-	-	-
Sale of Assets	0.2	-	-	-	0.2	85.0	425
Insurance	-	-	-	-	-	-	-
Retention of Title	-	-	-	-	-	-	-
Hire Purchase / Leased Assets	-	-	-	-	-	-	-
Litigation	-	-	-	-	-	-	-
Internal and External Communications	-	-	-	-	-	-	-
Trading							
Initial Actions	0.3	-	-	-	0.3	165.0	550
Cash Accounting	0.1	-	-	-	0.1	55.0	550
Ongoing Trading Activities	-	-	-	-	-	-	-
Internal and External Communications	-	-	-	-	-	-	-
Creditors							
Creditor Dealings	13.4	1.7	22.2	77.2	114.5	20,953.0	183
Creditor claims	12.5	43.0	67.2	191.0	313.7	58,139.5	185
Litigation	-	-	-	-	-	-	-
Shareholders / Bankrupts	-	-	-	-	-	-	-
Internal Documentation	-	0.9	-	8.2	9.1	992.5	109
Employees	-	-	-	-	-	-	-
Employee Communications	-	-	-	-	-	-	-
Totals	43.8	84.5	118.9	355.2	602.4	120,039.0	199

**Additional Information in Relation to Supervisors' Fees Pursuant to
Statement of Insolvency Practice 9**

Appendix D

1 Policy

Detailed below is Zolfo Cooper's policy in relation to:

- staff allocation and the use of sub-contractors;
- professional advisors; and
- disbursements.

1.1 Staff Allocation and the use of Sub-contractors

Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

The constitution of the case team will usually consist of a Partner, Senior Associate, Associate and Analyst. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and on the experience requirements of the assignment. On larger, more complex cases, several staff at all grades may be allocated to meet the demands of the case. Our charge out rate schedule below provides details of all grades of staff and their experience level.

With regard to support staff, we would advise that time spent by cashiers in relation to specific tasks on an assignment is charged. Only if there is a large block of time incurred by a member of the secretarial team, eg, report compilation and distribution, do we seek to charge and recover our time in this regard.

We have not utilised the services of any sub-contractors in this case.

1.2 Professional Advisors

On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Name of Professional Advisor	Basis of Fee Arrangement
Denton Wilde Sapte (legal advice)	Hourly rate and disbursements

Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

1.3 Disbursements

Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case.

2 Charge-out Rates

A schedule of Zolfo Cooper charge-out rates effective from 1 January 2009 is detailed below.

	(Per hour) £
Partner/Director:	
Partner 1*	550
Partner 2*	495
Director	430
Senior Associate:	
Senior Associate 1*	390
Senior Associate 2*	350
Associate/Analyst:	
Associate	290
Analyst*	265
Junior Analyst and Support Staff:	
Junior Analyst*	140
Senior Treasury Associate	210
Treasury Associate	140
Treasury Analyst	90
Support	90
*Key	
Partner 1 - Partners with 3 or more years experience at partner level	
Partner 2 - Partners with less than 3 years experience at partner level	
Senior Associate1 - Staff who have been Senior Associates for over 2 years	
Senior Associate 2 - Staff who have been Senior Associates for less than 2 years	
Analyst - Staff who have been Analysts for more than 1 year	
Junior Analyst - First year Analysts	

Notice of Completion of the Voluntary Arrangement, Form 1.4

Appendix E

Form 1.4

Rule 1.29

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Zolfo Cooper
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Manchester
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