

FEDERAL-MOGUL FRICTION PRODUCTS LIMITED  
COMPANY VOLUNTARY ARRANGEMENT (CVA)

Notice of Completion of the Voluntary Arrangement, Form 1.4

Appendix C

Form 1.4

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

447826

Insert full name of  
company

Name of Company

Federal-Mogul Friction Products Limited

Insert full name and  
address

I Anne Clare 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

31 December 2008

Presenter's name  
address and reference  
(if any)

Anne O'Keefe c/o Zolfo Cooper  
The Observatory, Chapel Walks  
Manchester M2 1HL

For Official Use	
Liquidation Section	Post Room
	
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COMPANIES HOUSE	

FRIDAY

Software Supplied by Turnkey Computer Technology Limited, Glasgow

22 January 2009

Our Ref: AOK/EMM/FM09ASM/CVA1216/2403  
Your Ref:

The Observer  
Chapel Walk  
Manchester M2 1HH  
Tel: +44 (0)161 838 4521  
Fax: +44 (0)161 838 4521  
[www.zolfocooper.com](http://www.zolfocooper.com)

**TO ALL KNOWN CREDITORS**

When telephoning please ask for:  
**Melissa Doherty**

Direct Line:  
**0161 838 4521**

Dear Sirs

**Federal-Mogul Friction Products Limited  
Company Voluntary Arrangement (CVA)**

Further to my appointment as Supervisor of the CVA on 11 October 2006 I confirm that all matters are now finalised and enclose a Notice of Completion together with a copy of my final report and receipts and payments account.

Yours faithfully



**Catherine Williamson**  
For J J Gleave  
Joint Supervisor

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**Joint Supervisors'  
Final Report to Creditors**

**Federal-Mogul Friction  
Products Limited -  
Company Voluntary  
Arrangement (CVA)**

**22 January 2009**



**Zc** ZOLFO COOPER

**FEDERAL-MOGUL FRICTION PRODUCTS LIMITED  
COMPANY VOLUNTARY ARRANGEMENT (CVA)**

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**APPENDICES**

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Appendix A

Cumulative Time Analysis for the Period from 11 October 2006 to 31 December 2008

Appendix B

Notice of Completion of the Voluntary Arrangement, Form 1.4

Appendix C

## 1 Introduction

- 1.1 I refer to my annual report dated 28 November 2008 and am pleased to advise that this report constitutes my final report on the CVA in accordance with Rules 1.26 and 1.29 of the Insolvency Rules 1986.
- 1.2 Please note that with effect from 1 January 2009, Anne O'Keefe, James Gleave and Stuart Mackellar are now licensed by the Insolvency Practitioners Association.
- 1.3 I should also advise that following the recent completion of a Management Buy-Out (**MBO**) by the partner group of Kroll's UK Corporate Advisory and Business Recovery practice from Kroll Inc, we will be operating under the Zolfo Cooper brand name going forward. Zolfo Cooper Europe will continue to be headquartered at 10 Fleet Place, London EC4M 7RB with our existing network of UK offices remaining in their current location.

## 2 Overview of the CVA

- 2.1 As detailed in my recent report, the only matter that was outstanding at that time was the transfer of the final surplus of CVA funds to T&N Limited and also The T&N Asbestos Trustee Company Limited (the Trust), in accordance with the terms of the CVA. I am pleased to advise that this transfer has now been completed and as such, I attach a copy of my Receipts and Payments Account for the period 11 October 2008 to 31 December 2008, together with a cumulative account since my appointment. Since my last report, the only movements have been the transfer of the surplus funds, receipt of accrued bank interest and the cancellation of unbanked unsecured creditors dividends in the sum of £1,148.49. In addition, a further reimbursement to the Trust of £16,307 in respect asbestos personal injury claimants has been made. Any further asbestos claims will be paid directly by the Trust.

## 3 Creditors' Claims

### *Preferential Creditors*

- 3.1 As advised in my previous report, preferential claims have been paid in full.

### *Unsecured Creditors*

- 3.2 Unsecured creditors in this matter have been paid 100 pence in the pound, based on their agreed claims.

**4 Supervisors' Remuneration**

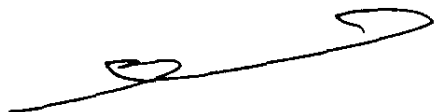
- 4.1 The terms of the CVA provided that my remuneration would be based upon the time costs of the Supervisors and their staff in executing the CVA.
- 4.2 Attached at Appendix B is a summary of the Joint Supervisors' time costs for the duration of the CVA. This represents 626.10 hours at an average rate of £191 per hour. To date, £119,871 plus VAT has been drawn on account from a separate remuneration reserve.
- 4.3 In order to keep costs to a minimum, I have not enclosed a further copy of the additional information relating to our policy on staffing, the use of subcontractors and the re-charging of disbursements as this has not changed from my recent report. However, should you wish to be sent a copy, I will be happy to provide a copy upon request.

**5 Closure of the CVA**

- 5.1 Finally, at Appendix C 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 Melissa Doherty on the number provided above.

Yours faithfully



**J J Gleave**  
Joint Supervisor

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FEDERAL-MOGUL FRICTION PRODUCTS LIMITED  
COMPANY VOLUNTARY ARRANGEMENT (CVA)

Receipts and Payments Account for the Period from 11 October 2008  
to 31 December 2008 and a Cumulative Account for the Period from  
11 October 2006 to 31 December 2008

Appendix A

Voluntary Arrangement of Federal-Mogul Friction Products Limited

	From 11/10/2008 To 31/12/2008	From 11/10/2006 To 31/12/2008
<b>FLOATING REALISATIONS</b>		
Surplus from Administration	NIL	48,788,800.00
Bank Interest Gross	141,302.16	3,037,080.61
	<u>141,302.16</u>	<u>51,825,880.61</u>
<b>FLOATING COSTS</b>		
Interest payable to PPF	NIL	483,262.00
Bank Charges	NIL	248.00
DTI Registration Fee	NIL	NIL
	<u>NIL</u>	<u>(483,510.00)</u>
<b>PREFERENTIAL CREDITORS</b>		
HMRC - VAT	NIL	1,325,219.02
HMRC - PAYE/NI	NIL	1,337,751.95
	<u>NIL</u>	<u>(2,662,970.97)</u>
<b>UNSECURED CREDITORS</b>		
Trade & Expense	(1,148.49)	2,639,039.75
Asbestos Creditors	16,307.00	1,298,753.13
S75 Pension Dividend	NIL	30,757,000.00
	<u>(15,158.51)</u>	<u>(34,694,792.88)</u>
<b>DISTRIBUTIONS</b>		
Surplus Funds to T&N Limited	11,128,209.76	11,128,209.76
Settlement Payment to T&N Asbestos Trustee Company Limited	2,856,397.00	2,856,397.00
	<u>(13,984,606.76)</u>	<u>(13,984,606.76)</u>
	<u><b>(13,858,463.11)</b></u>	<u><b>0.00</b></u>
<b>REPRESENTED BY</b>		<u><u><b>NIL</b></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 £119,871, plus disbursements of £545.94 and VAT

FEDERAL-MOGUL FRICTION PRODUCTS LIMITED  
COMPANY VOLUNTARY ARRANGEMENT (CVA)

Cumulative Time Analysis for the Period from 11 October 2006 to 31 December 2008

Appendix B

	Employee Grade					(£'s)	
	(Hours)					Total Cost	Average
	<u>Partner/ Director</u>	<u>Senior Associate</u>	<u>Associate</u>	<u>Analyst/ Support</u>	<u>Total Hours</u>		<u>Rate p/h</u>
<b>Administration and Planning</b>							
Strategy and Control	6.4	4.2	43.6	7.0	61.2	15,221.0	249
Bank and Creditor Reporting	0.4	9.5	10.0	0.7	20.6	5,716.5	278
Creditors Committee	-	-	-	-	-	-	-
Statutory Duties	-	0.2	0.2	0.7	1.1	227.0	206
Job Administration	0.1	14.9	3.9	36.2	55.1	9,501.0	172
Cash Accounting and Time Records	1.8	1.6	10.8	28.2	42.4	9,205.5	217
Travel and Waiting Time	-	-	-	0.2	0.2	15.0	75
Case Closure	-	-	-	1.4	1.4	259.0	185
Internal Documentation and IT	3.2	-	-	7.6	10.8	2,785.0	258
<b>Investigations</b>							
D Reports	-	-	-	-	-	-	-
Other Investigations	-	-	-	-	-	-	-
Internal Documentation	-	-	-	-	-	-	-
<b>Realisation of Assets - Fixed Charge</b>							
Initial Actions and Valuations	-	-	-	-	-	-	-
Sale of Assets	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-
Litigation	-	-	-	-	-	-	-
Internal and External Documentation	-	-	-	-	-	-	-
<b>Realisation of Assets - Debtors</b>							
Debt Collection	-	-	-	-	-	-	-
Debtors Litigation	-	-	-	-	-	-	-
Crown Debtors	-	-	-	-	-	-	-
Internal and External Documentation	-	-	-	-	-	-	-
<b>Realisation of Assets - Floating Charge</b>							
Initial Actions and Valuations	-	-	-	-	-	-	-
Sale of Assets	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-
Retention of Title	-	-	-	-	-	-	-
Hire Purchase / Leased Assets	-	-	-	-	-	-	-
Litigation	-	-	-	-	-	-	-
Internal and External Communications	-	-	-	-	-	-	-
<b>Trading</b>							
Initial Actions	-	-	-	-	-	-	-
Cash Accounting	-	-	-	-	-	-	-
Ongoing Trading Activities	-	-	-	-	-	-	-
Internal and External Communications	-	-	-	-	-	-	-
<b>Creditors</b>							
Creditor Dealings	2.3	1.5	18.5	94.3	116.6	13,305.5	114
Creditor claims	24.0	45.4	126.5	115.9	311.8	62,883.0	202
Litigation	-	-	-	-	-	-	-
Shareholders / Bankrupts	-	-	-	-	-	-	-
Internal Documentation	-	-	3.0	-	3.0	610.0	203
Employees	-	-	-	1.9	1.9	142.5	75
Employee Communications	-	-	-	-	-	-	-
<b>Totals</b>	<b>38.2</b>	<b>77.3</b>	<b>216.5</b>	<b>294.1</b>	<b>626.1</b>	<b>119,871.0</b>	<b>191</b>