

LIQ03

Notice of progress report in voluntary winding up



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 0 9 8 1 2 6 7 3

Company name in full Tonik Energy Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Matthew James

Surname Cowlshaw

3 Liquidator's address

Building name/number 156 Great Charles Street

Street Queensway

Post town Birmingham

County/Region

Postcode B 3 3 H N

Country

4 Liquidator's name ①

Full forename(s) Paul James

Surname Meadows

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number 156 Great Charles Street

Street Queensway

Post town Birmingham

County/Region

Postcode B 3 3 H N

Country

② Other liquidator

Use this section to tell us about
another liquidator.

**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **Vinay Mistry**

Company name **Teneo Financial Advisory Ltd**

Address **156 Great Charles Street**

Queensway

Post town **Birmingham**

County/Region

Postcode **B 3 3 H N**

Country

DX

Telephone **+44 121 619 0120**

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

**Important information**

All information on this form will appear on the public record.

**Where to send**

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

**Further information**

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse



The Global CEO Advisory Firm

Court Case No. 471 of 2020
High Court of Justice Chancery Division
Birmingham District
Company Number: 09812673

Registered Office:
c/o Teneo Financial Advisory Limited
156 Great Charles Street
Queensway
Birmingham
B3 3HN

Tonik Energy Limited (in liquidation) ("Tonik")("the Company")






Progress report to creditors for the 12 month period to 12 October 2022 pursuant to Section 104A of the Insolvency Act 1986 and Rule 18.7 of the Insolvency (England & Wales) Rules 2016 ("the Rules").

12 December 2022

Matthew James Cowlishaw and Paul James Meadows ("the Joint Liquidators") were appointed Joint Liquidators of the Company, following the cessation of the administration, on 13 October 2021. The affairs, business and property of the Company are managed by the Joint Liquidators. The Joint Liquidators act as agents of the Company and contract without personal liability. All licensed Insolvency Practitioners of Teneo Financial Advisory Limited ("Teneo") are licensed in the UK to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales.

For the purposes of Section 231 of the Insolvency Act 1986 (as amended), ("the Act"), the Joint Liquidators confirm that they are authorised to carry out all functions, duties and powers by either of them jointly and severally.

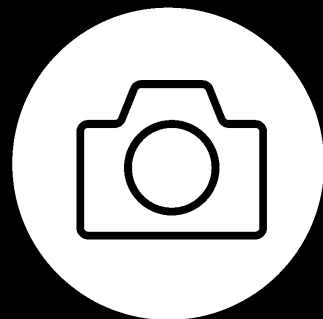
Council Regulation (EU) No 2015/848 applies and these are the main proceedings as defined in Article 3(1) of that regulation.

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Key messages



Key messages

Joint Liquidators of the Company

Matthew James Cowlshaw

Paul Meadows

Teneo Financial Advisory Limited

156 Great Charles Street

Queensway

Birmingham

B3 3HN

Contact details

Email: vinay.mistry@teneo.com

www.ips-docs.com

Tel: 0121 619 0149

Progress of the liquidation during the report period

- The Company moved from administration to creditors' voluntary liquidation ("CVL") on 13 October 2021 to enable the distribution of funds to unsecured creditors.
- We have continued to liaise with HM Revenue & Customs ("HMRC") to recover pre-administration VAT refunds totalling c.£240k
- Chattel Assets of c.£1.1k were realised in relation to office furniture.
- Book debts of c.£129.3k were recovered in the report period.

Costs

- Our fees have been fixed on a time costs basis.
- Our time costs for the period of the report are c.£74.6k. For the reasons set out on page 12 our time costs have exceeded the fees estimate budget, however we will not be seeking approval from the unsecured creditors to authorised an increased fee.
- Category 1 third party costs consisting of legal fees totalling c.£16.3k plus VAT and debt collection costs of £20.4k have been incurred in the report period. Please refer to page 7 for further details.
- No category 1 expenses (disbursements) have been incurred in the report period. Please refer to page 7 for further details.
- We have not incurred category 2 expenses in the report period. As detailed on page 14 these costs would be included in our fees estimate and are not additional costs to the liquidation

Outstanding matters

- Await the Court's final decisions in related Energy Supply Companies' ("ESC") insolvencies in respect of Ofgem and the Supplier of Last Resort ("SoLR") debts ranking as unsecured claims.
- Finalise the collection of residual customer book debts
- Adjudication of a final preferential claim and declare and pay a distribution to the preferential creditors.
- Adjudication of unsecured creditor claims and declare and pay a first and final distribution to the unsecured creditors.

Dividend prospects

- Secured creditors have been paid in full.
- A preferential pension scheme claim for c.£1k will be settled in full in the next reporting period.
- Secondary Preferential creditor – There is no Secondary Preferential Creditor due to the date of the preceding administration appointment.
- Unsecured creditors should be paid a dividend in the next reporting period.





Progress of the liquidation

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Progress of the liquidation

Progress of the liquidation

Work done during the report period

Funds totalling c.£3.1m have been transferred from the preceding administration into the liquidation bank account.

Asset Realisations

Funds from Merchant Service Provider

During the preceding administration we engaged the merchant service provider GoCardless Ltd ("GoCardless") to facilitate direct debit payment from customers with outstanding debts. While this is no longer ongoing, GoCardless did retain funds of c.£500k to cover any final costs incurred by GoCardless, including possible chargebacks by customers.

We liaised with GoCardless during the report period to confirm the level of chargebacks and to instruct remittance of the net balance. The net balance of c.£424k was received just after the period covered by this report, and is therefore not stated in our receipts and payments account on page 7.

Book debts

There still remains a balance of c.£151k of customer debts due to the Company. We have continued to engage Creditstyle during the report period to communicate directly with customers in order to collect outstanding balances on our behalf. In the report period we have collected c.£129.3k.

Chattel Assets

As at the date of appointment, the Company owned a quantity of tangible assets including employee laptops, fixtures and fittings and other items across its trading premises.

We engaged OCM Business Systems Ltd ("OCM"), who are specialists in the collection and realisation of assets, to deal with a sale of these assets. A number of assets remained unsold as at the date of the liquidation, and they have realised c.£1.1k in the period.

All such assets have now been sold and no further asset realisations are therefore anticipated from this source.

Investigations

If you have any information that you feel we should know, please contact us in writing using the contact details on page 3.

Pre-appointment VAT

In the previous administration there was an outstanding pre-appointment VAT return to be submitted. A return for the final period up to the date of the administration appointment was completed. This showed a payment due to HMRC of c.£52k.

We have requested HMRC expedite the repayment of the pre appointment sum owed to the Company after deduction of this c.£52k liability.



Progress of the liquidation

Progress of the liquidation

Work done during the report period

Ofgem and SOLR unsecured claims

An application had been made to Court to hear a number of arguments from various other ESC insolvent companies in relation to whether certain Ofgem and SoLR creditors' claims are provable.

These related to Ofgem's obligations under renewables obligations of failed ESC insolvent companies and SoLR claims arising from the honouring of customer credit balances.

The judgement was handed down by the Court after the end of the reporting period, on 11 November 2022. The outcome of the Court hearing was that the claims were provable debts. The implication of this being that Ofgem and SoLR can claim in the insolvent estate of the Company.

The appeal window for the judgement is still open and therefore we need to wait until this expires before concluding the Company's creditor adjudication process.

We instructed Shakespeare Martineau to review the circumstances of this case to ensure the facts considered in the Court hearing are relevant and will apply to the Company.

Statutory tasks

During the period of our appointment we have carried out the following tasks which primarily relate to fulfilment of statutory and compliance obligations and other tasks of an administrative nature:

- Case management, including updating the creditor portal for the case, filing and regular diary reviews to ensure compliance matters are dealt with accordingly;
- Appointment notifications;
- Cashiering functions, including the preparation of monthly bank account reconciliations and various payments and receipts; and
- Interaction with HMRC in respect of VAT and Corporation Tax matters.

These tasks are a necessary part of the engagement but do not generate any direct financial benefit for creditors.



Progress of the administration Summary

Third party costs incurred during the report period

Joint Liquidators' – Category 1 Expenses

Category 1 expenses are payments to persons providing the service to which the expense relates and which are neither payment to us, the officeholders, or to an associate of ours. These expenses can be paid out of the estate by us without creditor approval.

The following third party expenses have been incurred during the report period:

Agent's Costs

- Recoveries from Creditstyle attract an 11-14% commission depending on the stage of collection. In addition Creditstyle are operating on a "no collect, no fee" basis. In respect of this work they have incurred costs of c.£20.4k in the report period which have been paid in full. VAT is not chargeable on their fees.

Legal Costs

- Shakespeare Martineau LLP, who are experienced in this area, have continued to advise the Joint Liquidators in relation to a creditor claim submitted by Ofgem and have monitored the progress of the Court case referred to on page 6. They have incurred costs of c.£11k plus VAT in the report period which have been paid in full.
- Gately Plc were engaged to advise on employment tribunal matters. They have incurred costs of c.£5.4k plus VAT in the report period which have been paid in full.

Disbursements – Category 1

Category 1 disbursements are payments made by us direct to third parties and for which no approval is required. No such costs have been incurred in the report period.

Payment of Category 1 Expenses

All costs have been paid, as shown in the receipts and payments account on page 8.

All professional costs were reviewed and analysed in detail before payment is approved.

Category 2 Expenses

These are payments:

- to us (as officeholder), for example reimbursement to staff engaged on the case for their mileage costs) or in respect of shared or allocated costs; and also
- to our associates, e.g. to Deloitte LLP where their costs are being charged to the estate following the sale of the Deloitte UK Restructuring team to Teneo Financial Advisory Limited ("Teneo" and "the Transaction") on 29 May 2021.

These expenses require creditor approval in the same manner as our remuneration and as discussed in further detail on page 14.



Progress of the liquidation

Receipts and payments

Tonik Energy Limited
Joint Liquidators' receipts and payments account
13 October 2021 to 12 October 2022

£	Notes	Period	To date
Receipts			
Funds from Administration	A	3,081,014	3,081,014
Furniture & Equipment		1,110	1,110
Book Debts		135,014	135,014
Bank Interest Gross	B	1,319	1,319
Total receipts		<u>3,218,457</u>	<u>3,218,457</u>
Payments			
Wages and Salaries		9,341	9,341
Former Joint Administrators' Remuneration		214,079	214,079
Former Joint Administrators' Expenses		8,343	8,343
Former Joint Administrators' Pre-Admin Fee		42,462	42,462
Liquidators' Category 1 expenses		415	415
Debt Collection Costs		20,405	20,405
Payroll costs		657	657
Contribution to Costs	C	8,684	8,684
Legal Fees		16,344	16,344
Customer Refund		730	730
Storage Costs		3	3
Postage & Redirection		289	289
Statutory Advertising		99	99
Bank Charges		63	63
Total payments		<u>321,914</u>	<u>321,914</u>
Balance			<u>2,896,543</u>
Made up of:			
Interest Bearing Bank Account	B	2,841,107	
VAT Control Account	D	<u>55,435</u>	
Balance in hand		<u>2,896,543</u>	

A receipts and payments account is provided opposite, detailing the transactions in the liquidation to 12 October 2022, and all transactions since the date of our appointment.

Notes to receipts and payments account

Statement of Affairs

Please refer to our previous administration reports should you wish to view the preceding statement of affairs figures.

A - Transfer of funds from the administration bank account

The balance transferred from the administration to the liquidation is different to the balance in the final administration report as some payments were made or cleared the bank account post the report date. These related to an intercompany transfer in respect of IT costs, payroll deductions and debt collection costs. The administration account was kept open for a short period following cessation of the administration to capture further book debt receipts and these have now been transferred to the liquidation account.

B - Bank interest

All funds are held in an interest-bearing account. The associated corporation tax on interest received has been and will continue to be accounted for to HM Revenue & Customs ("HMRC").

C - Contribution to Costs

Funds invoiced and reimbursed to Retig for IT services for that were for the benefit of former Tonik employees.

D - VAT

All sums shown opposite are shown net of VAT, which is recoverable and has been accounted for to HMRC in due course.

The VAT control account balance does not reflect amounts due from HMRC in respect of the preceding administration, which is c.£240k.

Rounding note

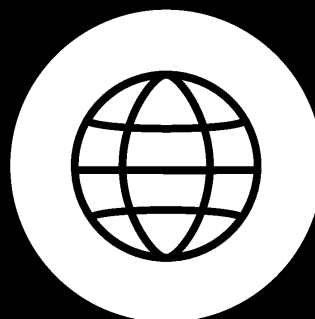
In preparing this report, figures have been rounded (for presentational purposes only). There may therefore appear to be rounding errors.



Information for creditors

Outcome for creditors

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Information for creditors

Secured creditors

The Company's records show that the Company owed BP c.£5m in its capacity as the Secured Creditor. BP had a floating charge debenture which was granted by the Company on 8 December 2017.

Distributions of c.£1m and c.£2m were made to BP on 21 December 2020 and 31 March 2021 respectively. We paid the remaining balance of £2,039,814.36, on 17 September 2021 in full satisfaction of the agreed claim of £5,039,814.

No further distributions will be made to BP as their agreed claim was repaid in full in the preceding administration.

Preferential creditors

In the preceding administration, it was estimated that there would be circa 171 preferential claims totalling c.£250k. These claims were in respect of arrears of wages and holiday pay.

These sums were paid as an expense of the preceding administration, as it was necessary to settle these costs to retain the employees to assist with the final billing exercise and to resolve various billing disputes with customers.

We therefore do not anticipate any further preferential claims being made, other than a claim in connection with a residual pension scheme claim estimated at c.£1k, which will be paid in full in the next reporting period.

Secondary Preferential Debts due to HM Revenue and Customs ("HMRC")

As the preceding administration appointment pre dated 1 December 2020, the Secondary Preferential Debt provisions do not apply.

Unsecured creditors

Based on present information, sufficient funds will be realised to enable a dividend to be paid to unsecured creditors over and above the maximum Prescribed Part fund that was available. Currently the quantum of the dividend that will be made available to unsecured creditors is unknown.

A resolution to the Ofgem and SoLR court matters is required prior to an unsecured dividend being declared. Please see page 6 for further details.

Claims process – creditors with debts of £1,000 or less

You do not need to prove your debt for dividend purposes if the amount you are owed is £1,000 or less, unless you wish to vote in a decision procedure in which case proof of claim must be given.

We will notify you if funds become available for dividend purposes. Your claim will be admitted in the amount shown in the Company's records/statement of affairs. If you disagree with that amount you will be provided with an opportunity to notify us of the correct amount.

Claims process – creditors with debts of more than £1,000

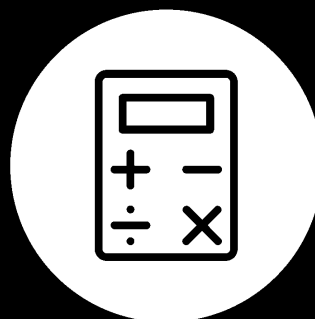
Unsecured creditors with claims of more than £1,000 are invited to submit their claims to us either directly via the case website at www.ips-docs.com or by downloading and completing a proof of debt form from the case website and which should be sent to the address on the cover page. Alternatively, a hard copy proof of debt form will be provided free of charge on request.



Remuneration and expenses

Joint Liquidators' remuneration

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Remuneration and expenses

Joint Liquidators' remuneration

Joint Liquidators' remuneration

"A Creditors' Guide to Remuneration" is available for download www.ips-docs.com.

Should you require a paper copy, please send your request in writing to us at the address on the front of this report and this will be provided to you at no cost.

Basis of remuneration

The basis of our remuneration was fixed by the creditors on 28 January 2021 by the creditors in the preceding administration by reference to the time properly given by the Joint Administrators (and now the Joint Liquidators) and their staff in attending to matters arising in the liquidation as set out in the fees estimate, plus VAT.

Time costs - analysis of actual against budget

Preceding administration and liquidation

Please refer to page 13 where we have updated the Fees Estimate to provide details of our actual time costs for the period of the preceding administration, and also for the period of the report and for the entire period of our appointment as Joint Liquidators.

As you will see our total time costs in respect of the Liquidation appointment to date are c.£74,567 made up of 156.7 hours at a blended charge out rate of £476 across all grades of staff.

Our actual time costs are higher than we anticipated for the Administration and Liquidation periods for the following reasons:

- Higher costs than expected were incurred while recovering book debts due to the complex nature of final billing to former customers.
- Ongoing trading matters such as cashflow monitoring, employee payroll, general management of operations as well as significant correspondence with suppliers.

- Lengthy and complex ongoing winding down matters such as employee payroll, liaison with retained employees as well as correspondence with suppliers.
- Additional cashiering tasks have been carried out with relation to purchase ledger, bank reconciliation activity.
- Higher volume than anticipated of customer queries regarding final billings and disputes.
- Dealing with the Company's VAT affairs in respect of both pre and post appointment periods.

For the reasons set out above and opposite, our time costs to date are higher than anticipated. However, we currently consider it unlikely that we will seek to draw a fee greater than c.£1.6m as provided in our Fees Estimate.

Time costs – Fees drawn to date

Joint Liquidators' and former Joint Administrators' remuneration

Former Joint Administrators' fees totaling c.£214.1k and Former Joint Administrators' pre administration costs totaling c.£42.5k, both plus VAT respectively, have been drawn in the report period as shown in the receipts and payments account on page 8. Former Joint Administrators' expenses of c.£8.3k plus VAT have also been recovered.

We have not drawn any remuneration as Joint Liquidators.



Fees Estimate and Joint Liquidators' actual time costs for the period 13 October 2021 to 12 October 2022

All staff (including cashiers) assigned to the case recorded their time spent working on the case on a computerised time recording system. Time spent by secretarial staff working on the assignment has not been recorded or recovered. The appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the complexity of the relevant work, the financial value of the assets being realised and/or claims agreed.

Activity		Anticipated Time and Costs during the Administration per Fees Estimate			Actual Time and Costs during the Administration			Actual Time and Costs for Liquidation Report Period			Total Time and Costs for the Administration and Liquidation Periods		
		Anticipated hours	Avg Rate £/h	Anticipated fees (£)	Hours incurred to date	Avg Rate £/h	Total time costs incurred to date (£)	Hours incurred in period	Avg Rate £/h	Time costs incurred in period (£)	Hours incurred in period	Avg Rate £/h	Time costs incurred in period (£)
Administrative activities	Cashiering	60.0	630	37,800	421.7	193	81,206	0.9	650	585	422.6	843	81,791
	Case supervision	108.2	726	78,607	348.6	514	179,243	31.0	436	13,493	379.5	950	192,736
	Case reviews	8.4	512	4,302	-	-	-	-	-	-	-	-	-
	Case closure matters	20.5	577	11,835	2.0	380	760	-	-	-	2.0	380	760
Statutory & compliance	Compliance & IPS diary	16.5	493	8,133	46.4	580	26,923	5.8	836	4,893	52.3	1,416	31,817
	Insurance	11.5	638	7,335	2.1	800	1,680	-	-	-	2.1	800	1,680
	General reporting	76.7	523	40,081	201.1	506	101,783	15.2	497	7,558	216.3	1,003	109,341
	Statutory meetings	-	-	-	13.1	761	9,976	-	-	-	13.1	761	9,976
Initial actions	Regulatory & other legislation	2.4	500	1,200	13.5	630	8,505	-	-	-	13.5	630	8,505
	Appointment matters	36.0	795	28,630	39.4	721	28,388	-	-	-	39.4	721	28,388
	Securing assets	8.0	868	6,940	7.7	662	5,098	-	-	-	7.7	662	5,098
	Notifications	52.0	457	23,755	80.6	295	23,792	20.8	475	9,880	101.4	770	33,672
Investigations	CDDA reporting	19.5	532	10,380	61.7	285	17,598	-	-	-	61.7	285	17,598
	Investigations	49.0	588	28,805	32.5	347	11,275	-	-	-	32.5	347	11,275
Total of above categories		468.7	614	287,803	1,270.3	391	496,226	73.7	494	36,409	1,344.0	885	532,635
Taxation	Tax	17.4	671	11,678	4.1	1,032	4,250	2.5	467	1,168	6.6	1,499	5,418
	VAT	35.1	587	20,598	166.0	631	104,685	20.8	382	7,940	186.8	1,012	112,625
Asset realisations	Third party assets	48.0	671	32,190	1.8	240	432	-	-	-	1.8	240	432
	Book debts	488.2	609	297,324	586.5	664	389,503	-	-	-	586.5	664	389,503
	Chattel assets	62.7	659	41,310	2.2	1,070	2,354	-	-	-	2.2	1,070	2,354
	Other assets	128.0	626	80,085	173.1	460	79,650	0.7	650	433	173.8	1,110	80,084
	Property	21.0	758	15,916	2.5	240	600	-	-	-	2.5	240	600
Trading	Retention of title	2.0	563	1,125	-	-	-	-	-	-	-	-	-
	Day 1 control of trading	37.0	768	28,400	36.9	754	27,841	-	-	-	36.9	754	27,841
	Ongoing trading	361.9	622	225,225	1,095.4	458	502,093	-	-	-	1,095.4	458	502,093
	Monitoring trading	165.1	654	107,963	137.2	733	100,519	-	-	-	137.2	733	100,519
	Closure of trade	62.6	585	36,630	-	-	-	-	-	-	-	-	-
Employees	Consultation	68.0	597	40,563	-	-	-	13.3	650	8,667	13.3	8,667	8,667
	Correspondence	118.4	541	64,008	187.6	448	83,990	4.5	650	2,925	192.1	1,098	86,915
	Employment tribunals	-	-	-	6.1	531	3,237	6.1	686	4,161	12.2	1,217	7,398
	Pensions	0.5	495	248	5.5	622	3,399	1.1	650	704	6.6	1,272	4,104
Correspondence	Creditors	141.6	468	66,213	89.2	663	59,146	-	-	-	89.2	663	59,146
	Shareholders	2.1	1,000	2,100	1.5	800	1,200	-	-	-	1.5	800	1,200
	Customers	438.0	501	219,490	932.8	472	440,036	34.0	358	12,160	966.8	829	452,196
	Press & media queries	12.6	890	11,214	-	-	-	-	-	-	-	-	-
Distributions	Secured creditors	12.8	469	6,004	19.5	545	10,606	-	-	-	19.5	545	10,606
	Preferential creditors	40.2	448	17,994	-	-	-	-	-	-	-	-	-
	Unsecured creditors	-	-	-	-	-	-	-	-	-	-	-	-
Total fees estimate		2,731.9	591	1,614,079	4,718.0	490	2,309,766	156.7	476	74,567	4,874.7	489	2,384,333

Remuneration and expenses
Detailed information

Category 2 Expenses

Category 2 Expenses - are payments to us (as officeholder) or to our associates or payments which have an element of shared costs. These expenses require creditor approval in the same manner as our remuneration.

Joint Liquidators’ Category 2 Expenses (including disbursements)

As described on page 7, these are payments to us (as officeholder) or to our associates or payments which have an element of shared costs.

Specific approval is required before these costs and expenses can be drawn from the liquidation estate and which was given in the preceding administration by the unsecured creditors on 28 January 2021, other than in relation to the Deloitte LLP costs which are discussed further below.

As discussed on page 7 prior to the Transaction, the work delivered by other Deloitte service lines was charged to the estate to be recovered as part of the Joint Administrators’ remuneration (from which an internal recharge would have then been made).

Following the Transaction, whilst all such costs continued to be paid out of our approved remuneration (i.e. was not be an additional cost). Their work is no longer ongoing as of 31 October 2021. We will provide you with a narrative summary of the work being delivered. We will also provide a summary rates table of the applicable charge out rates in force at the time of the report.

Deloitte LLP – Services being provided

We have detailed below the services which were provided by Deloitte LLP, the costs of which are included in our fee estimate and will thus be paid out of our approved remuneration:

- Deloitte Global Financial Advisory India (“**DIJV**”) – are engaged to assist with general case management and administration. Their work, which is no longer ongoing, was charged on a time costs basis. They have not charged any costs in the period.

Deloitte LLP Charge out Rate Bands (£/hour)

	Grade	Rate (£/hour)
Partners		1502 - 1549
Directors		1265 - 1302
Associate Directors		1150 - 1187
Managers/Assistant Managers		99 - 420
Consultants		593 - 887
Associates		142 - 357
Administrators/Analysts		95 - 389
Agent		36



Remuneration and expenses

Detailed information

Creditors' right to request information

Any secured creditor or unsecured creditor (with the support of at least 5% in value of the unsecured creditors or with leave of the Court) may, in writing, request us to provide additional information regarding remuneration or expenses to that already supplied within this report. Such requests must be made within 21 days of receipt of this report, in accordance with Rule 18.9 of the Rules.

Creditors' right to challenge remuneration and/or expenses

Any secured creditor or unsecured creditor (with the support of at least 10% in value of the unsecured creditors or with leave of the Court) may apply to the Court for one or more orders (in accordance with Rule 18.34 of the Rules), reducing the amount or the basis of remuneration which we are entitled to charge or otherwise challenging some or all of the expenses incurred.

Such applications must be made within eight weeks of receipt by the applicant(s) of the progress report detailing the remuneration and/or expenses being complained of, in accordance with Rule 18.34(3) of the Rules.

Please note that such challenges may not disturb remuneration or expenses approved or deemed to be approved under prior progress reports.





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