

# Joint Administrators' progress report from 23 September 2023 to 22 March 2024

**Mable Commercial Funding Limited**  
(in administration)

High Court of Justice, Business & Property Courts of England &  
Wales, Insolvency & Companies List (ChD)  
Court Case 8211 of 2008

22 April 2024



Strictly private and confidential

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## Important Notice

This report has been prepared by Alison Campbell Grant, David James Kelly, Edward John Macnamara, Gillian Eleanor Bruce and Dan Yoram Schwarzmann as Joint Administrators of the Company, solely to comply with the Joint Administrators' statutory duty to report to creditors under IR16 on the progress of the administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

This report has not been prepared in contemplation of it being used, and it is not suitable to be used, to inform any investment decision in relation to the debt of or any financial investment in the Company.

Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcome for creditors.

Any persons choosing to rely on this report for any purpose or in any context other than under IR16 do so at their own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any liability in respect of this report to any such person.

Please note you should read this report in conjunction with the Joint Administrators' previous reports issued to the Company's creditors, which can be found at:

<https://www.pwc.co.uk/services/business-restructuring/administrations/non-lbie-companies/mable-commercial-funding-limited-in-administration.html>

Unless stated otherwise, all amounts in this report and appendices are stated net of VAT.

*Alison Campbell Grant, David James Kelly, Edward John Macnamara, Gillian Eleanor Bruce and Dan Yoram Schwarzmann have been appointed as Joint Administrators of the Company to manage its affairs, business and property as its agents and act without personal liability. All are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales. The Joint Administrators are bound by the Insolvency Code of Ethics which can be found at:*

<https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>

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# Abbreviations and definitions

The following table shows the abbreviations and insolvency terms that may be used in this report:

<b>Abbreviation or definition</b>	<b>Meaning</b>
<b>Mable, the Company or the Administration</b>	Mable Commercial Funding Limited - in administration
<b>Administrators</b>	Alison Campbell Grant, David James Kelly, Edward John Macnamara, Gillian Eleanor Bruce and Dan Yoram Schwarzmann of PricewaterhouseCoopers LLP
<b>Firm / PwC</b>	PricewaterhouseCoopers LLP
<b>Compromise Arrangement</b>	Mable entered into a Compromise Arrangement with its creditors on 13 April 2021 whereby all creditors (other than LBIE) unanimously agreed to subordinate all of their admitted claims in Mable's estate to any LBIE claims. This arrangement also provided for all of Mable's remaining assets, with the exception of its claim against LBHI, to be transferred to LBIE
<b>Court</b>	The High Court of Justice
<b>FCA</b>	Financial Conduct Authority
<b>HMRC</b>	HM Revenue & Customs
<b>IA86</b>	Insolvency Act 1986
<b>IR16</b>	Insolvency (England and Wales) Rules 2016
<b>LBHI</b>	Lehman Brothers Holdings Inc.
<b>LBIE</b>	Lehman Brothers International (Europe) - in administration
<b>Mable Creditors / Creditors / Company's Creditors</b>	Parties with creditor claims admitted by Mable as at the date of this report
<b>PML</b>	Preferred Mortgages Limited
<b>Reporting Period</b>	The six months from 23 September 2023 to 22 March 2024
<b>Sch.B1 IA86</b>	Schedule B1 to the Insolvency Act 1986
<b>SPML</b>	Southern Pacific Mortgage Limited
<b>Unsecured Creditors</b>	Creditors who are neither secured nor preferential

# Section 1: Introduction

## Introduction

This is the thirty-first progress report prepared by the Administrators of the Company.

This report provides an update on the work the Administrators have undertaken, with a particular focus on progress made in the Reporting Period.

Earlier reports can be viewed on the Administrators' website at

<https://www.pwc.co.uk/services/business-restructuring/administrations/non-lbie-companies/mable-commercial-funding-limited-in-administration.html>

## Objective of the Administration

The Administrators are pursuing the objective of achieving a better result for the Company's Creditors as a whole than would be likely if the Company were wound up (without first being in Administration), and continue to manage the Administration in accordance with the proposals approved by Creditors. The Administrators continue to review the objective of the Administration on a regular basis.

## Outcome for creditors

As set out in previous reports, under the terms of the Compromise Arrangement we do not anticipate that there will be further distributions to the Mable Creditors other than those made to LBIE under the terms of the Compromise Arrangement.

Details regarding the interim dividends paid to Unsecured Creditors to date can be found in Appendix A.

## Why we remain in office

The Administrators remain in office to deal with the following tasks:

- Realisation of assets and subsequent distributions in relation to Mable's remaining known asset, being its claim against LBHI;
- Make further payments to LBIE in line with the Compromise Arrangement, as funds permit; and
- Finalise realisation and exit strategy for SPML and PML (held on trust for LBIE).

Further details are contained within the body of this report.

## What you need to do

This report is for your information and you don't need to do anything.

## This report and future updates

The Administrators' next formal progress report to creditors will be in approximately six months' time, and will be posted to the website.

If you have any questions, please contact the Administrators at [generalqueries@lbia-eu.com](mailto:generalqueries@lbia-eu.com).

Signed



**Alison Grant**  
Joint Administrator  
Mable Commercial Funding Limited - in administration

# Section 2: Administrators' actions in the Reporting Period

## Background

As set out in our previous reports, Mable entered into a Compromise Arrangement with its creditors whereby all creditors (other than LBIE) unanimously agreed to subordinate all of their admitted claims in Mable's estate to any LBIE claims. This arrangement also provided for all of Mable's remaining assets, with the exception of its claim against LBHI, to be transferred to LBIE. Any recoveries from retained assets are distributed to LBIE under the terms of the Compromise Arrangement. Please see previous reports for further detail.

Mable retains legal title to its interests in SPML and PML. However, pursuant to the Compromise Arrangement, a bare trust has been declared, such that the shares in SPML and PML are now beneficially owned by LBIE.

When we last reported, the key outstanding matters in the Administration were as follows:

- Realisation of assets and subsequent distributions in relation to Mable's remaining known asset, being its claim against LBHI;
- Ensure payments from LBHI to LBIE are made in line with the Compromise Arrangement, as funds permit;
- Continue to consider longer term options for SPML and PML (held on trust for LBIE);
- Statutory reporting to creditors and conduct of regular reviews to assess case strategy and progress;
- File tax and VAT returns including obtaining required clearances from HMRC; and
- Prepare for and deal with the eventual closure of the Administration and dissolution of the Company.

## Progress made in the Reporting Period

As previously stated, all remaining assets, with the exception of a receivable from LBHI, have been transferred to LBIE as part of the Compromise Arrangement. Realisations in the Reporting Period from LBHI totalled c.\$2,180 (c.£1,793) and were received on 5 October 2023. A further receipt of c.\$16,415 (c.£12,958) was received from LBHI shortly after the end of the Reporting Period. These amounts have been distributed directly to LBIE in accordance with the Compromise Arrangement.

Since the restructure of Mable and under the terms of the Compromise Arrangement, LBIE has received c.£0.7m in dividends from SPML in the Reporting Period and total dividends from SPML and PML of £14.5m.

A payment was made to LBHI by LBIE in relation to the SPML and PML dividends received, pursuant to the Compromise Arrangement whereby LBIE has agreed to pay a percentage of dividends received above an agreed threshold amount to LBHI.

The Administrators continued to explore a number of potential exit opportunities for SPML and PML, including entering into discussions with parties interested in acquiring Mable's solvent trading subsidiaries, SPML and PML. An offer has been accepted subject to contract, with completion anticipated to occur in the third quarter of 2024. Further details will be provided in the next report.

During the Reporting Period the Administrators have continued to manage the statutory affairs of the Company including creation and publication of the thirtieth progress report, submission of statutory VAT and tax returns, maintenance of company records and completion of case reviews in line with best practice for all insolvencies.

Please see the LBIE progress report at <https://www.pwc.co.uk/lehman> if you wish to see more information regarding the progress of that administration.

## Investigations and actions

Nothing has come to the Administrators' attention during the Reporting Period to suggest that they need to do any more work in line with their duties under the Company Directors' Disqualification Act 1986 and Statement of Insolvency Practice No.2.

## Administrators' receipts and payments account

We set out in Appendix A an account of our receipts and payments in the Administration from 23 September 2023 to 22 March 2024. As detailed above, all receipts and payments have been paid directly to or from LBIE as Mable's bank accounts are now closed.

## Administrators' fees and expenses

An update on the Administrators' remuneration, which covers the Administrators' fees, disbursements and other related matters in this case, is set out at Appendix B. All remuneration and disbursements pertaining to work on this estate are the responsibility of LBIE, and as such, are paid by LBIE under the terms of the Compromise Arrangement.

## Creditors' rights

Creditors have the right to ask for more information within 21 days of receiving this report as set out in Rule 18.9 IR16. Any request must be in writing. Creditors can also challenge fees and expenses within eight weeks of receiving this report as set out in Rule 18.34. This information can also be found in the guide to fees at:

<https://www.icaew.com/-/media/corporate/files/regulations/insolvency/creditors-guides/2021/administration-creditor-fee-guide-1-april-2021.ashx>

Creditors may also wish to refer to the previous creditors' guidance to understand the applicable regulations for appointments prior to 5 April 2010:

<https://www.icaew.com/-/media/corporate/files/regulations/insolvency/creditors-guides/2007/a-creditors-guide-to-administrators-fees-1-apr-2007.ashx>

Creditors can also get copies of these guides free of charge by telephoning Kate McNerlin on 020 7583 5000 or by emailing [generalqueries@lbia-eu.com](mailto:generalqueries@lbia-eu.com).

# Appendix A: Receipts and payments

Receipts and Payments to 22 March 2024	As at 22 September 2023 (GBP equivalent)	Movements from 23 September 2023 to 22 March 2024 (GBP equivalent)	As at 22 March 2024 (GBP equivalent)
	£	£	£
	000's	000's	000's
<b>RECEIPTS</b>			
Loan repayments and subsidiary dividends	371,236	-	371,236
Book debts	165,912	-	165,912
Legal fees	4	-	4
Corporation tax repayments	27,131	-	27,131
VAT repayments	1,675	-	1,675
Refund of professional fees	105	-	105
Foreign currency conversions	13,248	-	13,248
Payment for group losses surrendered	-	-	-
Principal and interest on mortgage assets	84,981	-	84,981
Income from investments	1,237	-	1,237
<b>Receipts Grand Totals</b>	<b>665,529</b>	<b>-</b>	<b>665,529</b>
<b>PAYMENTS</b>			
Building and occupancy costs	663	-	663
Payroll and employee costs	1,574	-	1,574
Legal fees	2,617	-	2,617
Insurance premiums	289	-	289
Administrators' remuneration	16,025	-	16,025
Administrators' disbursements	78	-	78
Foreign currency conversions	14,439	-	14,439
Other professional fees	362	-	362
Distributions to Unsecured Creditors	629,482	-	629,482
<b>Payments Grand Totals</b>	<b>665,529</b>	<b>-</b>	<b>665,529</b>
<b>NET POSITION</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Notes to the receipts and payments

1. During the course of the Administration Mable required EUR and USD accounts to facilitate the receipt of loan repayments, dividends and book debts. However, as reported in prior progress reports all assets, with the exception of the receivable from LBHI, have been transferred to LBIE and as such all GBP equivalent values are as reported in the 26th progress report to 22 September 2021. All payments, receipts, remuneration and expenses pertaining to work on this estate are the responsibility of LBIE and as such, are managed by LBIE under the terms of the Compromise Arrangement.
2. Amounts shown include VAT.
3. As advised previously, all bank and investment accounts held by the Company have been closed.
4. The receipts and payments account does not show estimated to realise values from the directors' statement of affairs as this would not provide a meaningful comparison with actual asset recoveries.
5. There have been no payments made to us, our firm or our associates other than from the insolvent estate as shown in the receipts and payments account provided above.

## Distributions to Unsecured Creditors

Dividends	Date	Pence in the Pound	Value Distributed £
First	14-Nov-13	16.10	115,966,121.85
Second	15-May-14	4.70	33,853,464.16
Third	23-Sep-14	3.30	23,807,835.49
Fourth	02-Sep-15	3.00	21,613,371.39
Fifth	07-Jun-16	3.43	24,710,078.73
Sixth	22-Feb-17	1.35	9,725,541.17
Seventh	24-Apr-18	43.70	314,819,370.22
Eighth	01-Aug-18	3.22	23,197,216.77
Ninth	15-Jan-19	2.58	18,586,589.82
Tenth	10-Sep-19	1.55	11,166,362.10
Eleventh	30-Jan-20	2.60	18,730,671.92
<b>Total dividends</b>		<b>85.53</b>	<b>616,176,623.62</b>
Payments under the Compromise Arrangement	13-Apr-21	n/a	13,305,624.62
<b>Total distributions to Unsecured Creditors</b>			<b>629,482,248.24</b>

Pursuant to the Compromise Arrangement, cash available for distribution was distributed to the Mable Creditors in agreed proportions totalling c.£13.3m on 13 April 2021.

Subsequently LBIE has received £14.5m as distributions from SPML and PML under the terms of the Compromise Arrangement.

During the Reporting Period, a further £1,793 was paid to LBIE under the terms of the Compromise Arrangement as the LBHI twenty-seventh distribution and a payment to LBHI from LBIE in relation to the SPML dividend received.



# Appendix B: Remuneration and expenses update

As previously reported, in accordance with the Compromise Arrangement, from 23 March 2021 all Administrators' fees and disbursements in relation to Mable have been paid by and reported as part of the LBIE administration. The Administrators' remuneration is determined by the fee agreements with the LBIE Operating Committee. As such there is no remuneration or expenses paid or incurred by Mable in the Reporting Period.

The LBIE progress reports are available for your review at <https://www.pwc.co.uk/lehman>

We set out later in this Appendix details of our work in the Reporting Period and anticipated future work.

## Relationships

The Administrators have no business or personal relationships with the parties who approve their fees or who provide services to the Administration where the relationship could give rise to a conflict of interest.

## Payments to associates

No payments have been made to associates or any party who could reasonably be perceived as an associate during the period of this report.

## Details of subcontracted work

There was no subcontracted work in the Reporting Period.

## Work undertaken in the Reporting Period

The following table provides a high level description of the key areas of work undertaken in the period.

Category	Description of tasks
<b>Realisation of assets and resolution of subsidiaries</b> Work done in relation to ongoing assets (including SPML and PML) is performed to help realise any distributions or value for the benefit of LBIE under the Compromise Arrangement	<ul style="list-style-type: none"><li>• Monitored the progress and risks associated with the strategy of asset management and realisation</li><li>• Monitored receipt of further distributions relating to claims Mable has into other Lehman estates and the trading subsidiaries</li><li>• Held monthly meetings with the employees of SPML and PML</li><li>• Continued to receive and review forecasts from SPML and PML on timing and quantum of dividend</li><li>• Discussions continued with management and legal advisors in relation to exit plans for the entities</li><li>• Discussed and held meetings with parties who were interested in buying the shares in SPML and PML</li></ul>
<b>Statutory and other compliance</b> This relates to work the Administrators undertake in order to ensure compliance with statutory and regulatory requirements.	<ul style="list-style-type: none"><li>• Prepared and distributed six monthly progress reports and carry out other statutory and compliance functions</li><li>• Statutory six monthly review held by Administrators</li><li>• Ensured compliance with all other statutory and governance issues</li><li>• Updated PwC internal databases</li></ul>
<b>Strategy and planning</b> The Administrators and their staff continued to review their strategy for the progression and resolution of the Administration, for the ultimate benefit of LBIE.	<ul style="list-style-type: none"><li>• Team meetings held to resolve the ongoing tasks required in the Mable Administration</li></ul>
<b>Tax and VAT</b> Work reported in this category includes compliance with tax legislation under the Administrators' statutory obligations.	<ul style="list-style-type: none"><li>• Drafted tax return for year ended 13 April 2023</li><li>• Prepared and submitted quarterly VAT returns</li><li>• Provided advice on the sale of Mable's trading subsidiaries, SPML and PML</li></ul>

## Future work

We still need to do the following work to achieve the purpose of Administration.

All costs for current and future work will be determined by the fee agreements with the LBIE Operating Committee and reported as part of the LBIE administrators remuneration, as such no estimates for future costs will be provided.

Category	Description of tasks
<b>Realisation of assets and resolution of subsidiaries</b>	<ul style="list-style-type: none"><li>• Monitor the progress and risks associated with the strategy of asset management and realisation</li><li>• Monitor receipt of further distributions relating to claims Mable has into other Lehman estates and the trading subsidiaries</li><li>• Progress the sale of Mable's trading subsidiaries, SPML &amp; PML</li></ul>
<b>Statutory and compliance</b>	<ul style="list-style-type: none"><li>• Prepare and distribute six monthly progress reports and carry out other statutory and compliance functions</li><li>• Deal with necessary closure requirements</li></ul>
<b>Strategy and planning</b>	<ul style="list-style-type: none"><li>• Team meetings to resolve the ongoing tasks required in the Mable Administration</li><li>• Work with experts and the internal and external teams to determine a viable strategy for the resolution of the Administration</li></ul>
<b>Tax and VAT</b>	<ul style="list-style-type: none"><li>• Tax and VAT compliance including preparing tax computations and returns and seeking final tax clearance prior to closure</li></ul>

The Administrators caution that actual future work will be impacted by the sale of Mable's trading subsidiaries, SPML and PML, among other matters. The Administration is extended to 30 November 2025, however, that timeframe may be shortened or lengthened depending on how the above matters are ultimately resolved.

# Appendix C: Other information

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<b>Court details for the administration:</b>	High Court of Justice, Chancery Division, Companies Court - Court Case 8211 of 2008
<b>Company's registered name:</b>	Mable Commercial Funding Limited
<b>Trading name:</b>	Mable Commercial Funding Limited
<b>Registered number:</b>	2682316
<b>Registered address:</b>	7 More London Riverside, London, SE1 2RT, United Kingdom
<b>Date of the administration appointment:</b>	23 September 2008
<b>Joint Administrators' names, addresses and contact details:</b>	Alison Campbell Grant, David James Kelly, Edward John Macnamara, Gillian Eleanor Bruce and Dan Yoram Schwarzmann of PricewaterhouseCoopers LLP, 7 More London Riverside, London, SE1 2RT Email: <a href="mailto:generalqueries@lbia-eu.com">generalqueries@lbia-eu.com</a>
<b>Changes in Administrator:</b>	<p>On 23 September 2008, Graham Hunter Martin, Michael John Andrew Jervis, Anthony Victor Lomas, Steven Anthony Pearson and Dan Yoram Schwarzmann were appointed as Joint Administrators</p> <p>On 30 November 2009, Derek Anthony Howell replaced Graham Hunter Martin as one of the Joint Administrators</p> <p>On 22 March 2013, Julian Guy Parr was appointed as one of the Joint Administrators after Michael John Andrew Jervis and Derek Anthony Howell resigned</p> <p>On 16 July 2018, Anthony Victor Lomas, Steven Anthony Pearson and Julian Guy Parr ceased to act as Joint Administrators and were replaced by Russell Downs, Edward John Macnamara and Gillian Eleanor Bruce as Joint Administrators</p> <p>On 30 November 2021, Alison Campbell Grant and David James Kelly replaced Russell Downs as Joint Administrators</p>
<b>Extension(s) to the initial period of appointment:</b>	The Court has granted five successive extensions to the Administration periods being 30 November 2010, 30 November 2011, 30 November 2016, 30 November 2022 and 30 November 2025

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