

Joint Administrators' progress report from 6 November 2023 to 5 May 2024

Lehman Brothers (PTG) Limited (in administration)

High Court of Justice, Chancery Division, Companies Court
Case no. 9851 of 2008

5 June 2024



Table of contents

Abbreviations and definitions	3
Section 1: Introduction	4
Section 2: Administrators' actions to date	5
Appendix A: Receipts and payments	7
Appendix B: Expenses	9
Appendix C: Remuneration update	11
Appendix D: Other information	15

This report has been prepared by GE Bruce, DJ Kelly and EJ Macnamara 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/lbptg-limited-in-administration.html>

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

GE Bruce, DJ Kelly and EJ Macnamara 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>

The Joint Administrators may act as controllers of personal data as defined by UK data protection law depending upon the specific processing activities undertaken. PricewaterhouseCoopers LLP may act as a processor on the instructions of the Joint Administrators. Personal data will be kept secure and processed only for matters relating to the Joint Administrators' appointment. Further details are available in the privacy statement on the PwC.co.uk website or by contacting the Joint Administrators.

PricewaterhouseCoopers LLP is a limited liability partnership registered in England with registered number OC303525. The registered office of PricewaterhouseCoopers LLP is 1 Embankment Place, London WC2N 6RH. PricewaterhouseCoopers LLP is authorised and regulated by the Financial Conduct Authority for designated investment business.

Abbreviations and definitions

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

Abbreviation or definition	Meaning
Company / PTG	Lehman Brothers (PTG) Limited - in administration
Administrators	GE Bruce, DJ Kelly and EJ Macnamara of PricewaterhouseCoopers LLP
Reporting Period	6 November 2023 to 5 May 2024
Firm / PwC	PricewaterhouseCoopers LLP
Court	High Court of Justice, Chancery Division, Companies Court
ESH	Eldon Street Holdings Ltd
Group / Lehman Brothers group	The UK Lehman Brothers group of companies
IR16	Insolvency (England and Wales) Rules 2016
IA86	Insolvency Act 1986
HMRC	HM Revenue and Customs
LBIE	Lehman Brothers International (Europe) - in administration
LBH	Lehman Brothers Holdings plc - in administration
LBHI	Lehman Brothers Holdings Inc.
SIP9	Statement of Insolvency Practice 9
Statutory Interest	Interest calculated in accordance with IR16 on the amount of admitted claims in respect of the periods during which such claims were outstanding since the date of commencement of the Administration to the date of full repayment, calculated as the greater of the rate payable in accordance with s.17 of the Judgments Act 1838 (currently 8% simple), and the rate applicable to the debt apart from the Administration

Section 1: Introduction

Introduction

This is the 31st 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.

We have sought not to duplicate information disclosed to creditors in prior reports and updates, copies of which can be found at:

<https://www.pwc.co.uk/services/business-restructuring/administrations/non-lbie-companies/lbptg-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

On 24 June 2013, the Court granted the Administrators permission to make distributions to the Company's unsecured creditors.

Total cash distributions of £96,810,297 and US\$4,163,345 have been paid to date to unsecured creditors, equating to cumulative dividends totalling 54.646 pence in the pound. In the Reporting Period a distribution was made to unsecured creditors of £809,378 being 0.4426 pence in the pound, declared 14 March 2024.

The Administrators expect to make further interim cash distributions during the administration, although the exact amounts and timings remain contingent upon the outcome of the issues detailed in Appendix A.

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 uk_lehmanaffiliates@pwc.com.

Signed



Gillian Bruce

Joint Administrator
Lehman Brothers (PTG) Limited - in administration

Section 2: Administrators' actions to date

Background

PTG was initially funded by LBHI with the objective of investing in real estate companies within the Lehman Brothers group, principally ESH and Thayer Properties Limited.

Creditors will recall that the Company's assets fell into three primary categories:

- Debtor balances due from PTG's immediate group as well as the wider Lehman Brothers group;
- Directly owned interests in commercial real estate; and
- Investments in subsidiary companies.

Details of the Administrators' steps to realise PTG's key assets are set out in our previous reports.

Why we remain in office

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

- Realise all remaining assets;
- Continue to manage investments in PTG's subsidiaries to maximise returns to creditors;
- Further distributions to unsecured creditors;
- Compliance with tax and VAT matters;
- Compliance with statutory tasks; and
- Conclusion of the administration.

Further detail on these matters is provided below.

Progress made in the Reporting Period

Realisations from UK subsidiaries

Eldon Street Holdings Ltd

PTG's principal remaining asset is its £210,654,400 claim against ESH. To date, ESH has declared and paid to PTG twelve interim dividends totaling 49.037 pence in the pound.

Further distributions from ESH depend on the timing and quantum of ESH's final receipt of Statutory Interest from LBH together with any further realisations ESH makes from its subsidiary, Eldon Street (Fidenza) Limited.

As previously reported, ESH's receipt of Statutory Interest from LBH will be impacted by the issue referred to in LBH's most recent progress report as "Partial Discharge Issue" where, in light of the Court of Appeal's decision in the 2021 Priority Litigation, a challenge has been raised by LBH's creditors as to the appropriate method of calculating Statutory Interest, given ESH's receipt of guarantee payments from LBHI. The LBH administrators are presently consulting with LBH's creditors to identify a consensual solution which will facilitate LBH finalising its calculation of any Statutory Interest due to the affected creditors.

Eldon Street (Fidenza) Limited holds investments in two Joint Venture arrangements; one in residential development sites in the UK, the other in relation to an Italian shopping centre. Eldon Street (Fidenza) Limited expects further recoveries from these assets but the timing and quantum of such recoveries remain uncertain.

Overseas subsidiary investments

PTG owns 51% of an Italian subsidiary known as Initium SRL ("Initium"). Initium is currently in Italian insolvency proceedings, with the liquidator continuing to realise Initium's portfolio of real estate assets.

Realisations to date total c.€4.2m, including €96,000 (after withholding tax) which was received during the Reporting Period. Whilst further realisations are anticipated, the quantum and timing remain uncertain.

Future dividends for creditors

In view of the issues described above it is anticipated that further interim distributions will be declared, although the timing and quantum of these remain highly uncertain.

Tax planning and compliance

All corporation tax returns up to and including the year ended 5 November 2022 were submitted to HMRC in the prior reporting period. The Administrators have continued to meet their obligations under the Senior Accounting Officer legislation.

The Lehman Brothers group tax strategy has been published for the years up to and including the year ended 30 November 2023.

In the period £19k of tax losses were sold to ESH as part of the Lehman Brother group loss claim and surrender position for 2021.

Statutory and compliance

During the reporting period we have:

- Prepared and issued our 30th progress report (dated 4 December 2023); and
- Fulfilled statutory obligations of the Administrators.

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

The Administrators set out in Appendix A an account of their receipts and payments in the administration for the six months to 5 May 2024, together with a cumulative total since the beginning of the administration.

Key movements include:

- Receipt of £1.9m in distributions from ESH;
- Receipt of €97k from Italian subsidiaries;
- Payment of £809k as distributions to unsecured creditors;
- Payment of £119k in relation to Administrators remuneration; and
- Payment of £85k in regards to legal expenditure connected with the extension of the administration to November 2025 as discussed in our previous report.

Administrators' expenses

A statement of the expenses incurred in the period covered by this report and an estimate of future expenses is set out at Appendix B.

Administrators' fees

An update on the Administrators' remuneration - which covers the Administrators' fees, disbursements and other related matters in this case - is set out at Appendix C.

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 Adrienne Rorden on 0113 289 4000 or by emailing uk_lehmanaffiliates@pwc.com.

Appendix A: Receipts and payments

	GBP Movements			EUR Movements		
	5 May 2024	in Period	5 Nov 2023	5 May 2024	in Period	5 Nov 2023
Receipts						
Distributions received (Note 1)	101,130,881	1,935,906	99,194,975	1,208,032	-	1,208,032
Asset realisations	-	-	-	4,071,580	96,900	3,974,680
Loan from group company	30	-	30	-	-	-
Sale of tax losses (Note 2)	70,525	19,241	51,284	-	-	-
Corporation tax refund	-	-	-	-	-	-
Net tax function costs recharged (Note 3)	233,632	-	233,632	-	-	-
Assets held on trust	399	-	399	-	-	-
Interest received gross	305,738	65,798	239,940	25	25	-
Total receipts	101,741,204	2,020,944	99,720,260	5,279,637	96,925	5,182,712
Payments						
Distributions to unsecured creditors	96,810,297	809,378	96,000,919	-	-	-
Joint Administrators' remuneration (Note 4)	3,357,238	119,262	3,237,976	-	-	-
Joint Administrators' disbursements (Note 5)	3,859	-	3,859	-	-	-
Legal and professional fees	481,186	85,000	396,186	-	-	-
Employee wages and associated costs (Note 6)	550,567	53,000	497,567	-	-	-
Group tax relief (Note 3)	394,224	-	394,224	-	-	-
Payment to HMRC for potential corporation tax liability (Note 7)	300,000	-	300,000	-	-	-
Other	208,751	99	208,652	147	-	147
VAT irrecoverable (Note 8)	716,156	40,872	675,284	-	-	-
Total payments	102,822,278	1,107,611	101,714,667	147	-	147
Intracompany transfers - FX conversion						
Receipt	4,376,435	81,385	4,295,050	-	-	-
Payment	-	-	-	5,274,465	96,900	5,177,565
Total receipts less total payments	3,295,361	994,718	2,300,643	5,025	25	5,000
Cash balances						
HSBC (Note 9)	3,295,361	994,718	2,300,643	5,025	25	5,000
Money market	-	-	-	-	-	-
Total cash (Notes 10,11)	3,295,361	994,718	2,300,643	5,025	25	5,000

Notes to the receipts and payments account

- In addition to the receipts and payments detailed in the table, during the course of the administration a distribution of US\$4,163,345 was received from ESH. This was paid to LB PTG's creditors as part of the 5th dividend. Additionally, US\$15 of bank interest was earned which was transferred to the sterling bank account prior to the US\$ account being closed.
- In the period Group tax losses were sold to ESH.
- Brought forward figures restated following an internal reconciliation.
- As explained further in Appendix C, the Administrators' fees are based on time costs basis. The receipts and payments account shows the amount paid in the period and total to date.
- Included within 'Joint administrators' expenses' is £277.50 paid in relation to 'Category 2' disbursements in accordance with the policy explained in Appendix B.
- Includes a quarterly recharge currently paid to Lehman Brothers International (Europe) for providing Tax services, and LB SF Warehouse costs, benefiting creditors through cost savings from the centralisation of services. Total paid to date for these related company costs is £384,536.
- Payment on account to HMRC in respect of the potential corporation tax liability arising from (i) subsidiary Grace Hotels final distribution and (ii) held over gain triggered by distributions from ESH.

8. Due to the nature of the Company's former business, it is not entitled to recover input VAT on its costs.
9. GBP funds are held in an interest bearing account. The EUR account is non-interest bearing.
10. The estimated to realise asset values in the directors' statement of affairs do not represent a meaningful comparison with the current position and are excluded.
11. Funds have been held in different currencies due to the receipt of distributions from subsidiaries; this is transferred into the GBP account when appropriate to include in further distributions. The total GBP equivalent cash in hand at the exchange rate on 5 May 2024 is £3,299,673.

A detailed breakdown of the distributions to creditors paid to date is included in the below table.

Distributions to unsecured creditors	GBP	USD
1st dividend of 7.50p in the £, declared 29 October 2013	(13,717,755)	
2nd dividend of 10.42p in the £, declared 5 September 2014	(19,058,521)	
3rd dividend of 7.52p in the £, declared 11 March 2015	(13,756,814)	
4th dividend of 6.60p in the £, declared 10 March 2016	(12,071,616)	
5th dividend of 2.55p in the £, declared 9 September 2016	(1,524,019)	(4,163,345)
6th dividend of 3.488p in the £, declared 16 March 2017	(6,378,989)	
7th dividend of 6.903p in the £, declared 11 September 2017	(12,625,933)	
8th dividend of 5.470p in the £, declared 21 March 2018	(10,005,625)	
9th dividend of 2.246p in the £ declared 14 September 2018	(4,107,349)	
10th dividend of 0.9752p in the £ declared 24 February 2021	(1,783,453)	
11th dividend of 0.5309p in the £ declared 16 September 2021	(970,845)	-
12th dividend of 0.4426p in the £ declared 14 March 2024	(809,378)	
Total distributions	(96,810,297)	(4,163,345)

Appendix B: Expenses

Expenses are amounts properly payable by the Administrators from the estate. They include the Administrators' fees but exclude distributions to creditors.

Expenses also include disbursements which are expenses met by and reimbursed to an office holder in connection with an insolvency appointment. Expenses fall into two categories:

Expense	SIP9 definition
Category 1	Payments to persons providing the service to which the expense relates who are not an associate of the office holder.
Category 2	Payments to the Administrators' firm or their associates, or which have an element of shared costs (for example, photocopying and mileage disbursements, or costs shared between different insolvent estates).

Approval from creditors is not required to draw Category 1 expenses as these have all been provided by third parties, but approval is required to draw Category 2 expenses. The body of creditors who approve the Administrators' fees (in this case the general body of creditors) also have the responsibility for agreeing the policies for payment of Category 2 expenses.

The rate for services provided by the Administrators' own firm (Category 2 expenses) may periodically rise (for example to cover annual inflationary cost increases) over the period of the administration. All other disbursements to be charged at cost.

The following table provides a breakdown of the Category 2 expenses incurred in the Reporting Period, together with details of the Category 1 expenses that have been incurred as disbursements by PwC and will be recharged to the case.

Category	Provided by	Basis of cost	Costs incurred £
1	PwC	Postage	37.09
2	PwC	IT services - Internal specialists used to update and maintain the PTG website	42.00
2	PwC	Printing - at 10 pence per sheet copied, only charged for circulars to creditors and other bulk copying	nil
2	PwC	Mileage - petrol / diesel / hybrid - 64 pence per mile (up to 2,000cc) or 80 pence per mile (over 2,000cc); full electric - 72 pence per mile; bicycle - 12 pence per mile	nil

The expense policy set out above has been approved by the general body of creditors.

Payments to associates and subcontracted work

Certain centralised services are undertaken on behalf of the Company by employees retained by LBIE and LB SF Warehouse Limited for their prior and ongoing knowledge of the Company's affairs. Included in these services are the provision of certain tax and VAT services.

The benefit to the Company's creditors is through cost savings. This is because the Administrators consider it more efficient that this work is carried out by subcontractors and by the centralisation of services. The costs of such services are recharged to the Company on a time costs basis and are invoiced directly to the estate.

During the Reporting Period £53,000 was paid to these two companies after review to ensure the costs were appropriate.

Analysis of Administrators' expenses

The table below provides details of all the expenses incurred in the administration (stated in GBP). It should be read in conjunction with the receipts and payments account at Appendix A, which shows expenses actually paid during the Reporting Period and the total paid to date.

The table excludes any potential tax liabilities that may need to be paid as an administration expense because amounts becoming due will depend on the position at the end of the tax accounting period.

R&P Category	Incurred in Reporting Period	Estimated future	Estimated total
Joint Administrators' remuneration	107,305	490,000	3,847,238
Joint Administrators' disbursements	79	120	3,979
Legal and professional fees	85,000	418,814	900,000
Employee wages and associated costs	53,000	25,433	576,000
Group tax relief (Note 3)	-	uncertain	uncertain
Other costs	99	69,249	278,000
Irrecoverable VAT	49,084	200,723	916,879
Total	294,580	Uncertain	Uncertain

Notes to the expenses table

1. Amounts have been rounded to the nearest £1, which may slightly affect castings.
2. Estimated future costs are dependent on the outcomes of various outstanding issues noted earlier in this report and therefore are provided as a guide only.
3. Due to the complexities around the Lehman Brothers group taxes we are unable to provide a meaningful estimate regarding the total expense. To date £394,224 has been incurred.

Legal and other professional firms

The Administrators have instructed the following professionals on this case:

Service provided	Name of firm / organisation	Reason selected	Basis of fees
Legal services	Linklaters LLP	Specialist knowledge and experience	Time costs

The selection of individual legal firms is determined by the jurisdiction and nature of the advice being sought, and whether conflicts exist.

All professional firms instructed by the Administrators are required to provide a narrative explanation in support of invoices. All invoices are reviewed before being approved for payment. The Administrators are satisfied that the level of legal costs is appropriate.

Appendix C: Remuneration update

The Administrators' fees were approved by the general body of creditors by reference to time properly given by the Administrators and their staff in attending to matters arising in the administration. To 5 May 2024, the Administrators have drawn fees of £3,357,238 in line with the approval given, as shown on the receipts and payments account. During the Reporting Period, the Administrators drew fees of £119,262 on account of their time costs.

The time cost charges incurred in the Reporting Period are £107,305. An analysis of the total hours and cost incurred by grade of staff can be found later in this appendix.

Set out later in this appendix are details of the work undertaken to date and anticipated future work.

Time charging policy and hourly rates

The Administrators and their team charge time for the work they need to do in the administration. Tasks are delegated to suitable grades of staff, taking into account their experience and any specialist knowledge that is needed, and the Administrators supervise them properly to maximise the cost effectiveness of the work done. Anything complex or important matters of exceptional responsibility are handled by senior staff or the Administrators.

All PwC staff who work on the administration (including the Firm's cashiers, support and secretarial staff) charge time directly to the case and are included in any analysis of time charged. Each grade of staff has an hourly charge out rate which is reviewed from time to time. Work carried out by cashiers, support and secretarial staff is charged for separately and isn't included in the hourly rates charged by partners or other staff members.

Time is charged in six minute units. The minimum time chargeable is three minutes (i.e. 0.05 units). The Administrators do not charge general or overhead costs.

Set out below are the maximum charge-out rates per hour for the grades of PwC staff who worked on the administration during the Reporting Period. The below hourly rates were agreed across the Lehman Brothers group of UK insolvent companies with effect from 1 July 2022 until 30 June 2024.

Grade	Restructuring, Insolvency & Forensics (£)	Tax, Legal, Data & Technologists (£)
Partner	1,060	1,385
Director	975	1,310
Senior Manager	775	1,060
Manager	625	775
Senior associate*	510	570
Associate and support staff*	320	315

*inc. Offshore Professionals

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.

Analysis of Administrators' time costs for the Reporting Period

Classification of work	Partner/Director		Senior Manager/Manager		Senior Associate		Associate / Support Staff		Total	
	Hours	£	Hours	£	Hours	£	Hours	£	Hours	£
Accounting and Treasury	1.60	1,557	7.75	5,504	19.15	9,658	7.45	2,384	35.95	19,102
Statutory and Compliance	3.30	3,182	23.10	17,813	20.36	10,384	7.40	2,368	54.16	33,746
Strategy and Planning	11.90	11,424	19.35	14,359	6.35	3,239	0.50	160	38.10	29,181
Creditors and Distributions	4.30	4,128	1.70	1,220	12.95	6,605	-	-	18.95	11,953
Tax and VAT	0.50	693	15.40	12,118	0.40	204	1.40	308	17.70	13,323
Total for 6 months ended 5 May 2024	21.60	20,984	67.30	50,951	59.21	30,088	16.75	5,220	164.86	107,305
Average hourly rate for the 6 month period to 5 May 2024										651
Brought forward total to 5 November 2023										3,365,016
Cumulative total to 5 May 2024										3,472,321

Cumulative total to 5 May 2024, by classification of work	£
Accounting and Treasury	488,264
Statutory and Compliance	1,153,602
Strategy and Planning	926,041
Creditors and Distributions	155,104
Tax and VAT	749,310
Total	3,472,321

Note: Hours and costs have been rounded up or down, to the nearest 0.1 hour or whole pound which may result in rounding differences in the casting of the tables above.

Work undertaken in the Reporting Period

Included earlier in this section is an analysis of the time spent by the various grades of staff. Whilst this is not an exhaustive list, in the following table more detail is provided on the key areas of work.

Category	Description of tasks
<p>Accounting and treasury</p> <p>This is an essential function for the management of funds held by the Administrators on behalf of the Company. The Administrators' treasury and cash management teams monitor and control the movement of funds, mitigate risk and seek to maximise the interest made on investments for the benefit of the Company's creditors.</p>	<ul style="list-style-type: none"> • Due consideration of best strategy for dealing with funds available; • Provision of information for the purposes of statutory reporting; • Monitoring flow of funds into the bank accounts; and • Reconciling bank accounts, and processing of receipts and payments.
<p>Statutory and other compliance</p> <p>This relates to work the Administrators undertake in order to ensure compliance with statutory and regulatory requirements.</p>	<ul style="list-style-type: none"> • Preparing and circulating to creditors the Administrators' 30th progress report to creditors; • Regular monitoring and preparation of cost information in relation to Administrators remuneration and forecasts; • Managing and updating communications on the Company's dedicated website, maintaining and managing case files, records and the Company's database; and • Dealing with other ad-hoc compliance and statutory issues.
<p>Strategy and planning</p> <p>The inherent complexities of the Company's estate mean that the Administrators and their staff continue to invest a significant proportion of their time in the planning and delivery of their strategy for the progression of the Administration, for the ultimate benefit of creditors as a whole.</p>	<ul style="list-style-type: none"> • Consideration of strategy including planning of future distributions to maximise the outcome for the Company's creditors and updating strategy documents; • Discussion with stakeholders in regard to this strategy; • Ongoing review and maintenance of financial information, including updating the estimated outcome statement; • Ongoing review of the remaining assets in subsidiary companies and managing these in order to achieve closure of the subsidiary estates; • Preparing the Administrators' internal six-monthly case reviews to continue reviewing strategy and progression in accordance with professional requirements; • Liaising with liquidators in order to collect balances payable; • Regular case team meetings to manage case progression; and • Liaising with specialist internal teams.
<p>Creditors and distributions</p> <p>This relates to tasks undertaken in relation to creditors, including the calculation and payment of distributions and responding to inbound creditor queries received.</p>	<ul style="list-style-type: none"> • Review and updating of estimated outcomes and determine the viability and quantum of a distribution; • Calculation and preparation for the 12th interim distribution including publishing a notice of intended distribution and updating the Company's website; and • Processing, performing sanctions checks and making payments to admitted unsecured creditors.
<p>Tax and VAT</p> <p>Work reported in this category includes compliance with tax legislation under the Administrators' obligations as proper officers for tax, and planning to ensure the efficient realisation of assets for the benefit of the Company's creditors as a whole.</p>	<ul style="list-style-type: none"> • Begin reconciliations and preparation for the tax computation and return for 2023; • Assist with the Lehman Brothers group tax loss claim and surrender position including processing receipt of tax losses sold; • Compliance with the Administrators' responsibilities under the Senior Accounting Officer legislation; and • Preparation for, attendance and follow up to quarterly internal meetings.

Future work

Examples of work remaining to be done to achieve the purpose of the Administration are shown below. This is not an exhaustive list.

Category	Forecasted cost	Description of tasks
Accounting and treasury	50,000	<ul style="list-style-type: none"> • Provision of information for the purposes of statutory reporting; • Arrangement of receipts and payments of funds and coding of movements; • Monitoring flow of funds into the bank accounts; • Reconciling and closing bank accounts; and • Facilitating payments to the Company's creditors.
Statutory and other compliance	170,000	<ul style="list-style-type: none"> • Preparing and issuing of further progress reports to creditors; • Six monthly reviews of case progress; • Managing and updating communications on the Company's dedicated website, maintaining and managing case files, records and the Company's database • Statutory filings at Companies House and Court; and • Planning and applying for further extensions of the administration as required.
Strategy and planning	165,000	<ul style="list-style-type: none"> • Directing the overall strategy for the Company; • Ongoing reviews and maintenance of financial information, including updating the estimated outcome statement; • Ongoing reviews of the remaining assets in subsidiary companies and managing these in order to achieve closure of the subsidiary estates; • Monitoring of collection of debtor balances; and • Oversight of reporting and accounting, including periodic meetings to monitor progress.
Creditors and distributions	35,000	<ul style="list-style-type: none"> • Paying further distributions to creditors; • Responding to creditors enquiries; and • Updating creditor information.
Tax and VAT	70,000	<ul style="list-style-type: none"> • Preparation and submission of corporation tax computations and returns; • Consideration of impact on the Company of changes to UK tax legislation, including loss restriction and interest deductibility rules, and the potential impact as part of the corporation tax returns; and • Compliance with various reporting obligations including tax strategy and corporate criminal offence legislation.

Whilst an estimate of future time costs is provided in the table above, the Administrators caution that actual future costs will be considerably impacted by, among other matters, the Partial Discharge Issue being managed by LBH as it will affect the receivables from ESH, and receipts from the overseas subsidiaries. The estimate provided assumes that this will result in the administration lasting until 30 November 2025; however, that timeframe may be shortened or lengthened depending on how the above matters are ultimately resolved. Accordingly, the eventual future costs may ultimately be materially different from those provided in the estimate.

Appendix D: Other information

Court details for the administration:	High Court of Justice, Chancery Division, Companies Court - Court Case case 9851 of 2008 and CR-2008-000026
Company's registered name:	Lehman Brothers (PTG) Limited
Trading name:	Lehman Brothers (PTG) Limited
Registered number:	04108157
Registered address:	7 More London Riverside, London, SE1 2RT, United Kingdom
Date of the administration appointment:	6 November 2008
Joint Administrators' names, addresses and contact details:	GE Bruce, DJ Kelly and EJ Macnamara of PricewaterhouseCoopers LLP, 7 More London Riverside, London, SE1 2RT Email: uk_lehmanaffiliates@pwc.com
Changes in Administrator:	<p>On 6 November 2008 Anthony Victor Lomas, Derek Anthony Howell and Dan Yoram Schwarzman were appointed Joint Administrators</p> <p>On 30 November 2009 Steven Anthony Pearson and Michael John Andrew Jervis were appointed as additional Joint Administrators</p> <p>On 22 March 2013 Gillian Eleanor Bruce and Julian Guy Parr replaced Dan Yoram Schwarzman and Michael John Andrew Jervis as Joint Administrators</p> <p>On 26 July 2018 Edward John Macnamara and Russell Downs replaced Anthony Victor Lomas, Steven Anthony Pearson and Julian Guy Parr as Joint Administrators</p> <p>On 30 November 2021 David James Kelly replaced Russell Downs and Derek Anthony Howell as Joint Administrator</p>
Extensions to the initial period of appointment:	The High Court of Justice has granted nine extensions to the Administration period to: 30 November 2010; 30 November 2011; 30 November 2013; 30 November 2015; 30 November 2017; 30 November 2019; 30 November 2021; 30 November 2023 and 30 November 2025.
