
**Joint administrators' progress report
from 23 September 2018 to 22
March 2019**

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

**High Court of Justice, Business & Property Courts of
England & Wales, Insolvency & Companies List (ChD)
Case no. 8211 of 2008**

15 April 2019

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Abbreviations and definitions

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

Abbreviation or Definition	Meaning
“Acenden”	Acenden Limited (formerly known as Capstone Mortgage Services Limited)
“Administrators”	DY Schwarzmann, EJ Macnamara, GE Bruce and R Downs
“Administration”	Mable’s administration
“CURL”	Consumer Unsecured Reperforming Loan PLC
“Court”	The High Court of Justice
“Eldon Street”	Eldon Street Holdings Limited (in administration)
“Firm”	PricewaterhouseCoopers LLP
“Group”	Lehman Brothers UK group
“HMRC”	HM Revenue and Customs
“IR16”	Insolvency (England & Wales) Rules 2016
“IA86”	Insolvency Act 1986
“LBIE”	Lehman Brothers International (Europe) (in administration)
“LBL”	Lehman Brothers Limited (in administration)
“Mable” or the “Company”	Mable Commercial Funding Limited (in administration)
“Mortgage Assets”	Mortgage loan assets, bonds and residual interests in securitisation structures held by Mable’s subsidiaries
“PAG”	The Firm’s Portfolio Advisory Group
“Period”	The six months from 23 September 2018 to 22 March 2019
“PGL”	Preferred Group Limited
“PHL”	Preferred Holdings Limited
“PML”	Preferred Mortgages Limited
“Preferential creditors”	Claims for unpaid wages earned in the four months before the insolvency up to £800, holiday pay and unpaid pension contributions in certain circumstances
“Proposals”	The Administrators’ statement of proposals for achieving the purpose of the Administration, dated 12 November 2008
“Resetfan”	Resetfan Limited
“Secured creditors”	Creditors with security in respect of their debt, in accordance with section 248 IA86
“SIP”	Statement of Insolvency Practice
“SPML”	Southern Pacific Mortgages Limited
“Storm”	Storm Funding Limited (in administration)
“unsecured creditors”	Creditors who are neither secured nor preferential
“VAT”	Value Added Tax

Key messages

Why we have sent you this report

This is the twenty first progress report by the Administrators of the Company.

Creditors should have received the Proposals which were approved at a meeting of creditors held on 27 November 2008 and the Administrators' 20 previous progress reports. All earlier reports can be viewed on our website at <https://www.pwc.co.uk/services/business-recovery/administrations/non-lbie-companies/mable-commercial-funding-limited-in-administration.html>.

This report provides an update on the work the Administrators have undertaken and the progress made since their appointment with particular focus on the progress made in the Period.

How much creditors may receive

On 24 June 2013 the Court made an order pursuant to paragraph 65(3) of Schedule B1 to IA86 granting permission for the Administrators to make distributions to unsecured creditors.

The Administrators have paid nine interim dividends totalling 81.38 pence in the pound on admitted claims. Cumulative distributions to date total £586.3m.

The Administrators have issued a further Notice of Intended Dividend on 28 March 2019. The Administrators intend to declare a tenth interim dividend to unsecured non preferential creditors within two months from the last date of proving, being 23 April 2019.

Class of creditor	Current estimate (p in £)	Previous estimate (p in £)
Secured creditors	n/a	n/a
Preferential creditors	n/a	n/a
Unsecured creditors	*82.5 – 85.0	78.9 – 80.5

**Please note this guidance on dividends is only an estimate. Creditors should therefore exercise caution in relying on these figures and all estimates included in this report for any purpose and the Administrators will not be responsible for any losses incurred.*

The amount of future dividends and when they would be paid is largely dependent on the realisations from the remaining Mortgage Assets as part of Mable's asset realisation strategy.

What you need to do

If you have not already done so, please send your claim to us so that we can agree it in principle. A claim form can be downloaded from our website at <https://www.pwc.co.uk/services/business-recovery/administrations/non-lbie-companies/mable-commercial-funding-limited-in-administration.html> or you can obtain one by telephoning Alison Lieberman on +44 (0) 20 7583 5000.

Overview of what we have done to date

Claims agreement

Mable has received 21 claims from unsecured creditors. Six claims have subsequently been withdrawn and 15 claims with a total value of £720m have been admitted for dividend. The largest admitted claim is from LBIE, at £598m.

Mortgage Assets

As described in previous reports, the Administrators continued to implement a hold strategy for the Mortgage Assets, with ongoing input from PAG in assessing options to maximise value from these assets. Mable's interests in the Mortgage Assets largely comprise the equity held in the Mable sub-group, principally SPML and PML. SPML and PML have previously undertaken a major transaction to release value from a number of securitisation structures in which they held residual interests. As a result SPML and PML paid dividends totalling £290.8m to Mable during April and July 2018. Mable continues to review SPML and PML's Mortgage Assets and possible transaction structures which would facilitate the release of additional value. This is discussed further in the next section.

Restructuring of subsidiaries

The main objectives of restructuring the Mable sub-group were to simplify the group, reduce operating costs, minimise tax leakage and accelerate cash repatriation to Mable. This is discussed further in the next section.

Progress since we last reported

The key developments in the Period are described below.

Mortgage Assets

The Administrators continue to review and monitor the performance of the Mortgage Assets in line with the strategy to hold and run-off the remaining underlying assets. Performance and strategy remain subject to regular review so that various options to achieve value for these assets are considered. During the Period a detailed review of servicing costs was undertaken by SPML and PML, with input from the Administrators, resulting in the renegotiation of servicing costs to achieve cost savings. As a result of the ongoing performance of the underlying assets further dividends totalling £16.7m were received from SPML and PML during the Period.

Review of SPML and PML

During the Period, the Administrators have been considering the potential value which may be achieved from SPML and PML in a variety of scenarios. Detailed reviews of assets, cash flows and costs were undertaken to support a strategic review by PAG. The valuation work is in process at the time of writing, and on completion the Administrators anticipate taking a decision on whether to continue to hold the assets or to explore an exit.

Restructuring of subsidiaries

Following the final distributions from Resetan, PGL and PHL on 12 September 2018, the final accounts of the companies were filed on 13 November 2018. The Liquidations of the companies were subsequently concluded on 14 November 2018, with all related tax matters resolved. On 28 February 2019, Resetan, PGL and PHL were dissolved.

As previously reported, as part of the restructuring process, Mable acquired the right to receive deferred consideration from Storm in respect of the CURL asset held by Acenden. In the Period, Mable received proceeds of £57k. Future receipts should occur but the amounts are uncertain.

Debtors

As creditors will recall, Mable's total claims against various Lehman US affiliates were agreed pursuant to the Joint Chapter 11 Plan dated December 2011 at \$19.7m. To date, Mable has received distributions totalling \$7.1m of which \$0.1m was received in the Period. A further distribution of \$22k was received outside the Period on 4 April 2019.

On 29 July 2013 Storm admitted Mable's claim of £366m. Mable has received dividends from Storm totalling £152.6m. No further distributions were received in the Period.

On 8 October 2013 Eldon Street admitted Mable's claim of £7.1m. To date, Mable has received dividends totalling £3.3m. No further distributions were received in the Period.

On 31 October 2014, LBL admitted Mable's claim of £160k, on which Mable has recovered 100 pence in the pound. In the Period Mable received statutory interest totalling £28.7k. LBL have advised that further statutory interest may also be paid.

The timing and quantum of future distributions by Mable's debtors remain uncertain.

Taxation

All corporation tax returns up to and including the year ended 22 September 2016 have been agreed by HMRC. The tax computation for the year ended 22 September 2017 was submitted on 22 January 2019 and the enquiry period for the return will close on 31 January 2020.

The Finance (No. 2) Act 2017, which includes changes to corporation tax loss relief and interest deductibility, received Royal Assent on 16 November 2017. These new rules will affect the utilisation of Mable's losses carried forward and the availability of losses in the wider group for group relief purposes. Mable has £7.9m of tax losses carried forward as at 22 September 2017.

No further significant corporation tax refunds are envisaged for pre-appointment periods over and above the £27.1m already recovered.

The Administrators have complied with their obligations regarding the publication of the Lehman group Tax Strategy. The Administrators have also adhered to the UK and US Foreign Account Tax Compliance Act and Common Reporting Standards and have considered their obligations under the new Corporate Criminal Offence rules which came into effect in September 2017.

To date, Mable has received VAT repayments totalling £1.5m. VAT repayments of £140k in relation to the VAT return quarters November 2017 to August 2018, were received in the Period. A VAT repayment of c.£40k in relation to the November 2018 VAT return has been received by the representative member, and will be distributed to the Company shortly. In the Period, work commenced to prepare the VAT return for the quarter ended 28 February 2019.

Connected Parties

There have been no sales or transactions with connected parties with the Company, during the Period.

Investigations and actions

Nothing has come to the Administrators' attention during the Period to suggest that they need to do any more work in line with their duties under the Company Directors' Disqualification Act 1986 and SIP2.

Our receipts and payments account

We set out in Appendix A an account of our receipts and payments in the Administration from 23 September 2018 to 22 March 2019, and cumulative receipts and payments from 23 September 2008 to date.

As advised earlier in the Administration, all of the Company's assets are uncharged, there being no secured creditors.

Significant receipts in the Period comprised:

- £8.3m in respect of a dividend from SPML; and
- £8.3m in respect of a dividend from PML.

Significant payments in the Period were:

- £18.6m in respect of Mable's ninth interim distribution, paid on 15 January 2019; and
- £380k (inclusive of VAT) in respect of Administrators' fees.

Total cash held as at 22 March 2019 was £4.8m and as at that date, there were no funds invested on the money markets. All funds received in USD are converted to GBP soon after receipt to minimise any foreign exchange loss risk.

Our expenses

We set out in Appendix B a statement of the expenses we've incurred to the date covered by this report and an estimate of our future expenses.

Our fees

The manner in which Administrators' remuneration is determined and approved is set out in IR16 Part 18.

In accordance with the Proposals, as a creditors' committee was not formed, it is for the general body of creditors to agree the level of the Administrators' remuneration and Category 2 disbursements.

At a meeting held by correspondence on 20 September 2010, creditors who voted unanimously approved a resolution authorising the Administrators to draw remuneration on the basis of their time costs, together with Category 2 disbursements and VAT from 1 July 2010 onwards from time to time.

In accordance with the resolution, the Administrators can draw remuneration 21 days from the day after circulating details to creditors. On 2 October 2018, the fee analysis for the period from 1 March 2018 to 31 August 2018 was circulated and fees of £0.38m were drawn on 1 November 2018. This brings the total amount of Administrators' remuneration to £13.86m (inclusive of VAT).

On 8 April 2019, the fee analysis for the period 1 September 2018 to 28 February 2019 was circulated to creditors. Subject to objections from creditors, fees of £418k (inclusive of VAT) will be drawn on or immediately after 30 April 2019. This will bring the total amount of Administrators' remuneration to £14.26m (inclusive of VAT).

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:

<http://www.icaew.com/-/media/corporate/files/technical/insolvency/creditors-guides/creditors-guide-administrators-fees-final.ashx?la=en>

This guide is for appointments on or after 1 November 2011 and whilst not all the provisions apply to this administration (which commenced 23 September 2008) it is the most appropriate guide currently available following the changes made by IR16.

You can also obtain a copy free of charge by telephoning Alison Lieberman on +44 (0) 20 7583 5000.

What we still need to do

The Administrators will continue to:

- Work closely with all subsidiary companies to maximise value and speed of returns to Mable;
- Work closely with LBIE, being Mable's majority creditor, including consultation over planned asset disposals;
- Work with the Storm team to ensure that future CURL proceeds are remitted to Mable; and
- Make further payments to creditors as funds permit.

Next steps

We continue to consider the best strategy for ending the Administration, taking into account asset realisations and tax implications.

We expect to send our next report to creditors in about six months.

If you have any questions, please get in touch with Alison Lieberman on +44 (0) 20 7583 5000.

Signed:



D Y Schwarzmann
Joint Administrator
Mable Commercial Funding Limited

DY Schwarzmann, EJ Macnamara, GE Bruce and R Downs were appointed as Joint Administrators (the "Administrators") of Mable to manage its affairs, business and property as agents without personal liability. DY Schwarzmann, EJ Macnamara, GE Bruce and R Downs are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales.

DY Schwarzmann, EJ Macnamara, GE Bruce and R Downs may act as Data 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 DY Schwarzmann, EJ Macnamara, GE Bruce and R Downs. Personal data will be kept secure and processed only for matters relating to the Administrators' appointment. Further details are available in the privacy statement on the PwC.co.uk website or by contacting the Administrators.

*The 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>.*

Appendix A: Receipts and payments

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.

Mable Commercial Funding Limited

Receipts and Payments to 22 March 2019

	As at 22 March 2019			As at 22 March 2019 TOTAL GBP equivalent	Movements from 23 September 2018 to 22 March 2019 (GBP equivalent)	As at 22 September 2018 (GBP equivalent) RESTATEd at 22 March 2019 exchange rate	As at 22 September 2018 (GBP equivalent)
	GBP (£)	EUR (€)	USD (\$)	£	£	£	£
	000's	000's	000's	000's	000's	000's	000's
RECEIPTS							
Loan repayments and subsidiary dividends	325,441	7,677	-	331,993	16,726	315,267	315,607
Book debts	156,853	322	10,088	164,758	119	164,639	164,723
Legal Fees	-	5	-	4	-	4	4
Corporation Tax repayments	27,131	-	-	27,131	-	27,131	27,131
VAT repayments	1,474	-	-	1,474	140	1,334	1,334
Refund of professional fees	6	115	-	104	-	104	109
Foreign currency conversions	13,185	-	-	13,185	90	13,095	13,096
Principal and interest on Mortgage Assets	84,896	-	-	84,896	-	84,896	84,896
Income from investments	1,178	6	-	1,183	22	1,161	1,161
Receipts Grand Totals	610,164	8,125	10,088	624,728	17,097	607,631	608,061
PAYMENTS							
Building and occupancy costs	664	-	-	663	-	663	663
Payroll and employee costs	1,574	-	-	1,574	-	1,574	1,574
Legal fees	2,294	-	-	2,293	-	2,293	2,293
Insurance premiums	289	-	-	289	-	289	290
Administrators' remuneration	13,859	-	-	13,859	380	13,479	13,479
Administrators' disbursements	54	-	-	54	1	53	53
Foreign currency conversions	-	8,125	10,087	14,564	90	14,474	14,904
Other professional fees	348	-	-	348	7	341	341
Distributions to unsecured creditors	586,280	-	-	586,280	18,587	567,693	567,693
Payments Grand Totals	605,362	8,125	10,087	619,924	19,065	600,859	601,290
NET POSITION	4,804	(0)	1	4,804	(1,968)	6,773	6,771
CASH BALANCES							
HSEC	4,804	-	0	4,804	-	-	-
Money markets	-	-	-	-	-	-	-
Total Cash	4,804	-	0	4,804	-	-	-
Exchange rate as at 22 September 2018							
	US\$ 1 : GBP	0.7634					
	EURO €1 : GBP	0.8977					
Exchange rate as at 22 March 2019							
	US\$ 1 : GBP	0.7564					
	EURO €1 : GBP	0.8534					

Appendix B: Expenses

The following table provides details of our expenses. Expenses are amounts properly payable by us as Administrators from the estate and includes our fees, but excludes distributions to creditors. The table also excludes any potential tax liabilities that we may need to pay as an administration expense because amounts becoming due will depend on the position at the end of the tax accounting period.

The table should be read in conjunction with the receipts and payments account at Appendix A, which shows expenses actually paid during the Period and the total paid to date. Where appropriate, expenses are shown inclusive of VAT.

	Brought forward balance £ 000's	Incurred in the Period £ 000's	Cumulative £ 000's	Estimated future £ 000's	Anticipated total £ 000's
Legal fees	2,293	-	2,293	307	2,600
Wages & salaries	1,574	-	1,574	-	1,574
Building and Occupancy Costs	663	-	663	-	663
Administrators' remuneration	13,848	447	14,295	2,300	16,595
Administrators' disbursements	53	0	53	3	56
Insurance	289	-	289	-	289
Other professional fees	341	7	348	161	509
	19,061	454	19,515	2,771	22,286

It should be noted that there has been an increase in the anticipated total expenses. This is in part due to the change in fee structure previously referred to, but mainly as a consequence of the new SPML and PML work stream to understand the value which could be achieved in a variety of scenarios.

Appendix C: Remuneration update

Our hours and average rates

The time cost charges incurred in the six months from 1 September 2018 to 28 February 2019 are £348,615 (net of VAT).

We set out later in this Appendix details of our work to date, anticipated future work, disbursements, subcontracted work and payments to associates.

Joint Administrators' time costs for the period 1 September 2018 to 28 February 2019

Classification of work	Partner		Director		Senior Manager		Manager		Senior Associate		Associate		Total		Average hourly rate by work type
	Hours	£	Hours	£	Hours	£	Hours	£	Hours	£	Hours	£	Hours	£	
Accounting and Treasury	0.0	-	0.0	-	0.4	164	7.0	3,233	24.1	7,561	6.3	1,399	37.8	12,357	327
Creditor Claims	0.0	-	4.7	3,188	0.0	-	26.7	12,294	18.1	5,110	0.0	-	49.5	20,592	416
Realisation of Assets	0.0	-	72.1	51,229	0.0	-	70.0	32,386	9.5	2,712	0.0	-	151.6	86,327	569
Review of SPML and PML	2.0	1,986	80.3	58,158	20.9	14,825	1.2	577	74.5	22,908	0.0	-	178.9	98,454	550
Statutory and Compliance	2.9	2,478	3.3	2,371	0.3	164	44.4	20,513	90.9	27,129	0.0	-	141.9	52,655	371
Strategy and Planning	0.4	325	5.9	4,201	0.0	-	37.4	17,279	58.1	18,060	0.0	-	101.8	39,865	392
Sub-group Liquidations	0.0	-	1.7	918	12.8	7,552	0.0	-	0.0	-	8.0	1,422	22.5	9,892	440
Tax and VAT	4.9	5,544	3.4	3,533	10.7	7,420	14.3	8,562	4.0	1,038	10.7	2,374	48.3	28,473	590
Total for six months ended 28 February	10.2	10,333	171.3	123,598	45.0	30,126	201.0	94,844	279.1	84,517	25.0	5,195	732.3	348,615	
Average Hourly rate for the six month		1,013		722		671		472		303		209		476	
Cumulative total to 28 February 2019													17,706.85	11,432,871	

These figures do not include VAT

Our time charging policy and hourly rates

We and our team charge our time for the work we need to do in the Administration. We delegate tasks to suitable grades of staff, taking into account their experience and any specialist knowledge that is needed and we supervise them properly to maximise the cost effectiveness of the work done. Anything complex or important matters of exceptional responsibility are handled by our senior staff or us.

All of our staff who work on the Administration (including our cashiers) 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 our 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). We don't charge general or overhead costs.

We set out below the maximum charge-out rates per hour for the grades of our staff who already or who are likely to work on the Administration.

Grade	From 1 July 2017 £
Partner	935
Director	820
Senior manager	548
Manager	462
Senior associate – qualified	386
Senior associate – unqualified	282
Associate	245

We call on colleagues in our Tax and VAT departments where we need their expert advice. Their specialist charge-out rates vary but the following are the maximum rates by grade per hour.

Grade	From 1 July 2017 £
Partner	1,264
Director	1,152
Senior manager	969
Manager	707
Senior Associate / consultant	525
Associate / assistant consultant	245
Support staff	222

As agreed with LBIE's Creditors' Committee, the LBIE Administrators' charge out rates were held unchanged from 1 July 2015 to 30 June 2017. An increase of 4% was effective from 1 July 2017 to 30 June 2019. This approach was used for Mable for the period to 28 February 2019.

With effect from 1 December 2018, the LBIE Administrators introduced a revised fee structure which was agreed by their Creditors' Committee.

Effective from 1 March 2019, the Mable Administrators will commence using the PwC scale rates, and will continue to bill for time costs six-monthly in arrears.

In common with many professional firms, our scale rates may rise to cover annual inflationary cost increases.

We set out below the maximum charge-out rates per hour for the grades of our staff who already or who are likely to work on the administration.

Grade	From 01/03/2019 £
Partner	890
Director	780
Senior manager	590
Manager	510
Senior associate – qualified	425
Senior associate – unqualified	315
Associate	265
Support staff	215

The maximum rates by grade per hour for Tax / VAT specialists are as follows:

Grade	From 01/03/2019 £
Partner	1,315
Director	1,210
Senior manager	925
Manager	675
Senior Associate	495
Associate	270
Support staff	160

The maximum rates by grade per hour for Portfolio Advisory Group specialists are as follows:

Portfolio Advisory Group Grade	From 01/03/2019 £
Partner	1,100
Director	1,000
Senior Manager	875
Manager	675
Senior associate - qualified	475
Senior associate - unqualified	415
Associate	255

Our work in the period

Earlier in this section we have included an analysis of the time spent by the various grades of staff.

Whilst this is not an exhaustive list, in the following table we provide more detail on the key areas of work.

Area of work	Work undertaken	Why the work was necessary	What, if any, financial benefit the work provided to creditors OR whether it was required by statute
Accounting & treasury	<ul style="list-style-type: none"> Monitoring of the funds held and investing surplus cash Preparing and reviewing the receipts and payments report Updating treasury systems and organising bonding 	<ul style="list-style-type: none"> To monitor the funds held within the company Updates required following the change in Joint Appointees 	<ul style="list-style-type: none"> Required by statute Manage risk of loss through credit default
Creditor claims	<ul style="list-style-type: none"> Ongoing updates to the estimated final outcome statement Regular meetings and contact to respond to creditor queries Prepared and paid a ninth interim dividend Commenced preparations for payment of a tenth interim dividend 	<ul style="list-style-type: none"> To assess whether a further distribution to creditors was feasible To maximise returns to creditors 	<ul style="list-style-type: none"> Ongoing assessment of the estimated returns due to creditors Sufficient recoveries were made to enable interim dividends
Realisation of Assets	<ul style="list-style-type: none"> Discussions with SPML and PML management regarding ongoing servicing costs and settlement of a redress claim Review of a further possible transaction 	<ul style="list-style-type: none"> To realise maximum value for the creditors 	<ul style="list-style-type: none"> Increase value of dividends paid
Review of SPML and PML	<ul style="list-style-type: none"> Regular discussions with SPML and PML to review forecasts to ensure that the most current information is available for evaluation of potential realisation strategies Consideration of strategic options to maximise value and minimise ongoing legal title risk for SPML/PML Engagement of PAG to assist with modelling values arising in a variety of scenarios which could be achieved from SPML and PML 	<ul style="list-style-type: none"> To realise maximum value for the creditors 	<ul style="list-style-type: none"> Increase value of dividends paid

Sub-group Liquidations	<ul style="list-style-type: none"> • Work required in order to obtain the required clearances to close the liquidations of PHL, PGL and Resetfan 	<ul style="list-style-type: none"> • To simplify the sub-group and accelerate cash repatriation to Mable 	<ul style="list-style-type: none"> • Increase value of dividends paid
Statutory & compliance	<ul style="list-style-type: none"> • Preparing and distributing six monthly progress reports and fee packs • Six monthly review by all Joint Administrators 	<ul style="list-style-type: none"> • To enable reporting to all creditors • To ensure that the correct practice was applied to the estate • To ensure that all changes are compliant with legal and ethical regulations and that systems are updated accordingly 	<ul style="list-style-type: none"> • Required by statute and professional guidelines
Strategy & Planning	<ul style="list-style-type: none"> • Setting and agreeing the strategy for the estate – regular meetings of the team, liaising with other Lehman teams • Updating Mable's webpage to inform creditors of the progress made on the estate • Preparing and finalising update notes for monthly strategy meetings 	<ul style="list-style-type: none"> • To discuss and agree future actions • To inform creditors of the progress made on the estate 	<ul style="list-style-type: none"> • Maximise efficiency of work undertaken
Tax & VAT	<ul style="list-style-type: none"> • Producing a report outlining the tax implications arising from the transaction executed by SPML and PML • Preparation and submission of the quarterly VAT returns for August and November 2018 	<ul style="list-style-type: none"> • To remain as tax efficient as possible 	<ul style="list-style-type: none"> • Maximising tax recoveries to creditors • Mitigate tax leakage • Statutory obligations to file returns and adhere to UK regulatory obligations.

Our future work

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

Area of work	Work we need to do	Net estimated cost £	Whether or not the work will provide a financial benefit to creditors
Accounting & treasury	<ul style="list-style-type: none"> Accounting and treasury functions including those outlined in the summary above 	<ul style="list-style-type: none"> 140,000 - 170,000 	<ul style="list-style-type: none"> Required by statute
Creditor claims	<ul style="list-style-type: none"> Distribution of future available funds to creditors with admitted claims 	<ul style="list-style-type: none"> 170,000 - 200,000 	<ul style="list-style-type: none"> Return of funds to creditors
Realisation of Assets	<ul style="list-style-type: none"> Monitoring the progress and risks associated with the strategy of asset management and realisation 	<ul style="list-style-type: none"> 400,000 - 430,000 	<ul style="list-style-type: none"> Increase value of dividends paid
Review of SPML and PML	<ul style="list-style-type: none"> Review findings from the PAG valuation report Discussion with stakeholders of the most appropriate options for SPML/PML Execution of the preferred strategic option 	<ul style="list-style-type: none"> 280,000 - 310,000 	<ul style="list-style-type: none"> Streamline company structure to be more efficient Increase value of dividends paid
Statutory & compliance	<ul style="list-style-type: none"> Preparing and distributing six monthly progress reports, fee packs and carrying out other statutory and compliance functions 	<ul style="list-style-type: none"> 250,000 - 280,000 	<ul style="list-style-type: none"> Required by statute and professional guidelines
Strategy & Planning	<ul style="list-style-type: none"> Setting and agreeing the strategy for the estate – regular meetings of the team, liaising with other Lehman teams Updating Mable's webpage to inform creditors of the progress made on the estate 	<ul style="list-style-type: none"> 170,000 - 200,000 	<ul style="list-style-type: none"> Maximise efficiency of work undertaken
Tax & VAT	<ul style="list-style-type: none"> Tax and VAT compliance including preparing tax computations and returns and seeking final tax clearance prior to closure 	<ul style="list-style-type: none"> 350,000 - 380,000 	<ul style="list-style-type: none"> Maximising tax efficiency on recoveries for creditors Statutory returns

Disbursements

The Administrators are not required to seek approval to draw expenses or disbursements unless they are for shared or allocated services provided by their own Firm, including room hire, document storage, photocopying, communication facilities. These types of expenses are called “Category 2” disbursements and they must be directly incurred on the case, subject to a reasonable method of calculation and allocation and approved by the same parties which approve their fees.

Category 1 disbursements comprise payments to third parties, for example in relation to travel costs, statutory advertising and insolvency office holders’ insurance.

The Administrators’ expenses policy allows for all properly incurred expenses to be recharged to the Administration.

No Category 2 disbursements were incurred in the Period.

Our relationships

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

Details of subcontracted work

Mable has contracted out tax services to the Lehman finance team whose employer is LBIE. This work has been subcontracted because it is more cost efficient than if the Administrators were to do it themselves.

Legal and other professional firms

The Administrators have instructed Linklaters LLP to act as their legal advisors in the Period because of their prior knowledge of Mable. Linklaters LLP is remunerated on a time-cost basis.

All third-party professionals are required to submit a detailed time-cost analysis and narrative in support of all invoices rendered. The Administrators have satisfied themselves that the level of legal and professional costs is appropriate.

Appendix D: Other information

Court details for the administration:	High Court of Justice, Chancery Division, Companies Court – case 8211 of 2008
Company’s registered name:	Mable Commercial Funding Limited
Trading name:	Mable Commercial Funding Limited
Registered number:	2682316
Registered address:	7 More London Riverside, London SE1 2RT
Date of the joint administrators’ appointment:	23 September 2008
Joint administrators’ names, addresses and contact details:	DY Schwarzmann, EJ Macnamara, GE Bruce and R Downs of PricewaterhouseCoopers LLP, 7 More London Riverside, London SE1 2RT mable.claims@uk.pwc.com +44 (0) 20 7583 5000
Extension(s) to the initial period of appointment:	The Court has granted four successive extensions to the Administration period being to 30 November 2010, 30 November 2011, 30 November 2016 and 30 November 2022.
