

# Minutes of Creditors Committee Meeting

Held at the offices of Deloitte & Touche LLP, 2 New Street Square, London EC4A 3WA, United Kingdom

**Meeting:** UKLI Creditors Committee

**Present:** Dr Mohla  
Mr Gada  
Mr Goh  
Roger Sparkes - Seddons

Fergus Jack - DTZ  
Dudley Holme-Turner - DTZ

Olivia Rowe - Addleshaws  
Monical Duggal - Addleshaws

Brian Smith - Deloitte  
Lee Manning - Deloitte  
Fiona Watson - Deloitte

**Held on:** Monday 28 July 2008

**Apologies:** Rajesh Rupani

**Location:** 2 New Street Square

**Copies:**

<b>Item</b>	<b>Description</b>	<b>Action by</b>
1.	<p><b>New members.</b></p> <p>The Committee ratified Roger Sparkes and Dr Gada onto the Committee.</p> <p>Roger Sparkes has agreed to represent Seddons who is a trade creditor of the company. Mr Gada, who purchased land at Lodge Farm, has agreed to represent himself as a land creditor. Mr Gada's contract on Lodge Farm contains a buy back clause which, if exercised, will qualify him as a creditor of the Company.</p>	<p>Deloitte to submit revised Committee membership form 2.27B to Companies House.</p>

<b>Item</b>	<b>Description</b>	<b>Action by</b>
2.	<b>Resignation.</b>	Joint Administrators to submit revised Committee membership form 2.27B to Companies House.
	The Committee ratified the resignation of Rajesh Rupani from the Committee. Mr Rupani is retiring from the Committee due to work commitments.	
3.	<b>Administration time costs to date</b>	
	LM informed the Committee that the Joint Administrators' time costs to date have exceeded £750,000. That being the case, the Joint Administrator's propose to continue to focus on assets realisations at this stage rather than expensive litigation / investigations.	
4.	<b>S26 costs</b>	
	LM explained to the Committee that the FSA would like the creditors to fund a court determination of whether or not UKLI had been operating a collective investment scheme. Such a determination would enable land owners to return their land to UKLI and fall to be unsecured creditors of UKLI.	
	Given that there are currently no realised funds available, the Committee concurred that it was not in a position to agree to expenses required to provide such a court determination.	
	In addition, the Committee expressed concern that UKLI funds could be expected to be used to fund actions that were initiated by the FSA.	
	The Committee was also informed that an alternative option would be to follow the proofs process whereby land owners would be invited to pursue claims of misrepresentation which if valid, would render them as unsecured creditors.	

<b>Item</b>	<b>Description</b>	<b>Action by</b>
-------------	--------------------	------------------

5. **SFO**

Mr Goh enquired whether the Joint Administrator's intended to refer the UKLI case to the SFO.

LM explained that any investigations can be expensive and reminded the Committee that there are currently limited funds available to the Joint Administrator's. On this basis, the Committee agreed that the Joint Administrator's should continue to focus on the realisation of assets and that any further actions can be agreed at a later point in time.

6. **Land and property realisations**

DHT updated the Committee on progress made on the realisation of UKLI's property and land portfolio. DHT informed the Committee that an auction sales route will be pursued on several of the properties in order to both target developers and ensure speed and reliability of sale.

DHT informed the Committee that DTZ also plan to visit all Local Authorities connected with existing land sites in order to further their understanding of planning potential at each site.

Dr Mohla informed the Committee that he has written to his MP, Simon Burns, to raise the profile of the UKLI case.

<b>Item</b>	<b>Description</b>	<b>Action by</b>
7.	<b>Debtor realisations</b>	
	<p>FW updated the Committee on progress made on the recall of each of the outstanding loans made by UKLI.</p>	<p>Memo detailing pending sales transaction on UKHCG Ltd to be prepared for Committee sign off at next meeting</p>
	<p>With regards to the loan made to UKHCG Ltd for £1.4m, the Committee was informed that a third party buyer has been identified for this business and that the equity value (value remaining after bank debt) stands at c. £600k. On the basis that this equity value is at market value, the Committee agreed that the sale should go ahead.</p>	
	<p>With regards to the loan of £2.3m made to Chorus Ltd, FW indicated to the Committee that the repayment of this loan is considered unlikely as the Company is no longer trading and the Administrators have been advised that there are minimal assets left in the business.</p>	
8.	<b>AOB</b>	
	<p>The Committee agreed to reconvene in October 2008 in order to allow the Administrators sufficient time to realise some of the current assets.</p>	<p>Suggested dates for next meeting to be circulated to the Committee in due course.</p>