

**UKLI Limited (In Administration) (“the Company”)
Creditors Meeting of 24/06/2008**

Venue: The Camden Centre, Judd Street, London, WC1H 9JE

Commenced: 2.15pm

Top Table:	Lee Manning (“LM”)	– Deloitte & Touche LLP
	Philip Reynolds (“PR”)	– Deloitte & Touche LLP
	Fiona Watson (“FW”)	– Deloitte & Touche LLP
	Fraser Ritson (“FR”)	– Addleshaw Goddard LLP
	Richard Stanley (“RS”)	– DTZ – International Property Advisors

Creditors in attendance in Person: 500

1 Introduction

The commencement of the meeting was adjourned for 15 minutes in order to complete the registration process due to the large volume of people in attendance.

LM introduced the team assisting the administrators at the top table.

LM informed all present that members of the Press were in attendance. LM accordingly sought approval from the creditors to their presence. A show of hands showed that the majority were in favour of the Press being present.

LM outlined the format for the Meeting:

- to read out report/proposals to creditors;
- to summarise the current status of the Administration, including a report by the Administrators’ property agents, DTZ;
- to open the meeting to questions following the formal business of the meeting; and;
- to appoint a creditors committee of between three and five persons.

2 Report Read to Creditors

LM read the report to creditors and included updates, as per Section 3 of this report.

3 Additional Information

LM advised the persons present that site plans were on display at the venue which illustrated the difficulties faced in disposing of the sites. LM also advised that the plans would subsequently be placed on the website.

3.1 Regents Land Limited (“Regents Land”)

LM advised that 4 sites (Earl Shilton, Finchampstead, Rearsby and Severn Beach) were owned by Regents Land and that plots on these sites had been sold by UKLI under an agency agreement, the nature of which is currently being investigated by the Administrators. Some £8.6m of sales were made under this arrangement.

LM advised that Regents Land was owned by Mr Chohan, the sole shareholder of UKLI.

LM stated that the sole director of Regents Land, Mr Dannyal Abdul Kader, had stated that the Company held minimal assets (in effect a number of unsold plots of land) and would be unable to meet any claims that might arise against it under Section 26 FSMA, if so proved.

LM emphasised that Regents Land is not in Administration and that contact details for the director and his legal representatives would be made available on the website.

3.2 Position with European Property Ventures Limited and St James Land Limited

LM advised that subsequent to the publication of the report that we had received confirmation that the above companies were not owned by Mr Chohan.

3.3 Related Party Receivables

LM advised that UKLI had made loans on non commercial terms to a number of connected parties, which the Administrators were seeking to recover.

In relation to the debt due from Conduit Business Information Limited, an initial offer of £20,000 to settle the loan of £0.7m had been made by the director, Robin Barton, and had been rejected. Discussions are continuing to improve the return.

In relation to Chorus Direct Limited, it is likely that only a marginal return of the loan of £2.3m will be received in settlement with the Company then to be struck-off.

In relation to UKHCG, which operates two care homes we have received an offer for £0.6m in settlement of the loan of £1.5m from a third party. This offer is in relation to the equity in the business, exclusive of the repayment of the secured bank creditor.

The personal loan made to Mr Chohan by UKLI of £74,000 has now been repaid.

Steps have also been carried out to pursue the loans made to all other UK entities.

In relation to the loans made to non-UK entities, judgement will first need to be granted in the UK before the debts can be pursued in the relevant foreign jurisdiction. LM advised that as such matters are potentially costly they will be

discussed with the Creditor Committee before being pursued. Steps to obtain UK judgement are being carried out.

LM also advised that the Company received a loan of £0.65m over a number of its properties which was paid directly to UKLI. This is currently being investigated.

3.4 Preferential Creditors

LM advised that it was unlikely for there to be any preferential creditors in this case as all staff, although made redundant by UKLI, were likely to be deemed as transferred to another company under the TUPE regulations.

3.5 Potential Trust Monies

LM advised that, following legal advice, the treatment of the funds held by the Company in a separate account would need to be decided by the Court and that any hearing, due to the court vacation, would likely be in September.

4 Role of the Committee

LM advised that the purpose of the Committee was to assist the Administrator, and any subsequently appointed Liquidator, in determining what actions should be pursued (e.g. conduct investigations) with decisions made on a majority basis.

5 Statement of Affairs:

LM advised that Mr Chohan, the sole statutory director of the Company had still to swear the Statement of Affairs.

Mr Chohan's reasons for non-signing are deemed to be:

- that plholders remain to be determined as creditors under section 26 FSMA.
- that the loans made by UKLI, under their agreements are not currently outstanding.

LM advised that the Administrators continue to pursue Mr Chohan to comply with his statutory responsibilities in providing a sworn Statement of Affairs.

6 Administrators duties to report to the DTI

LM stated that a statutory D1 report on the conduct of the statutory directors, shadow and de-facto directors will be made to the DTI and in this respect asked the creditors for any information they may hold which would assist with this reporting requirement.

7 Update on Property Matters by DTZ

RS was asked to talk about the sites/plots including any planning information and the future prospects for each of the sites.

DTZ's role is to provide the Administrators with:

- strategic advice on sites and other identifiable buildings
- planning prospects of the portfolio with the exception of those sites identified as not being assets of UKLI.

Full details of the sites and their planning prospects, as well as maps and plans, have been included on the website.

8 Devonshires Proposal on behalf of Mr Chohan (limited copies distributed at meeting)

LM made reference to a leaflet distributed to several investors prior to the commencement of the meeting by Mr Chohan's solicitors, Devonshires Limited.

Devonshires' communication provided brief details of a proposal by Mr Chohan to contribute a maximum of £420,000 per annum for five years towards financing planning applications for the UKLI sites. LM advised that this proposal would be effected only in return for the write off of approximately £4.1m of loan monies due to UKLI from other group companies.

This current proposal had been rejected by the Administrators.

9 Questions from the Investors/creditors

Investors and creditors were given the opportunity to pose their questions to the Administrators and the legal representatives and property agents present. This process continued for approximately 90 minutes, at which point it was necessary to continue with the formal business of the meeting. The opportunity for further questions was presented once all formal matters had been concluded.

All issues raised by creditors at the meeting have been addressed within the FAQs page on the UKLI website, www.uklandinvestments.com.

A full transcript of the creditors meeting is also available on the homepage of the website.

10 Committee Formation

At this point in the meeting LM called for volunteers from the creditors present to form a Creditors' Committee.

LM explained that the committee can have no less than three and no more than five members, and that at least three members must be "true" creditors of the Company, i.e not contingent creditors, being the category that most investors fall under. LM explained that those contingent creditors interested in serving on a Creditors Sub-Committee could register their details with the Administrators' staff on leaving the meeting and would be contacted once adjudication had been received.

Three creditors were selected: two trade creditor representatives from MSM Asia Limited and Sunrise Radio Limited and a Dr Mohla who holds a plot on the Borehamwood site which included in the sales contract a clause for compensation to be paid to the purchaser should no planning permissions be granted by 2009.

At this stage the formal business of the meeting came to a close and investors were presented with another opportunity to pose their questions to the Administrator.

Those creditors invited to serve on the committee were asked to register before leaving the venue,

The meeting concluded at 6pm.