

# **KAUPTHING SINGER & FRIEDLANDER (ISLE OF MAN) LIMITED (IN LIQUIDATION) ("the Company")**

On 27 May 2009 the High Court of Justice of the Isle of Man made a Winding Up Order placing Kaupthing Singer & Friedlander (Isle of Man) Limited into liquidation. Michael Simpson and Peter Spratt were appointed as Joint Provisional Liquidators and Joint Deemed Official Receivers.

## **TO ALL CREDITORS**

10 June 2009

Dear Sir / Madam

### **Kaupthing Singer and Friedlander (Isle of Man) Limited (In Liquidation) ("the Company")**

At a hearing in the Isle of Man High Court on Wednesday 27 May 2009, a Winding Up Order was made placing the Company into liquidation. I was appointed, along with Peter Spratt, as Joint Provisional Liquidator and Joint Deemed Official Receiver at that time.

This letter and its attachments contains information relating to :-

- 1) the first meeting of creditors (attached Notice of Meeting, Committee of Inspection maximum number and nomination resolutions, Proxy forms, Proof of Debt, and Map)
- 2) the process for lodging your claim in the liquidation (attached Proof of Debt, notification indicating timetable for proving).

#### **1. First meeting of creditors, called by Peter Spratt and I in our capacity as Joint Deemed Official Receivers, Pursuant to Section 179 Companies Act 1931 ("the Act")**

##### **1.1. Time, Date and Location of First Meeting of Creditors**

The first meeting of creditors will be held at 11:00 a.m. BST on Tuesday, 7 July 2009, at Villa Marina, Harris Promenade, Douglas, Isle of Man. A map of the location of the venue is contained in Part A of this pack. Creditors can attend in person or by appointing a proxy to vote on their behalf.

##### **1.2. Resolutions to be considered at the First Meeting of Creditors**

- 1.2.1. As required by Sections 179(2) and 191(1) of the Act, Creditors will be invited to vote, in person or by proxy, on the following :-
  - 1.2.1.1. whether or not an application should be made to court to appoint a Liquidator(s) in place of Michael Simpson and Peter Spratt, the Joint Deemed Official Receivers and Joint Provisional Liquidators,
  - 1.2.1.2. whether an application should be made to the Court for the appointment of a Committee of Inspection("Committee") and who are to be the members of the Committee if appointed.

PO Box 197, Samuel Harris House, 5-11 St Georges Street  
Douglas, Isle of Man IM99 1SN  
Tel :+ 44(0) 1624 699222 Fax : + 44(0) 1624 699202  
Registered in the Isle of Man No. 3519

Registered Office : Samuel Harris House, 5-11 St Georges Street, Douglas, Isle of Man IM1 1QB

- 1.2.2. Creditors will also be invited to vote, in person or by proxy, on whether the maximum number of members of the Committee of Inspection of the Company, appointed pursuant to sections 191 and 192 of the Companies Act 1931, from time to time shall be limited to seven in number.
- 1.2.3. Resolutions shall be deemed to be passed if a majority in number and value of the creditors present personally or by proxy and voting on the resolution have voted in favour. Whether or not you intend to attend the First Meeting of Creditors personally, we would encourage creditors to vote on the resolutions being put forward.
- 1.2.4. It is also intended that prior to the First Meeting of Creditors the Joint Deemed Official Receiver's report, including the Directors Statement of Affairs, will be forwarded to creditors.

### 1.3. Who can vote at the First Meeting of Creditors

- 1.3.1. **If you are a creditor of the Company and have submitted a Proof of Debt prior to 12 noon BST on Friday 3 July 2009** at the offices of the Company, PO Box 197 Samuel Harris House, 5-11 St Georges Street Douglas, Isle of Man IM99 1SN, you will be entitled to vote. Submission of a Proof of Debt in advance of the meeting is a requirement of Rule 116 of the Isle of Man Companies (Winding Up Rules) 1934 and is applicable regardless of whether a creditor is intending to attend the meeting and vote in person.
- 1.3.2. Individuals may attend and vote in person or by proxy. Corporations may attend and vote by a duly authorised representative or by proxy. Where a person is authorised to vote on behalf a corporation, they are required to produce prior to the meeting, a copy of the resolution or equivalent documentation so authorising them.
- 1.3.3. In respect of Joint accounts, trust and client accounts, please note that the named joint account holder(s) are designated as one creditor for voting purposes.

### 1.4. Voting by proxy

- 1.4.1. For those individuals not attending the meeting in person or for corporations wishing to vote, forms of General Proxy and Special Proxy are enclosed in Part A of this pack (*General Proxy* form or *Special Proxy* form). **Please note that only one form (ie. either a general or special proxy) should be completed by those creditors wishing to vote by proxy.** For individuals this will not prevent you from attending the meeting and voting in person if you wish to do so, if you have already submitted your Proof of Debt form.
- 1.4.2. Copies of **Proof of Debt and proxy forms**, containing a copy of original signatures, can be forwarded electronically to the Company, by email to [liquidation@singers.co.im](mailto:liquidation@singers.co.im) or by fax to 44(0)1624 699 200 or +44(0)1624 699 202 **no later than 12 noon on Friday, 3 July 2009.** These will be considered for voting purposes but creditors are asked to ensure that original forms are sent by mail to the Company's offices as soon as possible. **In particular faxed or emailed Proof of Debts will not be accepted for proving a creditors claim in the liquidation.** Given the requirements of the Isle of Man Companies (Winding Up) Rules 1934, it is not possible for us to consider using a fully electronic claims process.

### 1.5. General Proxy

- 1.5.1. A creditor may give a general proxy to any person. A general proxy is where instructions are not given to the proxy holder as to how to vote at the meeting but it is left to the proxyholder's discretion as to how to exercise that vote.

1.5.2. I would advise that the Chairman of the meeting will be one of the Joint Deemed Official Receivers. I would advise that, as Chairman of the meeting, the Joint Deemed Official Receiver will not vote any Chairman's proxies in respect of resolutions relating to the appointment of the Joint Liquidators. Creditors wishing to vote by proxy in respect of any such resolutions, should therefore appoint someone other than the Chairman as a general proxy holder or alternatively, the creditor should complete a special proxy form, which can be voted by the Chairman as directed in the special proxy.

#### **1.6. Special Proxy**

1.6.1. A Special Proxy is where specific instructions are given on the proxy form as to how the proxyholder is to vote at the Creditors Meeting. If a person claiming to be a Creditor wishes to appoint the chairman of the meeting or any other person, to be their proxy, they must specifically direct him or her to vote either for, or alternatively against, the relevant proposal or any modification thereto. Failure to give a specific direction will result in the Special Proxy being invalid and the person claiming to be a Creditor will be unable to vote at the meeting.

1.6.2. If any person wishes to represent a corporation pursuant to a resolution authorising him to do so under applicable legislation he must produce a copy of the resolution to the chairman of the creditors meeting. The copy should be certified as a true copy by a director or secretary of the corporation.

1.6.3. Where the Chairman has been granted a Special Proxy by a creditor directing him to vote in favour of the appointment of the Joint Deemed Official Receivers as Joint Liquidators, that vote can be exercised accordingly.

#### **1.7. Admittance of claim for voting purposes**

1.7.1. A creditor's claim will be considered for voting purposes on the basis of the Proof of Debt forms submitted prior to the meeting. The Chairman has the power to admit or reject a proof for the purpose of voting but any such decision shall be subject to appeal to the Court. If he is in doubt, the Chairman may note the Proof of debt as objected to and allow it to vote, subject to the vote being declared invalid in the event of the objection being sustained.

#### **1.8. Nominations for the Committee of Inspection**

1.8.1. Whilst there is no limit imposed by sections 191 and 192 of Companies Act 1931 upon the number of members of the Committee of Inspection ("the Committee"), we consider that a Committee of seven members would operate in the most efficient and cost-effective way, particularly in relation to organising meetings of the Committee from time to time. We have therefore proposed an Ordinary Resolution for consideration at the meeting of creditors for the maximum number of members of the Committee to be limited to seven.

1.8.2. It is generally helpful that a Committee is representative of a range of creditors (which in this particular case might be larger value depositors, smaller value depositors, non depositors, insurance companies). We have already been approached by the following creditors in line with the aforementioned categories of creditors who have indicated their willingness to act as members of the Committee:

- Stuart Roberts – in his own right, as a smaller value depositor
- Gavin Brake – in his own right, as a higher value depositor
- Axa Isle of Man Limited – as an insurer
- Singer & Friedlander (Isle of Man) Limited Retirement Benefits Scheme – as a non-depositor

1.8.3. As such we have proposed an ordinary resolution for consideration at the meeting of creditors for the appointment of the above 4 creditors to the Committee. If this resolution is approved and if additional nominations are received for membership of the Committee, as referred to in paragraph 1.8.4 below, it is intended that the remaining three places on the Committee will be filled by those nominees whose nominations are approved by a majority in number and value of those present and voting in proxy or by person at the meeting and who receive the highest number of votes in number and value at the meeting. Alternatively if the ordinary resolution is not approved, votes will be sought at the meeting in respect of each of the nominees put forward and the seven places on the Committee will be filled by those nominees whose nominations are approved by a majority in number and value of those present and voting in proxy or by person at the meeting and who receive the highest number of votes in number and value at the meeting.

1.8.4. In the meantime, we invite other creditors who wish their names to be put forward to submit their details (including their account number as a means of identification, if relevant) and a brief CV to [committee@singers.co.im](mailto:committee@singers.co.im). We will then post, updated on a rolling basis, on to the Company's website at <http://www.kaupthingsingers.co.im>, a list of names and CV details for nominees for consideration if creditors are submitting proxies for the meeting. We would ask that all nominations are submitted by Wednesday 1 July 2009 to allow us to prepare the necessary voting forms for the meeting. **To be a member of the Committee of Inspection, a party must be a creditor or contributory.**

1.8.5. We would ask creditors to consider carefully the commitment required when putting themselves forward for membership of the Committee. If creditors wish to understand the role further, please do not hesitate to contact us on +44 (0) 1624 699332.

## 2. Last date for proving for first interim dividend to creditors

- 2.1. It is the intention of the Joint Provisional Liquidators that a first interim dividend to creditors will be distributed, to those creditors with agreed claims, by 28 August 2009. Further information in this regard will be distributed in due course.
- 2.2. A notification of intended dividend is contained in Part B of this pack. In order for you to take part in the first distribution, you must have submitted a completed Proof of Debt form by Wednesday, 12 August 2009.

## 3. Proving your claim

- 3.1. A Proof of Debt form is enclosed, in Part B of this pack, for you to complete and return to the address below.
- 3.2. Creditors should provide details of their claim against the Company as at 9 October 2008, the date of the winding up petition.
- 3.3. All such claims should be lodged in GBP Sterling and converted from other currencies as at 27 May 2009, the date of the winding up order, using the exchange rates provided on the following page:

Currency	Rate to GBP
Great British Pound Sterling	1.00
US Dollars	1.6034
Euro	1.1511
Canadian Dollar	1.7819
Swiss Franc	1.7413
Japanese Yen	152.531
Australian Dollar	2.0359
Icelandic Krona	201.844
Danish Krone	8.5673
Hong Kong Dollar	12.4306
New Zealand Dollar	2.5712
Norwegian Krone	10.2777
South African Rand	13.0582
Swedish Krona	12.2711
Singapore Dollar	2.3240

3.4. Claims should also be submitted net of any amounts that the creditor believes were owed to the Company by them, as at 27 May 2009, converted into GBP Sterling as at 27 May 2009, using the rates set out above. Please identify in box 3 on the form the gross amount owed by the Company, any amounts you have applied by means of set-off and the net amount you are claiming.

#### 4. Depositors Compensation Scheme ("DCS")

- 4.1. As indicated previously I am working with the manager of the Depositors Compensation Scheme ("DCS") ("the Scheme Manager") to facilitate his aim of making payments to depositors who meet DCS criteria as soon as practically possible.
- 4.2. I am aware that the Scheme Manager has written separately to depositors in this regard.
- 4.3. All queries or correspondence in relation to the DCS should be directed to the Scheme Manager, on the following contact details:

Web-site: <http://www.dcs.im>  
Recorded helpline: +44 (0) 1624606000  
E-mail: [info@dcs.im](mailto:info@dcs.im)  
Address: PO Box 201  
Douglas  
Isle of Man  
IM99 1HN

#### 5. Communication including returning forms and correspondence

5.1. All correspondence (including any completed forms) should be addressed to:

Kaupthing Singer and Friedlander (Isle of Man) Limited  
For the attention of Mr Michael Simpson  
PO Box 197  
Samuel Harris House  
5-11 St Georges Street  
Douglas  
Isle of Man  
IM99 1SN

Creditors may also send their forms by email to [liquidation@singers.co.im](mailto:liquidation@singers.co.im) or by facsimile to +44(0)1624 699 200 or +44(0)1624 699 202.

If you have any queries regarding this letter or the enclosures, you may write to the Joint Provisional Liquidators and Joint Deemed Official Receivers at the address above, e-mail [branch@kaupthing.com](mailto:branch@kaupthing.com), or telephone the helpline on +44 (0) 1624 699 340.

Yours faithfully

A handwritten signature in black ink, appearing to be 'MS' or similar initials, written in a cursive style.

For and on behalf of  
Kaupthing Singer and Friedlander (Isle of Man) Limited  
Michael Simpson and Peter Spratt  
Joint Deemed Official Receivers

## Part A

Rule 101.

**Notice to Creditors of First Meeting**

**Kaupthing Singer & Friedlander (Isle of Man) Limited (In Liquidation) (“the Company”)**

Under the order for winding up the above-named Company, dated the 27<sup>th</sup> day of May 2009.

Notice is hereby given that the first meeting of creditors in the above matter will be held at Villa Marina, Harris Promenade, Douglas, Isle of Man on the 7th day of July 2009, at 11 a.m. BST.

Forms of proof and of general and special proxies are enclosed herewith.

To entitle you to vote at the First Meeting of Creditors your proof must be lodged with me not later than 12 noon BST on the 3rd day of July, 2009.

Proxies to be used at the meeting must be lodged with me not later than 12 noon BST on the 3rd day of July, 2009.

You are mentioned in the Company's records and may be a creditor of the Company.

Dated this 10<sup>th</sup> Day of June, 2009.



Michael Simpson  
Joint Provisional Liquidator  
and  
Joint Deemed Official Receiver

Note.

At the first meetings of the creditors and contributories they may amongst other things:-

1. By resolution determine whether or not an application is to be made to appoint a liquidator in place of the Joint Deemed Official Receivers.
2. By resolution determine whether or not any application shall be made to the Court for the appointment of a committee of inspection to act with the liquidator, and who are to be the members of the committee if appointed.

Note. – If a liquidator is not appointed by the Court the Joint Deemed Official Receivers will be the liquidators.

**Kaupthing Singer & Friedlander (Isle of Man) Limited (In Liquidation) ("the Company")**

Notice is hereby given that at the First Meeting of Creditors of the Company to be held on 7th July, 2009 the following ordinary resolutions will be proposed by the Joint Deemed Official Receivers of the Company:-

"That the maximum number of members of the Committee of Inspection of the Company appointed pursuant to sections 191 and 192 of the Companies Act 1931 from time to time shall be limited to seven in number."

and

"That the following creditors be appointed as members of the Committee of Inspection of the Company:

- Stuart Roberts;
- Gavin Brake;
- Axa Isle of Man Limited; and
- Singer & Friedlander (Isle of Man) Limited Retirement Benefits Scheme."

Dated this 10<sup>th</sup> Day of June, 2009.



Mike Simpson  
Joint Provisional Liquidator  
and  
Joint Deemed Official Receiver

Voting in relation to the above resolution shall be governed by Rule 111 of the Companies (Winding-Up) Rules 1934.

Rule 124.

**General proxy**

**Kaupthing Singer & Friedlander (Isle of Man) Limited (In Liquidation) ("the Company")**

I/We \_\_\_\_\_

(enter the name of the creditor)

of \_\_\_\_\_, a

creditor of the Company hereby appoint (a) \_\_\_\_\_ to be my/our general proxy to vote at the First Meeting of Creditors, for the purposes of considering and, if thought fit, approving (with or without modification) the resolutions referred to in the notice summoning the First Meeting of Creditors, and at such meeting, to vote for me/us and in my/our name(s) at his or her discretion, on the 7th day of July 2009, or at any adjournment thereof. I warrant that I am the creditor above, or have authority to act on behalf of the creditor named.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2009.

Signature: \_\_\_\_\_

Company (b) (if applicable): \_\_\_\_\_

Date: \_\_\_\_\_

**Notes**

(a) The person appointed general proxy may be the Joint Deemed Official Receiver, or such other person as the creditor may approve, and the proxy form when signed must be lodged by the time and at the address named for that purpose in the notice convening the meeting at which it is to be used.

(b) If the appointer is a corporation then the Form of Proxy must be under its Common Seal (if the company has a Common Seal) or under the hand of some officer duly authorised in that behalf, and the fact that the officer is so authorised must be stated thus:

\_\_\_\_\_ for the company \_\_\_\_\_ (duly authorised by the company)

*Certificate to be signed by person other than Creditor filling up the above Proxy.*

I \_\_\_\_\_ of \_\_\_\_\_, hereby certify that all insertions in the above proxy are in my own handwriting, and have been made by me at the request of the above-named \_\_\_\_\_ and in his presence, before the attached his signature (or mark) thereto.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2009.

Signature: \_\_\_\_\_

Rule 124.

**Special Proxy**

**Kaupthing Singer & Friedlander (Isle of Man) Limited (In Liquidation) ("the Company")**

I/We \_\_\_\_\_  
(enter the name of the creditor)  
of \_\_\_\_\_, a  
creditor of the Company hereby appoint (a) \_\_\_\_\_  
to be my/our proxy to vote at the First Meeting of Creditors, for the purposes of considering  
and, if thought fit, approving (with or without modification) the resolutions referred to in the  
notice summoning the First Meeting of Creditors, and at such meeting, to vote for me/us and  
in my/our name(s) in accordance with the following (b):

on the 7<sup>th</sup> day of July 2009, or at any adjournment thereof. I warrant that I am the creditor  
above, or have authority to act on behalf of the creditor named.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2009.

Signature: \_\_\_\_\_

Company (c) (if applicable): \_\_\_\_\_

Date: \_\_\_\_\_

**Notes**

(a) The person appointed special proxy may be the Joint Deemed Official Receiver, or such  
other person as the creditor may approve, and the proxy form when signed must be lodged by  
the time and at the address named for that purpose in the notice convening the meeting at  
which it is to be used.

A creditor may give a special proxy to any person to vote at any specified meeting or  
adjournment thereof on all or any of the following matters:-

- (i) for or against any resolution to make application to Court to appoint a Liquidator in  
place of Michael Simpson and Peter Spratt, the Joint Deemed Official Receivers and  
Joint Provisional Liquidators.
- (ii) for or against the resolution that the maximum number of members of the Committee  
of Inspection from time to time shall be limited to seven in number.
- (iii) for or against the resolution that Stuart Roberts, Gavin Brake, Axa Isle of Man  
Limited, and Singer & Friedlander (Isle of Man) Limited Retirement Benefits Scheme  
be appointed as members of the Committee of Inspection.

(b) Insert the word "for" or the word "against" as the case may require, and specify the  
particular resolution.

(c) If the appointer is a corporation then the Form of Proxy must be under its Common Seal (if  
the company has a Common Seal) or under the hand of some officer duly authorised in that  
behalf, and the fact that the officer is so authorised must be stated thus:

\_\_\_\_\_ for the company \_\_\_\_\_ (duly authorised by the company)

*Certificate to be signed by person other than Creditor filling up the above Proxy.*

I \_\_\_\_\_ of \_\_\_\_\_,  
hereby certify that all insertions in the above proxy are in my own handwriting, and have been  
made by me at the request of the above-named \_\_\_\_\_  
and in his presence, before the attached his signature (or mark) thereto.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2009.

Signature: \_\_\_\_\_

## Kaupthing Singer & Friedlander (Isle of Man) Limited - In Liquidation

### Map of the Location of the First Meeting of Creditors: Villa Marina

**Date:** Tuesday, 7 July 2009

**Time:** Meeting commences: 11:00 am

**Location:** Villa Marina

**Address:** Harris Promenade  
Douglas  
Isle of Man  
IM1 2XP

**Telephone:** (01624) 694500

**E-mail:** [enquiries@villamarina.dtl.gov.im](mailto:enquiries@villamarina.dtl.gov.im)



## Part B

**Notification to creditors of intention to declare dividend**

**Kaupthing Singer & Friedlander (Isle of Man) Limited (In Liquidation) (“the Company”)**

A first dividend is intended to be declared in the above matter. You are mentioned as a creditor in the books and records of the Company.

If you do not prove your debt by 12th day of August, 2009 you will be excluded from this dividend.

Dated this 10<sup>th</sup> Day of June, 2009.

A handwritten signature in black ink, appearing to read 'MS', is positioned above the typed name of the signatory.

Michael Simpson  
Joint Provisional Liquidator  
and  
Joint Deemed Official Receiver

Note.

A Notice to Creditors of Intention to Declare Dividend in the form specified in Rule 96 of The Companies (Winding-Up) Rules 1934 will be sent to creditors who are listed in the Statement of Affairs and have not proved their debt.

## Proof of Debt – General Form

**Kaupthing Singer & Friedlander (Isle of Man) Limited (In Liquidation) (“the Company”)**

Date of the commencement of the winding-up of the Company: **9 October 2008**

1	Name of creditor (If a company please also give company registration number and place of registration).	
2	Address of creditor for correspondence (and contact telephone number and e-mail address).	
3	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the company went into liquidation.	£
4	Details of any documents by reference to which the debt can be substantiated. (Note: please attach any document or evidence to substantiate the claim).	
5	If amount in 3 above includes outstanding uncapitalised interest please state amount.	£
6	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form).	
7	Particulars of any security held, the value of the security (£), and the date it was given.	
8	Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates.	
9	Particulars of any set-off claim and please state amount (£)	
10	<p>Do you wish to have your dividend payment(s) made via electronic funds transfer? (please tick yes or no below). If you do not tick yes, your payment will be made via cheque.</p> <p style="text-align: center;"> <input type="checkbox"/> Yes                      <input type="checkbox"/> No         </p> <p>If you have ticked “Yes”, please include your bank details below:</p> <p>Bank account name: _____</p> <p>Bank account number: _____</p> <p>Sort code (if UK bank): _____</p> <p>Swift code (if non-UK bank): _____</p> <p>IBAN (if European bank): _____</p> <p>Bank name: _____</p>	
11	<p><b>Signature of creditor or person authorised to act on his behalf</b></p> <p>_____</p> <p>_____</p> <p><b>Name in BLOCK LETTERS</b></p> <p>_____</p> <p>_____</p> <p><b>Position with or in relation to creditor</b></p> <p>_____</p> <p><b>Address of person signing (if different from 2 above)</b></p> <p>_____</p> <p>_____</p>	