

Administrator's progress report

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|---|--------------------------------------|
| Name of Company Petroplus Refining Teesside Limited | Company Number 00814156 |
| In the High Court of Justice, Chancery Division, Companies Court (full name of court) | Court case number 685 of 2012 |

(a) Insert full name(s) and
address(es) of
administrator(s)

We (a) Steven Anthony Pearson and Ian David Green
of PricewaterhouseCoopers LLP, 7 More London Riverside, London, SE1 2RT and Benson House,
33 Wellington Street Leeds LS1 2JP

Administrators of the above company attach a progress report for the period

(b) Insert dates

from

to

(b) 24 January 2012

(b) 23 July 2012

Signed


Joint Administrator

Dated 23 August 2012

Contact Details:

You do not have to give any contact information in the box opposite but if you do it will help Companies House to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record.

| | |
|--|-------------|
| PricewaterhouseCoopers LLP 7 More London Riverside, London SE1 2RT | |
| DX Number | DX Exchange |

When you have completed and signed this form please send it to the Registrar of Companies at
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COMPANIES HOUSE

***Petroplus Refining
Teesside Limited
(in Administration)***

*Joint Administrators'
progress report for the
period from 24 January
2012 to 23 July 2012*

21 August 2012



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IMPORTANT NOTICE

This report includes an illustration of the recoveries potentially available to unsecured creditors. Very material uncertainties continue to exist regarding the level of costs and the eventual level of creditors' claims.

The Administrators accept no liability for any investment decision made by any party based upon illustrations contained within this report, which has been prepared to provide existing creditors with a statutory progress update on the Administration.

Steven Anthony Pearson and Ian David Green have been appointed as Joint Administrators of the Company to manage its affairs, business and property as its agents, without personal liability. Both 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 Data Controllers of personal data as defined by the Data Protection Act 1998. PricewaterhouseCoopers LLP will act as Data Processor on their instructions. Personal data will be kept secure and processed only for matters relating to the Administration

Section 1: Purpose of the Joint Administrators' progress report

Introduction

This report has been prepared by the Joint Administrators (the "Administrators") of Petroplus Refining Teesside Limited ("PRTL" or the "Company") under Rule 2 47(3) (a) of the Insolvency Rules 1986 (the "Rules")

Creditors were notified of the Administrators' proposals for achieving the purpose of the Administration on 15 March 2012. These were approved without modification at a meeting of creditors held on 2 April 2012.

This report provides details of the work undertaken and the progress made during the first six months to 23 July 2012, together with further developments to date.

Objective of the Administration

The objective of the Administration is to achieve 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).

The specific aims of this Administration were to implement the best value option for the creditors by achieving a sale of the terminal as an operational unit, and obtain best value from all other realisable assets of the Company.

Investigations

In order to meet their obligations under the Company Directors Disqualification Act 1986, the Administrators are conducting investigations into the activities and key transactions of the Company and into the directors' conduct prior to Administration. In accordance with our statutory duties, the appropriate submissions will be made to the Department of Business Innovation and Skills. The contents of such submissions are confidential.

Next report

The Administrators will circulate their next report to creditors at the earlier of the conclusion of the Administration or the anniversary of the administration. Should you have any concerns or questions in the meantime, please contact my colleague Dan Wilson on 0113 289 4191.

Signed



Ian David Green
Joint Administrator
Petroplus Refining Teesside Limited
(in Administration)

Section 2: Executive summary

Objective

The objective of the Administration is to achieve 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)

Progress to date

The Administrators obtained funding to pay immediate operational costs and to support trading activities. The majority of the Company's assets have now been realised.

Administrators' trading

Administrators' trading generated £2.5 million of income, which was used to offset the costs incurred in trading and keeping the terminal safe whilst a sale of the terminal assets was pursued.

At the same time stocks were realised on behalf of PRTL, Petroplus Marketing AG ("PMAG") and other third parties.

Had the Administrators not traded the Company and realised stock, net costs would have been considerably higher, with a corresponding reduction in funds for creditors.

Sale of the terminal

An extensive marketing campaign commenced immediately upon the appointment of the Administrators which identified 28 interested parties.

Seven indicative offers were received by 15 February 2012 which varied in structure and credibility.

Negotiations were progressed with two of the parties and on 18 June a period of exclusivity was granted to Greenergy Terminals Limited ("Greenergy") to allow it to complete further detailed due diligence.

These negotiations eventually resulted in a sale of the terminal assets to Greenergy for £5.5 million on 25 July 2012.

Financial position at 24 January 2012

The directors of PRTL have provided a Statement of Affairs ("SoA") as at 24 January 2012. A copy of this SoA is included with this report at Appendix A.

The SoA summarises the Company's principal assets at the 24 January 2012:

- debtors (securitised and non-securitised) with a book value of £76 million,
- cash held by Commerzbank at the date of appointment of £21.1 million which was subject to a securitization agreement with Idilias SPA Inc ("Idilias") and was offset against the balance outstanding of £35.4 million,
- cash held at Deutsche Bank of £19.3 million (secured),
- petrochemical stock held at third party premises with a book value of £3.3 million,
- plant and machinery at the Seal Sands terminal with a book value as at 31 December 2011 of £9.4 million, and
- a net inter-company debt due from PMAG with a net book value of £19.3 million.

Cash position as at 23 July 2012

As at 23 July 2012, the Company held £21.8 million in its accounts (shortly before the sale of the terminal).

Dividend Prospects and creditors' claims

While the Administrators do not currently have authority to formally admit creditors' claims without the approval of the Court, the proposals approved by creditors do permit the Administrators to agree claims in principle. All creditors have previously been invited to submit details of their claims. If you have not yet done so, please complete the Statement of Claim form accompanying this report.

For the purpose of providing directional guidance to the unsecured creditors of the Company, the Administrators have prepared an illustration of the possible recoveries available to the unsecured creditors.

This illustration has been estimated by projecting gross proceeds from the sale of the assets, less the costs of trading and operating the terminal, together with the related professional costs, divided by the estimated value of valid claims against the Company.

Based on preliminary estimates, creditors may recover between 1% and 4% on their claims against the Company. **These estimates reflect the**

Section 2: Executive summary

Administrators' current best estimates of the return to creditors but they may be materially revised in either direction in due course as new facts become available.

Actions to date and future strategy

The Administration of PRTL is exceptionally complex. Actions to date have resulted in

- a sale of the terminal as an operational unit,
- a route to avoid significant environmental clean-up costs and the associated holding costs of the terminal site, and
- obtaining the best value from all other assets of the Company

Over the coming months the Administrators will aim to agree with the PMAG Receiver what element of the trading and professional costs of the Administration cost are referable to, and payable out of the PMAG realisations

Because of the uncertainties highlighted in this report, we are not yet able to indicate when a dividend might be paid to unsecured creditors

The Administrators would like to formally acknowledge the invaluable ongoing contribution being made by the PRTL management and staff in working as an integral part of the Administration team. The circumstances of the insolvency of PRTL and its impact on them and their families have been very significant

Despite this they have demonstrated a high degree of professionalism and commitment to ensure the impact on PRTL's creditors is minimised

We would also like to acknowledge the cooperation received from many of the Company's suppliers, sub-contractors and other creditors, which gave the Administrators the time to properly explore the options for the Company

We will provide further information to creditors in due course, and at the latest, within one month following the anniversary of this Administration

Administrators' time costs and remuneration

The complex nature of this assignment has required significant partner, director and specialist staff involvement. This has been reflected in the costs of managing this Administration to date

At the creditors' meeting on 2 April 2012, the creditors resolved that the Administrators' remuneration would be charged on a time cost basis

Further details of the time recorded by the Administrators and their staff are provided in Section 8 of this report

Section 3: Background information

Background information

The Company is a subsidiary of Petroplus Refining & Marketing Limited ("PRML") which in turn is a subsidiary of PMAG. The ultimate holding company is Petroplus Holdings AG ("PHAG"), which is listed on the Swiss Stock Exchange.

In 2000, the Company acquired the refinery business of Phillips Imperial Petroleum Limited at Seal Sands, Teesside. It operated from an administrative site in Stockton on Tees and from the former refinery in Seal Sands, which served as a petrochemical storage and distribution facility for refined petroleum products from PMAG and third parties. The Company employed 64 people as at 24 January 2012.

In addition, the Company operated a bitumen processing site in Swansea, however all employees associated with this business were employed by PRML and it was entirely dependent on product being available from the PRML oil refinery in Coryton.

Events immediately preceding the Administrators' appointment

Since 2008, the Petroplus group of companies (the "Group") reported substantial losses in its publicly available accounts.

In December 2011 PHAG suffered the withdrawal of certain of its uncommitted credit lines, totalling approximately \$1 billion. PHAG sought to restructure and extend its credit facilities but was ultimately unable to do so.

On 23 January 2012, the Lenders appointed a receiver over certain of PMAG's assets ("the PMAG Receiver") including receivables and inventory located at PRML's site at Coryton and at the PRTL terminal at Teesside. This action crystallised the guarantee from PRTL in respect of the liabilities of PMAG.

Since PMAG was unable to continue to fund the Company's operations, PRTL was insolvent and its directors resolved to petition for the Administration of the Company.

On 24 January 2012, Steven Anthony Pearson and Ian David Green were appointed as Joint Administrators of PRTL. Steven Anthony Pearson and Stephen Oldfield were appointed Joint Administrators of

PRML on the same date. On 25 January 2012, PMAG filed for insolvency protection in the Swiss Courts.

Issues considered by the proposed Administrators prior to accepting the appointment

Following the withdrawal of credit lines in PHAG, deliveries to the Company ceased. As a result of this, stocks were running low prior to accepting the appointment.

The Company's operations were subject to significant health and safety regulation. The operational risk of running the Company's facility was exceptionally high and fell under the UK Control of Major Accident Hazards (COMAH) regime.

Various insurances critical to the Company were held by PMAG and terminated on insolvency.

It was established that the Company did have sufficient realisable stocks to sustain the business in the short term, whilst the Administrators of PRML sought to obtain supplies of crude that could generate further product for distribution by the Company.

Actions taken to address these matters

In the days prior to the appointment of Administrators, the directors and the then proposed Administrators took appropriate steps to address these issues, with a view to ensuring that the Company could continue to trade, including:

- Undertaking a rapid health and safety assessment and forming a view on compliance,
- Arranging funding to ensure essential health and safety costs could be met,
- Developing a "day one" communication plan, including liaison with the Department of Energy and Climate Change ("DECC"),
- Reviewing the operational and financial risks in continuing operations for a short period in Administration, and
- Assessing the costs of implementing a safe closure of the site, including the safe evacuation of all stock.

Section 4: Immediate actions taken by the Administrators upon appointment

The Administrators' strategy

Immediately following their appointment the Administrators took steps to protect and recover the Company's assets (as summarised in the directors SoA)

Administrators also adopted responsibility for the safe storage and operational management of petrochemical stocks held at the terminal on behalf of PMAG and other third parties

The Administrators' strategy was to realise stocks to sustain the business in the short term whilst PRML sought to obtain supplies of crude. If those efforts were successful, it was anticipated that PRML may have provided further product which could be distributed by the Company.

Although PRML's efforts did not result in further product to sustain PRML's business, the realisation of stock, the continuing sale of storage space to third parties and jetty income allowed the Company to continue operations in the short term whilst a purchaser was sought for the terminal.

Section 5: Progress to date

Funding to pay immediate costs

On appointment the Administrators entered into a loan agreement under which the immediate costs and trading activities could be funded. Without this loan facility the Administrators would not have accepted the appointment over the Company and it would likely have passed into compulsory liquidation.

The terms of the loan agreement are confidential but it provided the assurance that essential safety costs and commitments of the Administrators could be met on a timely basis.

Re-imbursment of the loan is an expense of the Administration.

Trading

Trading income comprised £2.5 million of storage sales, jetty income and sundry income.

Cost of sales at 23 July 2012 totalled £4 million and additional trading costs authorised but not paid at 23 July 2012 are estimated at £0.8 million.

As a consequence of realising PRTL stocks subject to the Lenders floating charge as well as stocks on behalf of PMAG, the Administrators anticipate recovering a contribution to trading costs. Although the quantum has yet to be determined, the illustrative final outcome statement ("IOS") anticipates the net cost of sales falling to approximately £3.3 million.

Contingency plan

Since their appointment, the Administrators have maintained a regular dialogue with the Environment Agency and Health and Safety Executive to understand their requirements during the Administration trading period and also in the event that a sale was not achieved.

As part of this process, the Administrators formulated a detailed contingency plan which would enable a safe and managed exit of the site, if a sale of the terminal could not be achieved.

A detailed study was commissioned with our legal advisors to understand the environmental and other regulatory obligations of the Administration.

A plan was put in place for the most cost effective exit from the site which would meet the requirements of the Environment Agency, the Health and Safety Executive and the obligations of the Administrators.

Had the Administrators not achieved a sale of the terminal as a whole, there was a risk that they could have been obliged to remain on site for up to 15 months. During that time they could have incurred additional holding and realisation costs of £5 million - £6.5 million, in order to comply with health, safety and environmental directives.

Sale of terminal

Following press commentary regarding the appointment of Administrators, Non Disclosure Agreements ("NDA") were issued to interested parties, which allowed the sharing of confidential information with those parties. The first such NDA was issued on 25 January 2012.

A comprehensive information memorandum was completed by our sector experts and key Company staff. This was issued on 8 February 2012. An extensive list of potentially interested parties was completed which resulted in the identification of and communication with 28 interested parties. Of those 20 parties signed up to the NDA and received the information memorandum ("IM").

By 15 February 2012 the IM's had generated seven indicative offers. These offers varied substantially in terms of price, structure and credibility.

The Administrators decided to explore two of these offers whilst continuing to market the business and assets. Given the complexity of the site it was clear that substantial due diligence would be required by both parties in order to achieve a sale of the terminal.

At that stage the five other offers were rejected on the basis that they were unlikely to result in a net consideration after holding costs, or would leave behind significant onerous assets for the Company to deal with at substantial expense.

Section 5: Progress to date

After spending significant effort and time with third party contractors, Greenergy submitted an unconditional offer of £5.5 million on 28 May 2012. A draft sale and purchase agreement was provided to Greenergy's lawyers shortly afterwards on 1 June 2012.

On 18 June 2012 we granted a period of exclusivity to enable Greenergy to complete legal, financial and operational due diligence.

At the same time another Greenergy group company made an indicative offer for the residual petrochemical stocks ("heels") which remained on site and were owned by PMAG. The Administrators had power to dispose of the PMAG heels by virtue of an agency agreement entered into with the PMAG Receiver.

Considerable work was undertaken by Greenergy and the Administrators over the subsequent weeks in order to obtain the necessary permits and complete due diligence, whilst negotiating the final terms of the sale and purchase agreement.

Offers for both the terminal assets and PMAG heels were formally accepted on 24 July 2012. The sales were completed on 25 July 2012.

Realisation of assets

Uncharged assets

As detailed above, plant and equipment at Teesside was sold for £5.5 million on 25 July 2012. A further £0.1 million was realised in respect of uncharged plant and equipment at the Swansea bitumen depot.

In the weeks since 23 July 2012 the Administrators have concluded a compensation claim which is likely to realise £0.5 million (net) after direct costs and taxation.

Floating charged assets

A total of £70.3 million has been collected in respect of accounts receivable which represents over 92% of the book value of debtors at the date of the

Administrators (excluding the intercompany claim against PMAG).

This sum includes pre-appointment sales of stocks, storage and jetty income which were invoiced post appointment, were recovered in full and realised £1.6 million.

It also includes a receipt of £2.9 million which was paid into PRML's bank account in error. Although ownership has been disputed, the IOS assumes that this sum will ultimately be recovered by PRTL from the PRML Administrator.

A further £3.2 million remains due from customers and is still being pursued.

Under the receivables securitisation arrangement, £35.4 million has been released to Idilias in final settlement of its claim under that facility.

The inter-company debt due from PMAG at the date of appointment had a net book value of £19.3 million. However, as a result of PMAG's insolvency, additional liabilities have crystallised and further contingent liabilities may arise in the future.

We have submitted an unsecured claim for CHF103 million (£76.4 million) in the PMAG administration. The likely realisations are uncertain so we have not included any recovery from this source on the IOS.

The hydrocarbon inventory owned by PRTL at the date of appointment realised £3.5 million net of duty paid.

No recovery has been assumed from charged assets secured to ING Bank N.V. as security agent for the banking syndicate ("the Lenders").

Fixed charge assets

Funds totalling £20.2 million (comprising cash in hand and accounts receivable received immediately after our appointment) were retained by Deutsche Bank for the benefit of the Lenders, under powers contained in their fixed charge.

Section 5: Progress to date

Compulsory Stock Obligation ("CSO")

The UK Energy Act allows for a CSO to be issued to terminal operators, obliging them to maintain a minimum stock level for draw down in the event of a national supply emergency. Failure to comply can result in criminal proceedings and an unlimited fine, amongst other sanctions.

PRTL and PRML were subject to a CSO direction prior to the appointment of the Administrators.

The Administrators undertook detailed discussions with DECC to resolve this issue. Following the sale of the terminals, both PRTL and PRML were released from their obligations.

Renewable Transport Fuel Obligation (RTFO)

The RTFO regime requires suppliers of road transport fuels to ensure that a specified percentage of the road fuels they supply in the UK are made up of renewable fuels.

PRTL acted as the obligated supplier for the RTFO liability of Petroplus in the UK despite only being responsible for 10% of liable supplies with PMAG being responsible for the remaining 90%.

We have taken legal advice over various RTFO issues. However, this is a significantly complicated and unprecedented issue so there is no clear outcome and we are currently in discussions with the Department for Transport.

No provision has been made in the IOS for any RTFO liability as an expense of the Administration.

Illustrative final outcome statement and receipts and payments account

The IOS and an account of the receipts and payments in the Administration for the period from 24 January 2012 to 23 July 2012 are set out in Section 7.

Cash held at Deutsche Bank of £19.9 million and £0.3 million of accounts receivables paid in immediately afterwards, were retained by the Lenders shortly after our appointment. This represented a contribution towards the Company's guarantee to the Lenders.

Cash held by Commerzbank of £22 million, together with sums collected by the Administrators shortly

after our appointment were subject to a securitization agreement with Idilias. A total of £35.4 million was paid to settle this liability. A further £1 million has been retained by Commerzbank to cover a potential direct debit risk, but the risk is considered to be small and in the IOS we have assumed that the funds will ultimately be released in full.

An initial distribution of \$60 million (£38.6 million) has been made to the Lenders out of charged assets.

Cash in hand at 23 July 2012 totalled £21.8 million. This included £3.9 million of monies held on behalf of PMAG before deduction of costs, but excluded the terminal and compensation proceeds which were received shortly afterwards.

Further residual assets, including ongoing debtor collections and a small amount of office equipment located at Petroplus House, will be realised and a prudent estimate has been included in the IOS for total asset realisations.

Liabilities

The increase in the level of creditor claims against the Company following its insolvency has served to materially dilute creditor recoveries.

In addition to the direct liabilities recorded on its balance sheet, the Company guaranteed the indebtedness of PMAG and its subsidiaries to the Lenders. At 3 August 2012, the indicative claim of the Lenders was \$250.6 million (£161.6 million). However the quantum of the claim remains uncertain. If further recoveries are made and distributed by the Lenders the claim may decrease. Equally, if Lenders prove ultimately to be less successful in realising and retaining realisations, the claim could increase.

Following the recent sale of the terminal at Seal Sands, the Joint Administrators have now issued a scheme failure notice in respect of the final salary scheme to the Pension Protection Fund ("PPF"). This confirms that a "scheme rescue" is not possible and is likely to result in the scheme ultimately transferring to the PPF. The illustration (and the SoA) incorporates a potential claim from the pension authorities of some £15 million.

Together the Pension and Lenders claims account for approximately 72% of total unsecured claims against the Company.

Section 5: Progress to date

Administrators' remuneration and pre-appointment costs

In accordance with resolutions passed at the initial creditors' meeting and as detailed at Section 9 of this report, the Administrators' remuneration will be charged on a time cost basis

A full analysis of the Administrators' time costs and disbursements for the period from 24 January 2012 to 23 July 2012 is also provided at Section 9, together with information regarding the approval of the unpaid pre appointment costs previously detailed in the Administrators' proposals

Creditors' rights

A statement of creditors' rights in relation to the Administrators' remuneration and expenses is set out in Section 11. A copy of the guidance available to creditors regarding Administrators' fees can be found at the following link

<http://www.pwc.co.uk/business-recovery/administrations/petroplus>

Ending the Administration

There is currently material uncertainty regarding the unsecured claim of the Lenders or indeed any potential recovery from the Lenders

Pending resolution of the various issues identified in this report, the Administrators are not in a position to put in place arrangements for the making of a distribution to unsecured creditors. The Administrators presently believe that there is some advantage in remaining in Administration. Further information will be sent to the creditors in due course and in any event before the anniversary of the administration

Section 6. Statutory and other information

| | |
|---|--|
| Court details for the Administration: | High Court of Justice, Chancery Division, Companies Court Number 685 of 2012 |
| Full name and trading name: | Petroplus Refining Teesside Limited |
| Registered number: | 00814156 |
| Registered address: | Petroplus House, St Marks Court, Teesdale, Stockton on Tees, TS17 6QN |
| Company directors: | Mr Joseph Dunlap Watson and Mr Jonathan Peter Barden |
| Company secretary: | Ms Angela Lesley Helen Graham |
| Shareholdings held by the directors and secretary: | None |
| Date of the Administration appointment: | 24 January 2012 |
| Administrators' names and addresses: | Steven Anthony Pearson and Ian David Green of PricewaterhouseCoopers LLP, 7 More London Riverside, London SE1 2RT and Benson House, 33 Wellington Street, Leeds, LS1 4JP respectively |
| Details of any extension(s) to the initial period of appointment | None |
| Changes in office holder: | None |
| Appointor's / applicant's name and address: | Mr Joseph Dunlap Watson and Mr Jonathan Peter Barden of Petroplus House, St Marks Court, Teesdale, Stockton on Tees, TS17 6QN |
| Objective being pursued by the Administrators: | 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) |
| Division of the Administrators' responsibilities: | In relation to paragraph 100(2) Sch B1 IA86, during the period for which the Administration Order is in force, all or any of the functions to be exercised by the persons appointed as Administrator may be done by any or all or any one or more of the Administrators appointed or any of the persons for the time being holding that office |
| Proposed end of the Administration: | The Administrators are not yet in a position to determine the most likely exit route from the Administration |
| Estimated dividend for unsecured creditors: | Based on preliminary estimates, creditors may recover between 1% and 4% on their claims against the Company |

Section 6. Statutory and other information

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|---|--|
| | These estimates reflect the Administrators' best estimates of the return to creditors but they may be materially revised in due course as new facts become available |
| Estimated values of the Company's net property and the prescribed part: | The Administrators are not in a position to determine the final value of the Company's net property. However, it is clear that amounts available for distribution to unsecured creditors under the Prescribed Part will be capped at the statutory maximum value of £600,000 |
| The European Regulation on Insolvency Proceedings (Council Regulation(EC) No. 1346/2000 of 29 May 2000): | The European Regulation on Insolvency Proceedings applies to this Administration and the proceedings are main proceedings |

Section 7. Illustrative final outcome statement and receipts and payments account for the period 24 January 2012 to 23 July 2012

| | Notes | Receipts and Payments £ millions | Estimated Outcome £ millions |
|---|-------|-------------------------------------|---------------------------------|
| Assets subject to Lenders' fixed charges | | | |
| Cash and accounts receivable at Deutsche Bank | | 20.2 | 20.2 |
| Distribution to charge holder under fixed charge | | (20.2) | (20.2) |
| | | 0 | 0 |
| <i>Assets subject to Idihlas securitisation agreement</i> | | | |
| Accounts Receivable | | 48.4 | 48.4 |
| Cash at Commerzbank | | 22.0 | 22.0 |
| Less: Amount paid to Idilias | | (35.4) | (35.4) |
| Surplus transferred to Lenders' floating charge | | (35.0) | (35.0) |
| | | 0 | 0 |
| Assets subject to Lenders' floating charge | | | |
| Surplus accounts receivable from Idihlas securitisation | | 35.0 | 35.0 |
| Other non-securitised accounts receivable | | 17.6 | 21.6 |
| Pre-appointment sales invoiced post appointment | | 1.6 | 1.6 |
| PRTL Inventory | | 3.5 | 3.5 |
| Total floating charge recoveries | | 57.7 | 61.7 |
| Less: | | | |
| Prescribed part | | - | (0.6) |
| Contribution to trading and professional costs | 1 | - | (2.1) |
| Distribution to Lenders (\$60 million) | | (38.6) | (38.6) |
| Estimated residual funds available for the Lenders under their floating charge | | 19.1 | 20.4 |
| Trading | | | |
| Revenue | | 2.5 | 2.5 |
| Cost of sales (net) | 1,2 | (4.0) | (3.3) |
| | | (1.5) | (0.8) |
| Uncharged Assets | | | |
| Plant and other uncharged assets (net) | 1,3 | 0.1 | 3.9 |
| VAT | 4 | 0.2 | - |
| Estimated funds available for distribution to unsecured creditors | | (1.2) | 3.1 |
| Cash in hand (including £3.9 million realised on behalf of PMAG) | 5 | 21.8 | |
| Unsecured claims (per Directors SoA) | | | 84.0 |
| The indicative current claim of the Lenders | 6 | | 161.6 |

An exchange rate of £1 US\$1.55 has been used in preparing the above statement

Section 7. Illustrative final outcome statement and receipts and payments account for the period 24 January 2012 to 23 July 2012

Notes

- 1 Over the coming months the Administrators will aim agree with the PMAG Receiver and the Lenders what element of the trading and professional costs of the Administration cost are referable to, and payable out of the PMAG and PRTL charged realisations. Although these have not yet been agreed, these contributions have been estimated in the IOS to present an estimate of the potential final outcome
- 2 Trading costs authorised but not yet paid at 23 July 2012 totalled £0 8million. Trading costs paid to 23 July 2012 are analysed below
 - employee costs £1 7 million
 - rent and rates £0 7 million
 - third party tank rental £0 6 million
 - duress payments £0 3 million
 - bank charges £0 2 million
 - other costs £0 5 million
- 3 It is assumed that a corporation tax liability of up to £0 2 million may arise on the net realisations from the compensation claim, which completed after the sale of the terminal
- 4 VAT will arise on future transactions. It is assumed that such VAT arising will then be settled by and match future payments to or refunds from HM Revenue & Customs
- 5 £21 7 million of the cash in hand at 23 July 2012 was held in GBP because most expenditure (other than the initial \$60 million distribution to the Lenders) has been in GBP. The balance of the cash of \$0 1 million was held in US Dollars to meet modest expenses arising in foreign currency
- 6 As at 3 August, the indicative total current claim of the Lenders was US\$250 6 million (£161 6 million) but this may decrease prior to the bar date if further recoveries are made and distributed. However the quantum of the claim remains uncertain. If further recoveries are made and distributed by the Lenders the claim may decrease. Equally, if Lenders prove ultimately to be less successful in realising and retaining realisations, the claim could increase
7. Based on preliminary estimates, unsecured creditors may recover between 1% and 4% on their claims against the Company, from prescribed part funds and uncharged assets. This range has been calculated by adding the prescribed part of £0 6 million and the estimated funds available for distribution to unsecured creditors of £3 1 million, divided by the unsecured claims of £84 0 million as the higher estimate, or divided by £245 6 million (including the Lenders indicative claim) as the lower estimate. **These estimates reflect the Administrators' current best estimates of the return to creditors but they may be materially revised in either direction in due course as new facts become available.**

Section 8. Details of the Administrators' remuneration and Category 2 disbursements for the period 24 January 2012 to 23 July 2012

Background

This section sets out the process for setting and monitoring the Administrators' remuneration. The Administrators recognise that the costs of these insolvency proceedings will be significant and that it is appropriate in this case to exceed the disclosure standards defined in statute and regulatory guidance.

Insolvency Rules 1986 ("the Rules")

By way of context, the manner in which Administrators' remuneration is determined and approved is set out in the Rules (2.106 to 2.109). Pursuant to these rules, on 2 April 2012, the Company's creditors approved the basis of the Administrators' remuneration.

Fixing the Administrator's remuneration

The basis for fixing the Administrator's remuneration is set out in Rule 2.106 of the Rules, which states that it shall be fixed

- as a percentage of the value of the property which the Administrator has to deal with, or
- by reference to the time properly given by the Administrator and his staff in attending to matters arising in the Administration, or
- as a set amount

Any combination of these bases may be used to fix the remuneration, and different bases may be used for different things done by the Administrators. Where the remuneration is fixed as a percentage, different percentages may be used for different things done by the Administrator.

The Rules also provide that in arriving at its decision on remuneration the Committee is required to consider the following matters:

- The complexity (or otherwise) of the case,
- Any responsibility of an exceptional kind or degree which falls on the Administrators,
- The effectiveness with which the Administrators appear to be carrying out, or have carried out, their duties, and

- The value and nature of the property which the Administrators have to deal with

Statement of Insolvency Practice No.9 ("SIP 9")

In addition to the Rules, SIP 9, issued by the Joint Insolvency Committee, provides guidance to insolvency practitioners and creditors' committees in relation to the remuneration of, *inter alia*, Administrators. The purpose of SIP 9 is to

- Ensure that Administrators are familiar with the statutory provisions relating to office holders' remuneration,
- Set out best practice with regard to the observance of the statutory provisions,
- Set out best practice with regard to the provision of information to those responsible for the approval of remuneration to enable them to exercise their rights under the insolvency legislation, and
- Set out best practice with regard to the disclosure and drawing of disbursements

When seeking agreement for remuneration, the Administrators are required to provide sufficient supporting information to enable those responsible for approving their remuneration ("the approving body") to form a judgment as to whether the proposed remuneration is reasonable having regard to all the circumstances of the case. The nature and extent of the supporting information which should be provided will depend upon

- The nature of the approval being sought,
- The stage during the Administration of the case at which it is being sought, and
- The size and complexity of the case

Administrators' charging policy

The time charged to the Administration is by reference to the time properly given by the Administrators and their staff in attending to matters arising. It is the Administrators' policy to delegate tasks in the Administration to appropriate members of staff considering their level of experience and any requisite specialist

Section 8. Details of the Administrators' remuneration and Category 2 disbursements for the period 24 January 2012 to 23 July 2012

knowledge, supervised accordingly, so as to maximise the cost effectiveness of the work performed. Matters of particular complexity or significance requiring more exceptional responsibility are undertaken by senior staff or the Administrators themselves.

Narrative of key areas of work carried out for the period 24 January 2012 to 23 July 2012

The Joint Administrators formed several work streams to focus on each of the key aspects of the Administration strategy and reporting obligations. The activities of these work streams are summarized below. It should be noted that several individuals may work in more than one area.

Strategy and planning

- Setting and reviewing strategies
- Ongoing reviews of staffing requirements
- Ongoing liaison to agree tasks for staff members and monitoring their progress
- Reviewing and authorising critical correspondence and dealing with high level queries
- Coordinating efforts between the work streams and sharing information via the job-specific databases and otherwise
- Considering RTFO and CSO strategy

Trading

- Gaining a detailed understanding and control of processes at PRTL, from storage to sales and accounting, liaising with key personnel, including contingency planning in the event that IT licenses and servers are terminated or compromised
- Discussions with customers to ensure stocks could be realised
- Delegation for dealing with operational matters arising at the Bitumen division in Swansea to the trading team in Swansea
- Keeping trade creditors informed and respecting their rights. Identifying those suppliers critical to PRTL's ongoing operations and negotiating terms for continued trading with them
- Setting up lines of communication and systems to deal with supplier claims to property in the possession of PRTL e.g. reservation of title claims, consignment stock claims
- Ensuring the safe removal of hydrocarbon stocks from the terminal

- The preparation of cash flows and budgets for the period of Administration and the setting up of systems to monitor ongoing income and expenditures against the forecasts
- Together with PRTL staff, managing ongoing relationships with suppliers, controlling purchase orders
- Maintaining necessary capital expenditure in order to keep the petrochemical held on site safe
- Preparing and monitoring schedules of commitments to suppliers and reviewing all costs being incurred
- Liaison with suppliers in regard to the winding down of operations including contingency planning for the safe removal of hydrocarbons in the tank "heels" and cleaning the plant and equipment if the terminal did not sell as a whole
- Detailed work on resolving RTFO and CSO issues

Book debt realisations

- Briefing Working Capital Team and team management
- Working with the finance team within the company to prepare schedules of the aged debtors, understanding of the Commerzbank account and pledged versus unpledged invoices
- Gathering information for legal review re cash split between pre / post PMAG / non PMAG stock
- Discussions with Commerzbank on book debt realisations and settlement of securitization agreement
- Reviewing bank statements for cash received and preparing cash receipt vouchers
- Reconciliations of Teesside & Swansea pre & post appointment ledgers
- Chasing of Sales ledger accounts and preparation of file notes
- Dealing with the queries which arose, discussing the issues with Company staff
- Dealing with debt insurance claims
- Finalising Swansea rebates
- Discussions with the Administrator and assignment manager

Sale of business

- Preparation of non-disclosure agreements and detailed Information Memorandum
- Identification of list of potential interested parties

Section 8. Details of the Administrators' remuneration and Category 2 disbursements for the period 24 January 2012 to 23 July 2012

- Ongoing engagement with interested parties (providing information, reviewing indicative terms received, etc)
- Responding to further enquiries from interested parties and bidders
- Detailed assessment of the viability of received bids and providing feedback on the offers from interested parties Further negotiation with interested parties to achieve optimal value
- Comparison of bids received to achieve the objectives of the Administration
- Continued analysis of the regulatory, legal and tax issues surrounding the sale as a terminal
- Finalising contractual terms for the sale as a terminal

Employee matters

- Ensuring that employee matters were handled in an appropriate manner and key issues affecting them were communicated to them
- Communications sent regarding initial notification to the employees of the Administration and the reason for the Joint Administrators' appointment
- Notifications of any effects on the employees' terms and conditions and a general letter to employees regarding what is expected of them in the Administration
- Periodic 'Town Hall' meetings held since the outset plus regular meetings with employee and union representatives
- Dealing with day to day queries from staff
- Ongoing engagement with interested parties concerning employees to provide due diligence information
- Formulating a redundancy strategy
- Delivery of a 30 day consultation process in relation to redundancy and TUPE consultation
- Payroll review, authorisation and payment, liaison on tax, benefit in kind and other compliance issues
- Ensuring that all employees received their pay on the due dates
- Providing forecasted figures in relation to TUPE and redundancy costs
- Liaison with the pensions team in relation to pensions announcements
- Liaison with senior management in relation to operational issues around employees
- Reviewing and acting on legal advice in relation to any employee matters which may present a risk to the Administrators
- Arranging secondment of employees from PRTL to fill vacancies at PRML

- Authorising recruitment of agency workers and staff changes

Health and safety

- Working with PRTL staff to ensure continuing compliance with the UK Control of Major Accident Hazards (COMAH) regime
- Ensuring the continuing availability of suitable accident and emergency systems in the event of incidents
- Liaising with DECC and the Health and Safety Executive to ensure operations remain compliant and that the Administration strategy is compliant with regulations

Insurance

- Liaison with Petroplus Risk Manager and insurance broker to obtain insurance cover at the outset
- Ongoing consideration of implications / transferability of insurance arrangements in the event of a new buyer
- Revising insurance termination provisions in the event of closure
- Discussions with potential buyers in relation to insurance coverage

Other assets

- Dealing with Deutsche Bank AG and Commerzbank AG accounts
- Drafting standard letters requesting details of funds retained and seeking release of monies held
- Dealing with solicitors and legal counsel re judicial review on compensation claim
- Dealing with surveyors re valuation on compensation claim
- Review of corporation tax and Stamp Duty Land Tax on compensation claim and surrender of land at Teesside
- Negotiating a settlement on compensation claim and dealing with legal aspects
- Reviewing fixed asset information
- Working with auctioneer re sale of plant and equipment assets at Swansea and Teesside offices
- Consideration of potential RTFO asset, liaising with company staff, solicitors, legal counsel and government departments

Pensions

- Holding meetings and liaising with PRTL's management, scheme advisers and trustees
- Ongoing liaison and meetings with the Pensions Regulator and the Pension Protection Fund

Section 8. Details of the Administrators' remuneration and Category 2 disbursements for the period 24 January 2012 to 23 July 2012

- Due diligence work to ensure that the continuing death in service cover for all employees is at the correct level and on appropriate terms
- Advising on the pension implications of the possible outcomes for the business from the Administration process
- Advising on the pension content of communications to employees and participating in meetings with employee representative bodies
- Providing advice on pensions to PRTL's HR team
- Liaison with company staff to produce information required by HMRC
- Preparation and submission of VAT returns, including coordination and review of accounting information from company staff
- Attending due diligence calls with prospective purchasers to cover VAT and excise duty enquiries
- Attending meeting at legal advisors to ensure all VAT and duty aspects identified for both sale and restructuring options
- Reviewing draft sale and purchase agreements for VAT and duty issues and establishing Teesside option to tax position with HMRC

Lender reporting

- Providing regular updates on the progress of the Administration and work streams to the Lenders via conference calls
- Periodic formal reporting to the Lenders

Statutory and compliance

- Maintaining internal case records
- Ensuring compliance with insolvency legislation
- Providing communications updates on the client web site
- Dealing with enquiries principally from creditors and parties interested in acquiring the business
- Liaising with PRTL staff to identify creditors
- Recording claims received and comparing against the figures included in PRTL's records to check for any material discrepancies
- Reviewing, distributing and responding to post addressed to the Joint Administrators
- Reviewing the validity of retention of title claims in order to assist trading team negotiations
- Reviewing, commenting on and subsequently filing the directors' Statement of Affairs
- Working with Company staff and legal advisors to ensure continued RTFO and CSO compliance
- Managing the television and press interest in the Administration and issuing press releases
- Maintaining and reporting on the time cost records for the Administration

Corporation Tax, VAT and Duty

- Meeting with HMRC to discuss case strategy and possible outcomes for HMRC to ensure VAT and duty obligations were covered
- Discussions with HMRC to ensure their continuing support and maintenance of warehouse approvals

Accounting and treasury

- Processing receipts and supplier payments and BACS runs for payroll
- Reconciling account balances
- Working with PRTL staff to control transactions and update nominal ledgers
- Foreign exchange management

Section 8. Details of the Administrators' remuneration and Category 2 disbursements for the period 24 January 2012 to 23 July 2012

| Work Type | Partner (Hrs) | Director (Hrs) | Senior Manager (Hrs) | Manager (Hrs) | Senior Associate (Hrs) | Associate/ Other (Hrs) | Total hours | Total cost (£) | Average rate (£/h) |
|--|--------------------------|---------------------------|-------------------------------------|--------------------------|---------------------------------------|---------------------------------------|------------------------|-----------------------|-----------------------------------|
| Strategy and planning | 41 45 | 76 70 | 419 60 | 140 75 | 218 65 | 3 20 | 910 65 | 416,407 00 | 457 26 |
| Trading | 13 00 | 6 40 | 284 30 | 271 10 | 958 80 | 10 65 | 1,559 15 | 607,060 90 | 389 35 |
| Book debt realisations | 10 50 | 8 70 | 82 80 | 478 60 | 339 60 | | 934 70 | 376,840 10 | 403 17 |
| Sale of business | 29 50 | 142 15 | 104 90 | 378 30 | 32 80 | | 911 10 | 443,178 10 | 486 42 |
| Employee matters | 15 00 | 3 50 | 98 00 | 13 30 | 233 60 | | 437 90 | 176,630 40 | 403 36 |
| Health and safety | | | 9 80 | | 97 00 | | 106 80 | 38,500 20 | 360 49 |
| Insurance | 1 75 | 21 00 | 0 45 | | | | 23 20 | 14,960 80 | 644 86 |
| Other assets | 8.50 | 8 50 | 50 10 | 5 10 | 16 00 | | 108 20 | 54,271 40 | 501 58 |
| Pensions | 3 30 | 28 50 | 102 20 | 11 40 | | 32 65 | 179 45 | 103,894 95 | 578 96 |
| Lender reporting | 27 60 | 1 00 | 63 50 | 2 70 | 35 80 | | 134 20 | 66,393 40 | 494 73 |
| Statutory and compliance Corporation Tax, VAT and duty | 10 10 | 9 50 | 124 50 | 175 50 | 226 85 | 34 10 | 584 55 | 229,317 55 | 392 30 |
| Accounting and treasury | 4 20 | 17 85 | 70 50 | 16 90 | 14 10 | 4 70 | 155 60 | 101,908 70 | 654 94 |
| | 6 10 | 4 00 | 103 40 | 15 10 | 459 35 | 67 75 | 703 15 | 254,758 70 | 362 31 |
| Total hours | 171.00 | 327.80 | 1,514.05 | 1,508.75 | 2,632.55 | 153.05 | 6,748.65 | 2,884,122.20 | 427.36 |
| Total cost (£) | 129,384.50 | 246,915.75 | 843,181.55 | 674,800.65 | 957,335.85 | 32,503.90 | | | |
| Average rate (£/h) | 756 63 | 753 25 | 556 90 | 447 26 | 363 65 | 212 37 | | | |

Note No amounts have been drawn by the Administrators relating to the costs referred to in the above table. However a fee resolution was approved on 2 April 2012 at the meeting of creditors and ING (as security agent on behalf of the Lenders) provided authority to draw outstanding costs on 8 June 2012; further details are provided in Section 9

Section 8. Details of the Administrators' remuneration and Category 2 disbursements for the period 24 January 2012 to 23 July 2012

Hourly rates

Set out below are the relevant maximum charge-out rates per hour worked for the grades of the Administrators' staff actually or likely to be involved on this assignment. Time is charged by reference to actual work carried out on the assignment in units, each unit being no more than six minutes. There has been no allocation of any general costs or overhead costs. In common with all professional firms, the scale rates used by the Administrators may periodically rise (for example to cover annual inflationary cost increases) over the period of the Administration. Any material amendments to these rates will be provided in the next statutory report.

Specialist departments with the Joint Administrators' firm, such as Oil and Gas, Tax, VAT, Property and Pensions are also being used where expert advice is required. Such specialist rates do vary but the figures below provide an indication of the maximum rate per hour.

| Grade | Rate per hour £ | Specialist rate per hour £ |
|------------------|-----------------|----------------------------|
| Partner | 730 | 1035 |
| Director | 641 | 1035 |
| Senior Manager | 494 | 870 |
| Manager | 415 | 570 |
| Senior Associate | 347 | 390 |
| Associate | 221 | - |
| Support staff | 110 | - |

Disbursements for services provided by the Administrators' own firm (Category 2 disbursements)

The Administrators' firm's expenses policy allows for all properly incurred expenses to be recharged to the case. Disbursements are charged to the assignment as follows:

| | |
|---------------------|---|
| Photocopying | At 4 pence per sheet copied, only charged for circulars to creditors and other bulk copying |
| Mileage | At a maximum of 67 pence per mile (up to 2,000cc) or 80 pence per mile (over 2,000cc) |

The Administrators' staff incurred the following disbursements (excluding VAT) during the period to 23 July 2012:

| | |
|-------------------------------|----------|
| Category 2: | £ |
| Printing | 124 |
| Mileage | 18,514 |
| Category 1: | £ |
| Travel | 5,088 |
| Hotel and subsistence | 9,819 |
| Postage and couriers | 48 5 |
| Telephone | 415 |
| Company searches and accounts | 821 |
| Insurance | 1,280 |

Section 8. Details of the Administrators' remuneration and Category 2 disbursements for the period 24 January 2012 to 23 July 2012

Summary of legal and other professional firms and subcontractors instructed in the period 24 January 2012 to 23 July 2012

| Name of firm / organisation | Service provided | Reason selected | Basis of fees |
|------------------------------------|---|---------------------------------|------------------------|
| SNR Denton UK LLP | Legal advice | Legal knowledge / reputation | Time costs |
| Clifford Chance LLP | Pre appointment legal advice | Legal knowledge / reputation | Time costs |
| Storeys Edward Symmons | Asset valuation | Industry knowledge / prior work | Time costs |
| Honeywell Control Systems Ltd | Terminal support /maintenance contract | Industry knowledge / prior work | Fixed quarterly fee |
| IKM Consulting Ltd | Engineering and environmental consultancy | Industry knowledge / prior work | Time costs |
| John Boyd Assoc Ltd | Engineering consultancy | Industry knowledge / prior work | Time costs |
| Waltons Clark Whitehill | Payroll | Industry knowledge / prior work | Fixed scale rate |
| RSK STATS Geoconsult Ltd | Engineering and environmental consultancy | Industry knowledge / prior work | Time costs |
| RVA Engineering | Contingency planning | Industry knowledge / prior work | Time costs |
| Sanderson Weatherall | Plant and equipment Auctioneers | Reputation | Fixed fee / % realised |

The Administrators require all third party professionals to submit either time costs analyses and narrative or schedules of realisations achieved or other relevant information in support of invoices rendered. The Administrators approval is required prior to undertaking work, and time costs are monitored on a weekly or monthly basis as appropriate. The following costs were incurred in the period 24 January 2012 to 23 July 2012 in respect of both PRTL assets and PMAG inventory. Accordingly a portion of the disbursements will be recouped from the realisation of PMAG inventory.

| Advisor | Incurred (net) £ | Discharged (net) £ |
|-------------------------------|-----------------------------|-------------------------------|
| SNR Denton UK LLP | | |
| Fees | 1,205,915 | Nil |
| Expenses | 32,721 | Nil |
| Clifford Chance LLP | 82,595 | 82,595 |
| Storeys Edward Symmons | 11,279 | 11,279 |
| Honeywell Control Systems Ltd | 21,682 | 21,682 |
| IKM Consulting Ltd | 42,834 | 42,834 |
| John Boyd Associates Ltd | 154,879 | 135,407 |
| Waltons Clark Whitehill | 6,656 | 6,656 |
| RSK STATS Geoconsult Ltd | 43,573 | 22,240 |
| RVA Engineering | 18,000 | Nil |
| Sanderson Weatherall | Not known | Nil |
| Total | 1,620,135 | 322,693 |

Section 9. Approval of pre and post Administration costs

Pre-administration costs

Legal fees and expenses of £82,595 were incurred by Clifford Chance LLP prior to the appointment of Administrators but with a view to the Company entering into Administration

These unpaid costs comprise the work undertaken in preparing and reviewing the Directors' witness statements in support of their application to Court. The Court ordered that the pre-Administration costs be paid as an expense of the Administration

Resolutions of the creditors in respect of pre and post administration costs

That the unpaid pre-administration costs detailed at Appendix B of the Administrators' proposals dated 15 March 2012 are approved for payment as expenses of the Administration

The resolution originally approved by the creditors, approved costs of Clifford Chance LLP in the sum of £5553, but they subsequently advised that the correct figure was £82,595. If necessary the administrators will seek a further approval

That the Administrators' fees be fixed by reference to the time properly given by the Administrators and the various grades of their staff according to their firm's usual charge out rates for work of this nature and that the Administrators be authorised to draw such fees from time to time

That the Administrators be authorised to draw disbursements for services provided by their own firm (Category 2 disbursements) as follows
Photocopying - charged for circulars to creditors and other bulk copying only at 4p per sheet,
mileage - at a maximum of 67p per mile (up to 2,000 cc) or 80p per mile (over 2,000cc) from time to time. These rates 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

Approval of the Lenders

On 8 June 2012 ING acting as security agent on behalf of the Lenders confirmed that the PRTL Administrators' remuneration be fixed by reference to their time costs and that they may draw their current outstanding costs on account

Section 10 – Statement of creditors' rights

Rule 2.48A Creditors' request for further information

- (1) If—
- (a) within 21 days of receipt of a progress report under Rule 2 47—
 - (i) a secured creditor, or
 - (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or
 - (b) with the permission of the court upon an application made within that period of 21 days, any unsecured creditor,

makes a request in writing to the Administrator for further information about remuneration or expenses (other than pre-Administration costs) set out in a statement required by Rule 2 47(1)(db) or (dc), the Administrator must, within 14 days of receipt of the request, comply with paragraph (2)

(2) The Administrator complies with this paragraph by either—

- (a) providing all of the information asked for, or
- (b) so far as the Administrator considers that—

- (i) the time or cost of preparation of the information would be excessive, or
- (ii) disclosure of the information would be prejudicial to the conduct of the Administration or might reasonably be expected to lead to violence against any person, or

(iii) the Administrator is subject to an obligation of confidentiality in respect of the information,

giving reasons for not providing all of the information

(3) Any creditor, who need not be the same as the creditor who requested further information under paragraph (1), may apply to the court within 21 days of—

(a) the giving by the Administrator of reasons for not providing all of the information asked for, or

(b) the expiry of the 14 days provided for in paragraph (1),

and the court may make such order as it thinks just

(4) Without prejudice to the generality of paragraph (3), the order of the court under that paragraph may extend the period of 8 weeks provided for in Rule 2 109(1B) by such further period as the court thinks just "

Rule 2.109 Creditors' claim that remuneration is or other expenses are excessive

(1) Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to the court for one or more of the orders in paragraph (4)

(1A) Application may be made on the grounds that—

(a) the remuneration charged by the Administrator,

(b) the basis fixed for the Administrator's remuneration under Rule 2 106, or

(c) expenses incurred by the Administrator,

is or are, in all the circumstances, excessive or, in the case of an application under sub-paragraph (b), inappropriate

(1B) The application must, subject to any order of the court under Rule 2 48A(4), be made no later than 8 weeks after receipt by the applicant of the progress report which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report")

(2) The court may, if it thinks that no sufficient cause is shown for a reduction, dismiss it without a hearing but it shall not do so without giving the applicant at least 5 business days' notice, upon

Section 10 – Statement of creditors' rights

receipt of which the applicant may require the court to list the application for a without notice hearing. If the application is not dismissed, the court shall fix a venue for it to be heard, and give notice to the applicant accordingly.

(3) The applicant shall, at least 14 days before the hearing, send to the Administrator a notice stating the venue and accompanied by a copy of the application, and of any evidence which the applicant intends to adduce in support of it.

(4) If the court considers the application to be well-founded, it must make one or more of the following orders—

- (a) an order reducing the amount of remuneration which the Administrator was entitled to charge,
- (b) an order fixing the basis of remuneration at a reduced rate or amount,
- (c) an order changing the basis of remuneration,
- (d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the Administration,
- (e) an order that the Administrator or the Administrator's personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court may specify,

and may make any other order that it thinks just, but an order under sub-paragraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report.

(5) Unless the court orders otherwise, the costs of the application shall be paid by the applicant, and are not payable as an expense of the Administration.

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www.pwc.co.uk/business-recovery/Administrations/petroplus

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Statement of affairs

Name of company
Petroplus Refining Teesside Limited

Company number
00814156

In the
High Court Justice, Chancery Division,
Companies Court

(full name of court)

Court case number
685 of 2012

(a) Insert name and address of
registered office of the company

Statement as to the affairs of (a)
Petroplus Refining Teesside Limited
Petroplus House
St Mark's Court
Stockton on Tees TS17 6QW

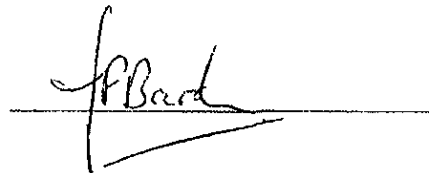
(b) Insert date on the (b) 24th January 2012, the date that the company entered administration

Statement of Truth

I believe that the facts stated in this statement of affairs are a full, true and complete statement of the affairs of the above named company as at (b) 24th January 2012 the date that the company entered administration

Full name JONATHAN PETER BARDEN

Signed

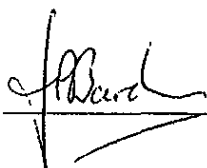


Dated 18-04-2012

A – Summary of Assets

Assets

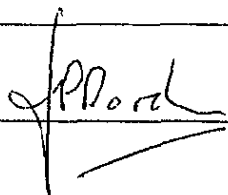
| | Book Value £ | Estimated to Realise £ |
|--|--------------------|------------------------------|
| Assets subject to fixed charge | | |
| Trade Debtors | 42,926,822 | 42,926,822 |
| Cash | 21,083,887 | 21,083,887 |
| Less Secured Fixed Charge Creditors | (35,369,692) | (35,369,692) |
| Assets subject to a floating charge | | |
| Stock | 3,340,113 | 3,340,113 |
| Trade Debtors | 33,170,700 | 33,151,444 |
| Cash | 19,325,936 | 19,325,936 |
| Immediate Parent Debtor – Petroplus Refining & Marketing Ltd | 38,157 | not known |
| Fellow Subsidiary Debtors – Petroplus Marketing AG | 80,964,851 | not known |
| Other Receivables | 64,424 | 0 |
| Uncharged Assets | | |
| Tangible Fixed Assets | 9,369,411 | 8,200,000 |
| Stock | 438,444 | 438,444 |
| Estimated total assets available for preferential creditors | 175,353,052 | 93,096,954 |

Signature  Date 18-04-12

A1 – Summary of Liabilities

| | | Estimated to realise £ |
|--|--------------|------------------------------|
| Estimated total assets available for preferential creditors (carried from page A) | £ | 93,096,954 |
| Liabilities | | |
| Preferential creditors - | £ 64,133 | |
| Estimated deficiency/surplus as regards preferential creditors | | 93,032,821 |
| Estimated prescribed part of net property where applicable (to carry forward) | £ 600,000 | |
| Estimated total assets available for floating charge holders | | 92,432,821 |
| Debts secured by floating charges | £ | (84,458,510) |
| Estimated deficiency/surplus of assets after floating charges | | 7,974,311 |
| Estimated prescribed part of net property where applicable (brought down) | £ 600,000 | |
| Total assets available to unsecured creditors | | 8,574,311 |
| Unsecured non-preferential claims – Petroplus Marketing AG | £ 61,658,769 | |
| Unsecured non-preferential claims – other creditors (excluding any shortfall to floating charge holders) | £ 84,019,066 | |
| Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall to floating charge holders) | | (137,103,524) |
| Shortfall to floating charge holders (brought down) | £ | |
| Estimated deficiency/surplus as regards creditors | | |
| Issued and called up capital | £ 20,000 | |
| Estimated total deficiency/surplus as regards members | | (137,123,524) |

Signature



Date

18 04-12

COMPANY CREDITORS

Note: You must include all creditors and identify all creditors under hire-purchase, chattel leasing or conditional sale agreements *and* customers claiming amounts paid in advance of the supply of goods or services *and* creditors claiming retention of title over property in the company's possession

| Name of creditor or Claimant | Address (with postcode) | Amount of debt £ | Details of any security held by creditor | Date security given | Value of security £ |
|--|---|------------------|--|---------------------|---------------------|
| Idilias SPC10 Inc | c/o MaplesFS Limited, PO Box 1093 GT, Boundary Hall, Cricket Square, Grand Cayman, KY1-1102 | 35,369,692 | Fixed charge over certain debtors and cash | 21 November 2011 | 35,369,692 |
| ING Bank NV (acting as security agent) | Bijmerplein 888, 1102 MG Amsterdam, The Netherlands, AMP D 02 007 | 84,458,510 | Floating charge over certain receivables, cash and stock | 16 October 2009 | 84,458,510 |
| Various employee pension contributions | | 25,724 | | | |
| Various employee holiday pay | | 38,409 | | | |
| Petrolplus Marketing AG | Industriesrasse 24, 6304 Zug, Switzerland | 61,658,769 | | | |
| Various | Please refer to spreadsheet of creditors | 84,019,066 | | | |
| | | | | | |

Signature  Date 18-04-12

COMPANY SHAREHOLDERS

| Name of Shareholder | Address (with postcode) | No of shares held | Nominal Value | Details of Shares held |
|--------------------------------------|---|-------------------|---------------|---|
| Petroplus Refining and Marketing Ltd | CCB Coryton Refinery, The Manorway, Stanford-le-Hope, Essex, SS17 9LL | 20,000 | £20,000 | 10,000 'A' Ordinary shares. 10,000 'B' ordinary shares |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| TOTALS | | 20,000 | £20,000 | |

[Signature]

Signature Date 18-04-2012

[illegible]

| Name of Creditor claimant | BARNSDALE WAY | GROVE PARK | Address with post code | LEICESTER | Amount of Debt £ |
|-------------------------------------|---------------------------------|------------------------------------|------------------------|-----------|------------------|
| EASTERN SHIPES PURCHASING O | Units 22 & 23 | Willowbrook Technology Park | ENDERBY | LE19 1ES | 1 274 40 |
| ECHA MICROBIOLOGY LTD | Sireton Green Distribution Park | Applington | Llandogo Road | CF3 0BF | 1 490 26 |
| EEF Limited | DERWENT HOUSE | TOWN CENTRE | Warrington | WA4 4TZ | 25 595 83 |
| ELLIOTTS CHAUFFEUR SERVICE | 17 CRESTWOOD | FERNWOOD ESTATE | WASHINGTON | NE38 7SR | 6 108 16 |
| Elstone Engineering Co | Earlsay | Teesside Industrial Estate | REDCAR | TS10 4NN | 3 913 68 |
| Emerson Process Management | Mendian East | Leicester | Thornaby | TS17 9UJ | 438 00 |
| Engineering Integrity | 35 Stanley Place | Cadroxton | Neath | LE19 1UX | 3 817 80 |
| Environment Agency | Income Dept 311 | PO Box 283 | Peterborough | SA10 8BE | 200 00 |
| Ernst & Young LLP | Clygate | St James Boulevard | Newcastle upon Tyne | PE2 8YD | 20 623 37 |
| Euroblume | Boulevard Du Souverain 165 | Brussels | B-1160 | NE1 4JD | 12 000 00 |
| European Instruments | Shofter Kilns | Old Road | Headington | Belgium | 17 201 84 |
| EXCEL EUROPE LTD | C/O Accenture | PO Box 391 | Bedford | OX3 8ST | 199 73 |
| Experian | Talbot House | Immingham | Nottingham | NG40 2XQ | 91 349 39 |
| Fabroom Contracting Ltd | Kings Road | Leckwith Industrial Estate | North East Lincs | DN40 1FN | 3 436 50 |
| Fleetwheel Commercial Motor | Whittle Road | Dumballs Road | Cardiff | CF11 8AT | 9 006 50 |
| Forward Waste Management Lt | Unit 2 Anchor Industrial Estate | FAVERDALE IND EST | DARLINGTON | CF10 5FF | 117 95 |
| George Allinson (Transport) | FAVERDALE NORTH | B-3830 Wellen | | 2 394 00 | |
| GEOS Constructive Testing | Hertensstraat 30 | Royal Liver Building | Per Head | DL3 0PP | 121 82 |
| Government Procurement Serv | 3rd Floor | Westfield Industrial Park | Swansea | Belgium | 438 46 |
| Hall & Roche Logistics Ltd | Unit 5 | Portrack Interchange Business Park | Swansea | L3 1PE | 377 88 |
| HC Controls Ltd | Weatherby Close | 6 4 Redgrave Court | Stockton on Tees | SA5 4SF | 595 20 |
| Health & Safety Executive | FOS Cash & Sales | Teesside Industrial Estate | Merton Road | TS18 2SL | 840 00 |
| Henny Gallagher Ltd | Perry Avenue | The Hayard | Thornaby | L20 7HS | 4 953 30 |
| Hertel (UK) Ltd | 1 Hudson Quay | Sheffield | Middlebrough | TS17 9LN | 940 72 |
| Hertel Valve & Rotating Ser | 1 Hudson Quay | Newcastle Upon Tyne | Middlebrough | TS3 6RT | 1 368 00 |
| Heurden Stuan PLC | PO Box 67 | Higham place | Middlebrough | TS3 6RT | 3 514 25 |
| Honeywell Control Systems L | PO Box 43 | Middlesbrough | Manchester | M32 0HW | 2 893 15 |
| Homcastle Executive Travel | 10 Market Street | Station Road | | S98 1DL | 8 467 20 |
| Homcastle Executive Travel | Hadrian House | Preston Farm Industrial Estate | | NE1 6JF | 83 28 |
| HSS Hire Service Group Ltd | Sotherby Road | 29 PARK PLACE | | NE1 8AF | 1 261 23 |
| ICM | The Water Mill | Wilham | | TS3 8BS | 10 379 70 |
| Imperial Tankers Ltd | Boeing Way | LUTHER CHALLIS BUSINESS CENT | | LE15 8NB | 66 00 |
| INCASSO LLP | TRAFALGAR HOUSE | 51-60 Futura Park | | TS18 3TE | 32 296 94 |
| Inspectorate International | 2 Perry Road | 734 London Road | | LS1 2SP | 6 22 |
| Inspiration Limited | Phoenix Way | HAMBLETON ROAD | | CM8 3TU | 12 724 72 |
| INTERCALL | TOPEKA HOUSE | Farnham | | SA4 9WF | 988 55 |
| ISS Facility Services Ltd | North Division | Portrack Industrial Estate | | GL4 3HX | 899 83 |
| ITS Testing Services (UK) L | Caleb Brett House | Teesside Industrial Estate | | BL6 6SU | 4 814 52 |
| ITS Testing Services Limite | Caleb Brett House | Bathgate | | RM20 3NL | 36 747 85 |
| J & A YOUNG (LEICESTER) LTD | BROOK HOUSE | Middlesbrough | | RM20 3NL | 358 80 |
| Jackson Son & Co (London) L | 4 St Georges Yard | Swansea | | LE15 8AE | 2 352 00 |
| John Clark Valves Limited | Portrack Grange Road | Castle Square | | GU9 7LW | 384 76 |
| John Morfield Ltd | Unit 98 Sadler Forster Way | Ardglen Road | | TS18 2PH | 126 00 |
| Johnston Oils Ltd | Standhill | Granite House | | TS17 9JY | 6 204 96 |
| Kall Kwik Centre | 134/136 Marton Road | London | | EH48 4EU | 155 223 37 |
| Konca Mncita | 11-12 De La Beche Street | Balrment "Helianthe" | | TS21 2ED | 1 742 39 |
| La Baguette Du Jour (Franchise) Ltd | 9 Caer Street | | | SA1 3EZ | 646 30 |
| Labcal Ltd | Unit C4 Pegasus Court | | | SA13PP | 823 18 |
| Latarge Aggregates Ltd - De | PO Box 7388 | | | RG28 7BP | 432 00 |
| Lane Clark & Peacock | 30 Old Burlington Street | | | LE17 1WA | 13 656 11 |
| LEA-co International | Services administratifs | | | W15 3NN | 60 930 00 |
| | | | | France | 31 323 87 |

13-41-12

| Name of Creditor claimant | INVESTMENT MANAGEMENT | BUCKLESBURY HOUSE | Address with post code | Amount of Debt £ |
|--------------------------------------|------------------------------------|-------------------------------------|----------------------------|------------------|
| LEGAL & GENERAL ASS LTD | Osers Road | Wandsworth | 3 QUEEN VICTORIA ST | ECAN 8NH |
| Union Fuel Oils Ltd | Marsh House | Uitbreidingsstraat 180 | London | 15 658 73 |
| Marsh NV | RANDOL HOUSE | MARTINET HOUSE | Antwerp B-2600 | SW18 1NR |
| MASTERCOPY LTD | Riverside Stadium | Middlesbrough | Belgium | 15 794 05 |
| Middlesbrough Football Club | Ravenstock House | 28 Falcon Court | STOCKTON ON-TEES | 1 109 08 |
| Mobile Mini UK Ltd | N2 Check Ltd | Marlow | THORNABY | TS17 0BA |
| NABARRO LLP | 1 SOUTH QUAY | VICTORIA QUAY | Preston Farm Business Park | TS3 6RS |
| NAYLOR - MYERS LIMITED | Accounts Receivable | PO Box 4150 | Marlow | TS18 3TX |
| Newport Rail Infrastructure | ACCOUNTS PAYABLE | CIVIC CENTRE | SHEFFIELD | SL7 1YL |
| NEWCASTLE UPON TYNE CITY CO | Accounts Receivable | Norfolk House | WEST YORKSHIRE | S2 5SY |
| Northgate Vehicle Hire (Nor | RADCLIFFE HOUSE | BLLENHEIM COURT | Manchester | HD1 6PB |
| NPOWER DIRECT LIMITED | North Road | Enterprise Park | NEWCASTLE UPON TYNE | M60 7WY |
| Nynas UK AB | GUILBERT HOUSE | Belasis Avenue | Darlington | NE1 8PB |
| OFFICE DEPOT UK LTD | The Water Centre | Keels University Science & Business | WEST MIDLANDS | DL1 4DY |
| Park Water Limited | OAKLAND HOUSE | HURLEY HALL | Cheshire | B91 2AA |
| PH MEDIA GROUP | Claron Close | Loughlin | TEAM VALLEY TRADING ESTATE | CH65 1AJ |
| Portacover (Machinery Movements) Ltd | The Grange Business Centre | Concorde Way | GATESHEAD | NE11 QJH |
| Postal Pages | THE STABLES | Cowshill | Swansea | SA8 4EN |
| PR FIRM (THE) | 226 High Road | Stanford Road | MANCHESTER | M16 0PQ |
| PROMANEX LTD | R & A Kay Inspection Servc | Hammerman House | Swansea | SA6 8QU |
| Public Sector Information | R A Dalton Ltd | Skippers Lane | Cleveland | TS23 1LG |
| R M Trailer Centre | 12 Tame Road | London | Staffordshire | TS23 1LG |
| RECYCLED IN ORSETT LIMITED | DANSAND QUARRY | CONCORDE WAY | NEAR ATHERSTONE | ST5 5NL |
| Refined Bilumen Association | Mr C Southwell | Concorde Way | County Durham | CV9 2HT |
| Restore Storage Group | Unit 2 Stepphenson Court | Cowshill | Harnogate | IG10 1ET |
| Reulers Ltd | 85 Fleet Street | Stanford Road | County Durham | TS18 3RB |
| RS Components Limited | PO Box 99 | Hammerman House | Swansea | DL13 1DB |
| RVA Consulting Engineers Lt | The Manor House | Skippers Lane | MANCHESTER | TS3 6LL |
| S & A Stationers Ltd | c/o HSBC Invoice Finance | London | Swansea | RM16 3BB |
| Sabic UK Petrochemicals | PO Box 90 | CONCORDE WAY | Swansea | HG2 8ER |
| SBZ Corporation Ltd | Kendal Court | Stanford Road | Swansea | TS6 6UT |
| Scandinavian Oil Services A | Shyllegatan 18 | Hammerman House | Swansea | TS6 6UT |
| Semboor Utilities (UK) Ltd | SCU (UK) Headquarters | Skippers Lane | Swansea | TS6 6UT |
| SGS UK Ltd | Rossmore Business Park | Skippers Lane | Swansea | TS6 6UT |
| Shell UK Products Limited | Shell Finance Operation (Scotland) | Skippers Lane | Swansea | TS6 6UT |
| SHRED - IT LTD | OCTAVIAN WAY | Skippers Lane | Swansea | TS6 6UT |
| SITA UK | 301-303 PARKWAY | Skippers Lane | Swansea | TS6 6UT |
| Suezlink Communications Ltd | 18 Bridgewater Road | Skippers Lane | Swansea | TS6 6UT |
| Slender UK | 183a Ashley Road | Skippers Lane | Swansea | TS6 6UT |
| Stewart Buchanan Gauges Ltd | Burnside Industrial Estate | Skippers Lane | Swansea | TS6 6UT |
| Suckling Transport Limited | Harwood House | Skippers Lane | Swansea | TS6 6UT |
| Sutton & Son (SI Helens) Lt | Gorseley Lane | Skippers Lane | Swansea | TS6 6UT |
| TABS Recruitment | CHRISTINE HOUSE | Skippers Lane | Swansea | TS6 6UT |
| Teesside Automation Service | 37 39 Norton Road | Skippers Lane | Swansea | TS6 6UT |
| Teesside Graphics Ltd | Grange Business Centre | Skippers Lane | Swansea | TS6 6UT |
| The Fuelcard Company UK Ltd | St James Business Park | Skippers Lane | Swansea | TS6 6UT |
| TNT UK LTD | P0 Box 4 | Skippers Lane | Swansea | TS6 6UT |
| Tomlinson Hall & Co Ltd | Lagonda Road | Skippers Lane | Swansea | TS6 6UT |

| Name of Creditor claimant | Address with post code | WEST SUSSEX | BN11 2BW | Amount of Debt £ |
|------------------------------|------------------------|-----------------|----------|------------------|
| TOTAL TECHNOLOGY ENGINEERING | Worthing | | | 2 284 16 |
| TOTAL UK LTD | HERTS | | WD17 1TQ | 102 318 09 |
| Training Reality | Bedale | | DL3 2TQ | 1 680 00 |
| UK Fueline | Gloucester | | GL1 2LW | 4 843 67 |
| UK PETROLEUM INDUSTRY ASS | Chancery Lane | London | WC2A 1HP | 51 092 47 |
| UNIVERSITY OF TEESSIDE | | | TS1 3BA | 798 00 |
| UPS Limited | Feltham | Middlesex | TW13 7DY | 137 48 |
| Veolia ES (UK) Ltd | Cannock | Staffordshire | WS11 8JP | 30 239 96 |
| VSc Solutions Limited | Yarm on Tees | | TS15 0AY | 3 210 72 |
| VWR International Ltd | Lutterworth | | LE17 4XN | 215 40 |
| W Eves | Whitby | Leicestershire | YO22 4PU | 1 052 79 |
| Warwickshire County Council | | North Yorkshire | CV35 7DP | 180 00 |
| Willacy Oil Services Ltd | Sandycroft | Deeside | CH5 2OE | 86 076 00 |
| WINCANTON PLC | BARNESLEY | YORKS | S70 6RA | 12 000 00 |
| WRIGLEYS - SOLICITORS | | | LS2 3AG | 607 20 |
| York Taxi Proprietors Assoc | York | | YO24 1AY | 703 20 |
| YPO | Wakefield | | WF2 0XE | 531 00 |
| | | | | 84 019 066 |

18-04-12