



For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 1 1 7 3 2 1 7 7

Company name in full Connect Airways Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Simon Jamie

Surname Edel

3 Administrator's address

Building name/number Ernst & Young LLP

Street 1 More London Place

Post town London

County/Region London

Postcode S E 1 2 A F

Country United Kingdom

4 Administrator's name ①

Full forename(s) Alan Michael

Surname Hudson

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number Ernst & Young LLP

Street 1 More London Place

Post town London

County/Region London

Postcode S E 1 2 A F

Country United Kingdom

② Other administrator

Use this section to tell us about
another administrator.

AM10

Notice of administrator's progress report

6 Period of progress report

From date	^d 1	^d 0	^m 0	^m 3	^y 2	^y 0	^y 2	^y 1	
To date	^d 0	^d 9	^m 0	^m 9	^y 2	^y 0	^y 2	^y 1	

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X 

X

Signature date

^d0 ^d7 ^m1 ^m0 ^y2 ^y0 ^y2 ^y1

**Presenter information**

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

Contact name **Ned Swifte**

Company name **Ernst & Young LLP**

Address **1 More London Place**

Post town **London**

County/Region **London**

Postcode **SE1 2AF**

Country **United Kingdom**

DX

Telephone **(0) 20 7951 2000**

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

**Important information**

All information on this form will appear on the public record.

**Where to send**

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

**Further information**

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Continuation page

Name and address of insolvency practitioner

✓ **What this form is for**
Use this continuation page to tell us about another insolvency practitioner where more than 2 are already jointly appointed. Attach this to the relevant form. ①
Use extra copies to tell us of additional insolvency practitioners.

✗ **What this form is NOT for**
You can't use this continuation page to tell us about an appointment, resignation, removal or vacation of office.

→ **Filling in this form**
Please complete in typescript or in bold black capitals.
All fields are mandatory unless specified or indicated by *

1 Appointment type

Tick to show the nature of the appointment:

- ☒ Administrator
- ☐ Administrative receiver
- ☐ Receiver
- ☐ Manager
- ☐ Nominee
- ☐ Supervisor
- ☐ Liquidator
- ☐ Provisional liquidator

① You can use this continuation page with the following forms:
- VAM1, VAM2, VAM3, VAM4, VAM6, VAM7
- CVA1, CVA3, CVA4
- AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25
- REC1, REC2, REC3
- LIQ02, LIQ03, LIQ05, LIQ13, LIQ14,
- WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

2 Insolvency practitioner's name

Full forename(s)

Lucy

Surname

Winterborne

3 Insolvency practitioner's address

Building name/number Ernst & Young LLP

Street The Paragon

32 Counterslip

Post town Bristol

County/Region

Postcode

B S 1 6 B X

Country

United kingdom

Continuation page

Name and address of insolvency practitioner

✓ **What this form is for**
Use this continuation page to tell us about another insolvency practitioner where more than 2 are already jointly appointed. Attach this to the relevant form. ①
Use extra copies to tell us of additional insolvency practitioners.

✗ **What this form is NOT for**
You can't use this continuation page to tell us about an appointment, resignation, removal or vacation of office.

→ **Filling in this form**
Please complete in typescript or in bold black capitals.
All fields are mandatory unless specified or indicated by *

1 Appointment type

Tick to show the nature of the appointment:

- ☒ Administrator
- ☐ Administrative receiver
- ☐ Receiver
- ☐ Manager
- ☐ Nominee
- ☐ Supervisor
- ☐ Liquidator
- ☐ Provisional liquidator

① You can use this continuation page with the following forms:
- VAM1, VAM2, VAM3, VAM4, VAM6, VAM7
- CVA1, CVA3, CVA4
- AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25
- REC1, REC2, REC3
- LIQ02, LIQ03, LIQ05, LIQ13, LIQ14,
- WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

2 Insolvency practitioner's name

Full forename(s)

Joanne Honor

Surname

Robinson

3 Insolvency practitioner's address

Building name/number

Ernst & Young LLP

Street

1 More London Place

Post town

London

County/Region

London

Postcode

S E 1 2 A F

Country

United Kingdom

TO ALL KNOWN CREDITORS

7 October 2021

Ref: AH/JR/LW/SE/DM
Switchboard: (0) 20 7951 2000

Ned Swifte
Ned.Swifte1@parthenon.ey.com

Dear Sirs

Connect Airways Limited (in Administration) (“the Company”)

High Court of Justice Business and Property Courts of England and Wales Insolvency and Companies List (ChD), Number CR-2020-001588

I refer to the appointment of Alan Hudson, Simon Edel, Joanne Robinson and Lucy Winterborne as Joint Administrators (“the Joint Administrators”) of the Company on 10 March 2020. The Joint Administrators act as agents of the Company only and without personal liability. Under the terms of the appointment any act required or authorised to be done by the Joint Administrators can be done by any of them.

I write, in accordance with Rule 18.3 of the Insolvency (England and Wales) Rules 2016 (“the Rules”), to provide creditors with a report on the progress of the administration. This report covers the period from 10 March 2021 to 9 September 2021 (“the Period”) and should be read in conjunction with the Joint Administrators’ Statement of Proposals (“the Proposals”) dated 4 May 2020 and our previous progress reports for the following periods:-

- 10 March 2020 to 9 September 2020 (“the First Progress Report”); and
- 10 September 2020 to 9 March 2021 (“the Second Progress Report”);

including the definitions contained therein.

Statutory information about the Company, the administration and the office holders is given at Appendix 1. A copy of the Proposals can be obtained at https://www.ey.com/en_uk/ey-connect-airways-limited-administration.

1. Summary of progress

1.1 Sale of assets owned by the Company

As you will recall, in April 2020, the Joint Administrators sold:

- (a) the Company’s shares in Propius Holdings Limited (“Propius”) to Everdeal 2019 Limited whilst also agreeing to sell the rights of the Company as lender under an intercompany loan owing to it by Everdeal 2019 Limited; and
- (b) the Company’s shares in Everdeal 2019 Limited and Everdeal Employees 2019 (together referred to as “Everdeal”) to Stobart Aviation Limited (“Stobart Aviation”) which is now part of the Esken group (“Esken”).

The aggregate consideration received to date in respect of the acquisition of the shares referred to at (a) and (b) above (the “Shares”) is £2.3m.

The Shares were subject to fixed security granted by the Company in favour of GLAS Trust Corporation Limited, as security trustee (“the Security Trustee”) for the benefit of Virgin Atlantic Airways Limited and DLP Holdings S.A.R.L as senior lenders.

Further realisations in respect of the sale of the Shares is discussed at section 1.2 below but would only become available by way of potential additional deferred consideration (“Potential Consideration”) which would only arise in the event of an exit of Esken’s interest in any of Propius, Everdeal or any of the underlying subsidiaries of such companies, including Stobart Air Unlimited Company (“Stobart Air”).

As set out in the Proposals and previous progress reports, there were no other assets to be realised in the name of the Company.

1.2 Potential Consideration

During the Period it has become clear that it is highly unlikely that any further realisations will be available to the Company from the Potential Consideration.

The basis for this position is as follows: -

- Esken had been exploring an exit from Everdeal (by virtue of a sale of Stobart Air, an indirect subsidiary of Everdeal) and Propius.
- Esken had previously entered into an agreement for the sale of its shares in Everdeal to a third party, Ettyl Ltd (“the Ettyl Transaction”) at the start of 2021. The aim of the acquisition was to acquire the Stobart Air business.
- The Ettyl Transaction had constituted a Potential Consideration “trigger event” in respect of the sale of the Shares. However, unfortunately no Potential Consideration value would flow to the Company from the Ettyl Transaction.
- On or around 10 June 2021, it emerged that Ettyl no longer had the funding to support the Ettyl Transaction and the sale agreement was terminated. Esken then advised Stobart Air’s board of directors that it was unable to continue to fund the business going forward. Stobart Air not being able to continue as a going concern, then ceased to trade and the board of directors made an application to the Irish court to appoint joint liquidators to Stobart Air.
- In the meantime, Propius continues to have leasing obligations in respect of 8 aircraft formerly used by Stobart Air and it is not expected that any net Potential Consideration will become available to the Company in the future in respect of Propius.

Given the above, it is highly unlikely that any Potential Consideration will be available to the Company pursuant to the sale of the Shares.

Notwithstanding the above, you may recall that the Joint Administrators sought and obtained consent from the Senior Lenders to a distribution in specie of the Company’s right in relation to any Potential Consideration payable in the future. This process was subject to obtaining approval from the Company’s non-preferential creditors.

Given the current position, we will shortly propose to the Senior Lenders whether they would like us to continue with the distribution in specie process (and approach to the Company's non-preferential creditors). We will report back to creditors once this is agreed with the Senior Lenders, but confirm that no recoveries would be available to non-preferential creditors in any case.

2. Receipts and payments account

A summary of our receipts and payments for the period from 10 March 2021 to 9 September 2021 is attached at Appendix 2. It does not reflect estimated future realisations or costs.

3. Investigations

The Joint Administrators have concluded and made their confidential submission on the conduct of all persons who were directors, shadow directors or de-facto directors of the Company during the three-year period preceding the Administration to the Insolvency Service, in accordance with the Company Directors Disqualification Act 1986. We have also carried out the work required by Statement of Insolvency Practice Number 2 (Investigations by Office Holders) ("SIP 2").

The Joint Administrators are not carrying out any further SIP 2 investigations and no specific investigations or actions have been requested by creditors. However, in the six-month period to 9 September 2021, we have continued to assist and facilitate enquiries from the Insolvency Service as well as attend to the continued preservation of records and data relevant to the Company.

4. Joint administrators' remuneration

The statutory provisions relating to remuneration are set out in Part 18 of the Insolvency (England and Wales) Rules 2016. Further information is given in the Association of Business Recovery Professionals' publication 'A Creditors' Guide to Administrators' Fees', a copy of which may be accessed from the web site of the Institute of Chartered Accountants in England and Wales at <https://www.icaew.com/en/technical/insolvency/creditors-guides> or is available in hard copy upon written request to me.

In certain circumstances, creditors are entitled to request further information about our remuneration or expenses, or to apply to court if they consider the costs to be excessive (Rules 18.9 and 18.34 of the Insolvency (England and Wales) Rules 2016). Further information is provided in 'A Creditors' Guide to Administrators' Fees' referred to above.

As you will recall in the First Progress Report, on 10 August 2020, the Joint Administrators' remuneration was fixed on the basis of time properly given by them and their staff in dealing with matters arising in the administration. Approval was given by the Security Trustee, acting on behalf of the Senior Lenders. In the Period, remuneration of £16,454 (plus VAT) has been charged (i.e. incurred) in respect of the administration. In the Period, no further remuneration was drawn. In previous periods a total of £234,934 (plus VAT) was drawn in respect of remuneration. An analysis of the time spent, a narrative explanation, and a comparison with the fee estimate dated 4 May 2020 is attached at Appendix 4 to this report.

As discussed in the Second Progress Report, our overall time incurred has exceeded the fee estimate initially provided to creditors.

The reasons for our fee costs exceeding the original fee estimate are:-

- As set out in section 1 of this report, the structure of the transaction to sell the Shares included Potential Consideration which could have been received at any time until December 2023. As such, the Joint Administrators were required to incur further fee costs in understanding and selecting a mechanism to allow the Senior Lenders to benefit from the Potential Consideration.
- The original fee estimate was prepared on the basis that the administration would be concluded within the statutory period of 12 months. Having identified and agreed the in specie mechanism with the Secured Lenders, as explained in the Second Progress Report, it was necessary to extend the administration by 12 months (i.e. to 9 March 2022). This extension was sought in order to allow the Joint Administrators sufficient time to conduct the unsecured creditor decision procedure and effect a distribution in specie of the Potential Consideration.
- The decision procedure has not been effected as yet as there have been developments from Esken on the likelihood of any Potential Consideration flowing to the Company (as per section 1.2 above). However, as per section 1.2, the requirement to complete the decision procedure will be concluded shortly and it is still expected that the administration will conclude by March 2022.

5. Joint administrators' statement of expenses incurred

In the Period, the Joint Administrators have not incurred any further third party expenses. A breakdown of the total expenses incurred for the administration is set out at Appendix 3 to this report.

6. Distributions to creditors

6.1 Secured creditors

As detailed in the Second Progress Report:-

- Prior to the Joint Administrators' appointment, the Company had borrowed £15.0m from the Senior Lenders, under the Connect Shareholders Facilities (as defined in the Proposals) to fund the acquisition of Propius Holdings, Everdeal and Everdeal Employees.
- The Company is also a guarantor for the amounts borrowed by Flybe under the Connect Shareholders Facilities. The overall quantum of this debt, including the debt directly borrowed by Connect as of the date of appointment, was approximately £136.2m.
- The amounts owing to the Senior Lenders are secured by fixed and floating charges granted by the Company in favour of the Security Trustee for the benefit of the Senior Lenders. As explained in the Proposals and above, the shares owned by the Company in Propius and Everdeal which were sold were subject to fixed charges granted in favour of the Security Trustee.
- As explained in the Proposals, the only other known assets of the Company are unlikely to result in any other realisations for the Company's creditors. We therefore expect all realisations from the Company (less applicable administration costs) will be paid to the benefit of the Senior Lenders.

- During the Administration, £1.5m has been paid to the Security Trustee for the benefit of Senior Lenders from fixed charge realisations following the receipt of £2.0m deferred consideration in respect of the Shares sold.

6.2 Preferential creditors

There are no preferential claims in respect of the three Connect employees. There are insufficient realisations available from which to make a distribution to preferential creditors in any event.

6.3 Non-preferential creditors

Non-preferential creditor claims are consistent with what was reported in the Second Progress Report with total claims equivalent to £167.8m. This sum includes parent guarantee claims from the aircraft lessors of FBE Realisations 2021 Limited (in Administration) (formerly known as "Flybe Limited") ("FBE"), including the Banco Nacional de Desenvolvimento Económico e Social ("BNDES") in the sum of £62.8m and NAC Aviation in the sum of £89.8m.

There will be no funds available to allow a distribution to be made to unsecured creditors by way of a prescribed part under section 176A(5) of the Act (and therefore by ordinary unsecured creditor dividend).

7. End of the administration

As advised in section 2 of the Second Progress Report, the Joint Administrators sought and obtained consent from the Company's secured creditor, the Security Trustee, to extend the administration by 12 months to 9 March 2022.

For the reasons set out at section 1.2 of this report, we expect that we will be able to end the administration prior to 9 March 2022 once we have received approval from the Senior Lenders as to whether to continue with the distribution in specie process or simply end the administration now without a decision procedure given there only a remote possibility that any Potential Consideration will be available.

8. Future conduct of the administration

The Joint Administrators will continue to deal with the Administration in line with the stated objective. Future tasks may include, but are not limited to, the following:

- (i) conducting a non-preferential creditor decision procedure to obtain consent to pay the Potential Consideration to the Security Trustee, for the benefit of the Senior Lenders (if required);
- (ii) distributing the benefit of the Potential Consideration in specie to the Security Trustee (if required);
- (iii) dealing with the statutory requirements of the administration, including reporting to creditors (as necessary);
- (iv) finalising the Corporation Tax and VAT positions of the Company and obtaining tax clearance;
- (v) making payments to the Security Trustee (as applicable);
- (vi) dealing with unsecured creditor enquiries;

(vii) finalising the administration including the payment of all administration liabilities; and

(viii) any other actions required to be undertaken by the Joint Administrators in order to fulfil the objective of the administration.

9. Next report

We will report to you again at the conclusion of the administration.

Yours faithfully
For and on behalf of the Company



S J Edel
Joint Administrator

A Hudson, S Edel, J Robinson and L Winterborne are licensed in the United Kingdom to act as an Insolvency Practitioner by The Insolvency Practitioners Association.

The affairs, business and property of the Company are being managed by the Joint Administrators, A Hudson, S Edel, J Robinson and L Winterborne who act as agents of the Company only and without personal liability.

The Joint Administrators may act as data controllers of personal data as defined by the UK General Data Protection Regulation (as incorporated in the Data Protection Act 2018), depending upon the specific processing activities undertaken. Ernst & Young LLP and/or the Company may act as a data processor on the instructions of the Joint Administrators. Personal data will be kept secure and processed only for matters relating to the Joint Administrators' appointment. The Office Holder Data Privacy Notice can be found at www.ey.com/uk/officeholderprivacy.

Appendix 1

Information about the proceedings, the company and the office holders, as required by Rule 18.3(1) of the Insolvency (England and Wales) Rules 2016

Name of court:	High Court of Justice Business and Property Courts of England and Wales, Insolvency and Companies List (ChD)
Court reference:	CR-2020-001588
Registered name of the company:	Connect Airways Limited
Registered office address of the company:	1 More London Place, London, SE1 2AF
Registered number:	11732177
Country of incorporation (for a company incorporated outside the United Kingdom):	N/A
Date of appointment of the joint administrators:	10 March 2020
Details of any changes of administrator:	None
Full names of the administrators:	Alan Michael Hudson, Simon Jamie Edel, Joanne Honor Robinson and Lucy Winterborne
Office holder number(s):	9200, 9810, 19890 and 21130
Administrators' address(es):	
Alan Michael Hudson Ernst & Young LLP 1 More London Place London, SE1 2AF	Simon Jamie Edel Ernst & Young LLP 1 More London Place London, SE1 2AF

Joanne Honor Robinson
Ernst & Young LLP
1 More London Place
London, SE1 2AF

Lucy Winterborne
Ernst & Young LLP
The Paragon
32 Counterslip, Bristol, BS1 6BX

Telephone number:

(0) 20 7951 2000

Name of alternative person to contact with
enquiries about the case:

Ned Swifte

Appendix 2

Connect Airways Limited (in Administration) ("the Company")

Joint Administrators' Summary of Receipts and Payments from 10 March 2021 to 9 September 2021

	<i>Directors' Statement of Affairs - Estimated to Realise</i>	Position as at 9 March 2021 (£)	Movement in Period (£)	Position as at 9 September 2021 (£)	Note
RECEIPTS					
<u>Fixed Charge:</u>					
Sale of Shareholdings in Everdeal and Everdeal Employees	<i>Uncertain</i>	2,300,000	-	2,300,000	1
Sale of Shareholdings in Propius Holdings	<i>Uncertain</i>	1	-	1	2
<u>Floating Charge:</u>					
Cash at bank	64,045	64,045	-	64,045	
Bank Interest	-	236	19	255	
Intercompany receivable - Flybe Limited	<i>Uncertain</i>	-	-	-	3
Intercompany receivable - Everdeal 2019 Limited	<i>Uncertain</i>	-	-	-	4
RECEIPTS TOTAL		2,364,282	19	2,364,301	
PAYMENTS					
Legal fees		172,296	-	172,296	
Joint Administrators' fees		235,384	-	235,384	
Irrecoverable VAT		79,528	-	79,528	
Bank Charges		10	-	10	
		487,217	-	487,217	
Payment to Secured Lenders		1,500,000	-	1,500,000	
NET RECEIPTS/PAYMENTS TOTAL		377,065	19	377,084	
MADE UP AS FOLLOWS					
Cash at bank - interest bearing		373,274	19	373,293	
Cash at bank - non-interest bearing		1,782	0	1,783	
VAT Receivable		2,008	-	2,008	
		377,065	19	377,084	

* The numbers above are presented with no decimal places, therefore rounding differences may be present which have not been adjusted for.

NOTES

1. Initial consideration for the sale of shares in Everdeal. Please refer to the Proposals for information regarding the deal structure.
2. Initial consideration for the sale of shares in Propius. Please refer to the Proposals for information regarding the deal structure.
3. Unsecured loan receivable due from FBE for £27.6m. FBE is in administration and it is unlikely that there will be sufficient funds to allow a dividend to be paid to any of its unsecured creditors, including by way of a prescribed part. As such, we do not expect any amount to be realised by the Company in respect of this loan.
4. This loan has been novated as part of the sale of the Shares, therefore no realisations will be made in respect of this asset.
5. Receipts and payments are stated net of VAT.

Appendix 3

Connect Airways Limited (in Administration) (“the Company”)

Summary of joint administrators’ expenses incurred

Type of expense	Per estimate dated 4 May 2020 (£)	Incurred in the period 10 March 2020 to 9 March 2021	Incurred in the period 10 March 2021 to 9 September 2021	Incurred as at 9 September 2021
Payments made from the estate which are not disbursements – all Category 1 (see notes 1, 2 and 3 at the end of this table for definitions)				
Legal Fees	173,438	172,296	-	172,296
Bank Charges	1,500	10	-	10
Penalty Bond	1,280	1,280	-	1,280
Public Notices	500	113	-	113
Interest Charges	500	-	-	-
Disbursements (Category 1 and 2)	100	142	-	142
Total	177,318	173,840	-	173,840

Notes

- 1 Statement of Insolvency Practice No.9 defines expenses as any payments from the insolvency estate which are neither an office holder’s remuneration or a distribution to a creditor or member.
- 2 Expenses are divided into those that do not need approval before they are charged to the estate (Category 1) and those that do require prior approval (Category 2):
 - Category 1 expenses are payments to persons providing the service to which the expense relates who are not an associate of the office holder
 - Category 2 expenses are payments to associates or which have an element of shared costs.
- 3 Expenses also include disbursements. Disbursements are payments which are first met by the office holder and then reimbursed to the office holder from the estate. Disbursements fall into either Category 1 or Category 2.

Appendix 4

Connect Airways Limited (in Administration) (“the Company”)

Joint administrators' time costs for the period from 10 March 2021 to 9 September 2021 and a comparison with the fee estimate dated 4 May 2020

Type of work	Estimated Hours	Estimated Time Cost	Estimated Average Hourly Rate (£)	Hours to 9 March 2021	Time Cost to 9 March 2021	Actual Hours 10 March 2021 to 9 September 2021	Actual Time Cost 10 March 2021 to 9 September 2021	Cumulative Hours to 9 September 2021	Cumulative Cost to 9 September 2021	Average Hourly Rate (£)
Sale of Shares and Other Assets	110.7	118,028	1,066	116.3	100,722	3.7	2,111	120.0	102,833	857
Creditors	39.0	16,313	418	24.0	1,738	-	-	24.0	1,738	72
Employees	12.0	7,940	662	-	-	-	-	-	-	-
Bank and Statutory Reporting	29.6	14,848	502	43.0	23,797	17.5	7,894	60.5	31,691	524
Job Acceptance & Strategy	3.5	2,853	815	4.5	1,928	-	-	4.5	1,928	429
Accounting & Administration	10.8	4,216	390	42.5	12,893	2.3	193	44.8	13,086	292
Taxation	28.6	35,756	1,250	27.0	34,349	1.5	780	28.5	35,129	1,233
Statutory Duties, Investigations & CDDA	86.7	53,947	622	274.9	121,292	11.0	4,549	285.9	125,841	440
Regulatory	4.0	2,595	649	-	-	1.5	928	1.5	928	619
Total Time Cost	324.9	256,496	789	532.2	296,718	37.5	16,454	569.7	313,172	550
Fees paid in this Period									(234,934)	
Residual Balance									78,239	

Description of narrative for the period 10 March 2021 to 9 September 2021

Categories of work	Description of work completed / to be completed
Sale of Shares and Other Assets	<p>Tasks providing a direct benefit to creditors via asset realisations:</p> <ul style="list-style-type: none"> • Dealing with Esken in relation to any Potential Consideration and analysing the Ettyl Transaction. Various discussions with Esken in relation to the same as well as discussion internally on next steps • Subsequent discussions with Esken and BCLP following withdrawal of Ettyl from the Ettyl Transaction and understanding possibility of any possible Potential Consideration
Bank and Statutory Reporting	<p>Tasks providing an indirect benefit to creditors including reports as required by statute:</p> <ul style="list-style-type: none"> • Reporting to the Company's secured creditors providing details on key administration strategy and recommendations (alongside reporting to FBE). • Preparing draft note to secured creditors regarding exit from the administration in lieu of the failed Ettyl Transaction and the likelihood that no Potential Consideration will be available to the Company (and its secured creditors) • Preparing the Joint Administrators' Second Progress Report (to the extent not already included in Statutory Duties)
Accounting & Administration	<p>Tasks providing an indirect benefit to creditors:</p> <ul style="list-style-type: none"> • Overall management of the case, treasury and accounting functions, statutory compliance and diaries and time cost reporting
Taxation	<p>Tasks required by statute and possibly providing a direct and indirect benefit to creditors:</p> <ul style="list-style-type: none"> • Preparation of subsequent tax advice in relation to the sale of Stobart Air shares and any tax consequences of receiving deferred consideration post-exit
Statutory Duties, Investigations & CDDA	<p>Tasks required by statute:</p> <ul style="list-style-type: none"> • Seeking formal consent to extend the administration from Security Trustee

Categories of work	Description of work completed / to be completed
	<ul style="list-style-type: none"> • Conducting a non-preferential creditor decision procedure to obtain consent to pay the Potential Consideration to the Security Trustee, for the benefit of the Senior Lenders. • Compliance with the statutory requirements of the administration, including notices and advertising of appointment, preparing the Joint Administrators' Second Progress Report. Filings with Companies House. • Dealing with tasks associated with the resignation of company directors • Dealing with tasks associated with the exit from the Administration, including possible deviation away from deemed consent
Regulatory	<p>Tasks required by statute:</p> <ul style="list-style-type: none"> • Managing communications with other regulatory bodies including the Insolvency Service • Dealing with records relating to the Company