

**Private & Confidential**  
**To all known creditors and investors**

9 October 2019

Our ref: FOC/ELT/ACB/PB430/PB429/PB429/PB428/HF104  
Direct line: +44 20 7131 8912  
Email: [park.first@smithandwilliamson.com](mailto:park.first@smithandwilliamson.com)

Dear Sir / Madam

**Re: Park First Freeholds Limited, Park First Glasgow Rentals Limited, Park First Gatwick Rentals Limited, Help Me Park Gatwick Limited (all in administration)  
(together the “Companies”)**

I am writing further to my email to you of 3 October 2019, copy attached at Appendix 1, with regard to the above named Companies. (Some investors and creditors for whom we do not have email addresses, or who wish to only be communicated with by post, received that communication by post.)

In that email I explained that I was intending to make an application to the English court for directions with regard to various important matters which became evident at the creditors' meetings of the Companies which took place on 1 October 2019. We intend to make that application tomorrow and I will update you further as soon as I am able to do so with regard to (1) the date to be fixed for the adjourned meetings of the creditors of the Companies and (2) other important matters.

In my communication of 3 October 2019, I explained that the administrators would be making the application to Court for an extension of the adjournment date to allow the approximately 4,700 investors and creditors sufficient further time to receive, translate if necessary and consider (including taking legal advice, if they wish to) the further communications from the Administrators and to then, having considered the Administrators' Proposals and the Proposed Modifications to the Administrators' Proposals, return, in good time, their votes on both the Administrators' Proposals and the Proposed Modifications to the Administrators' Proposals.

### **Proposed Modifications to the Administrators' Proposals**

A number of creditors have proposed the following Proposed Modifications to the Administrators' Proposals with regard to all 4 Companies. These Proposed Modifications are identical as regards each of the 4 Companies.

#### **Smith & Williamson LLP**

The affairs, business and property of the Companies are being managed by the administrators Finbarr Thomas O'Connell, Adam Henry Stephens, Andrew Stephen McGill and Emma Louise Thompson who act as agents of the Companies and without personal liability. Finbarr Thomas O'Connell, Adam Henry Stephens, Andrew Stephen McGill and Emma Louise Thompson are licensed as insolvency practitioners in the UK by the Institute of Chartered Accountants in England and Wales. As such we are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment.

The Fair Processing Notice in relation to the General Data Protection Regulation can be accessed at <http://smithandwilliamson.com/rrsgdpr>  
Should you wish to be supplied with a hard copy, free of charge, please contact the staff member above.

The word partner is used to refer to a member of Smith & Williamson LLP. A list of members is available at the registered office  
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*MODIFICATIONS TO THE ADMINISTRATORS' PROPOSALS DATED 27 AUGUST 2019*

- a) *That the Joint Administrators will continue to manage the business, affairs and property of the Company in order to achieve the purpose of the Administration. In particular that they:*
- i. Deal with any creditor queries, monitor creditor claims received and update their records accordingly; and*
  - ii. Perform their statutory duties and do all such things as required by regulation in order to achieve the purpose of the Administration or to protect and preserve the records and assets of the Company*
- b) *The Joint Administrators shall file at the Registrar of Companies form AM22, Notice to move the Company from Administration to Creditors Voluntary Liquidation by no later than '14 days following the creditors' adjourned meeting of the Company'. (see the Note below)*
- c) *That Carl S Jackson of Quantuma LLP and Christopher Benjamin Barrett of Dow Schofield & Watts be appointed as Joint Liquidators in the event that the Administration moves to Creditors Voluntary Liquidation or be proposed as Joint Liquidators where a winding up order is made and that during the period of liquidation, any act required or authorised under any enactment to be done by the Joint Liquidators may be carried out by both or either of them, or by one or both of the persons for the time being holding that office in succession to them.*

(Note. In the Proposed Modifications to the Administrators' Proposals, '15 October 2019' was mentioned here and this has been amended to '14 days following the creditors' adjourned meeting of the Company' above. This has been amended in order to keep the timing of this part of the Proposed Modifications workable.)

I circulated copies of these Proposed Modifications to the Administrators' Proposals as regards each of the 4 Companies at the creditors' meetings of the Companies which took place on 1 October 2019.

As an administrator of the 4 Companies, and as an officer of the English court who is bound to act in the best interests of the investors and the creditors of the Companies, I am obliged to make the following comments with regard to the Proposed Modifications to the Administrators' Proposals:

1. The Proposed Modifications to the Administrators' Proposals call for the administrators, of which I am the lead administrator, to file at the UK Registrar of Companies a notice to move the Companies from administration into Creditors' Voluntary Liquidation by no later than 14 days following the creditors' meetings of the Companies and for Carl S Jackson of Quantuma LLP and Christopher Benjamin Barrett of Dow Schofield & Watts to be appointed as joint liquidators of the Companies.
2. The above Proposed Modifications to the Administrators' Proposals will be passed in respect of any of the 4 Companies if a majority of the investors and creditors of any of those 4 Companies, by value of voting, vote in favour of them at the adjourned creditors' meetings.
3. The joint administrators are not in favour of the Proposed Modifications to the Administrators' Proposals for the reasons explained below:

- (i) The Administrators' Proposals issued on 27 August 2019 include a number of potential outcomes as regards the 4 administrations, including Company Voluntary Arrangements ("CVAs"), sale of the car parks for the best price attainable and Creditors' Voluntary Liquidation, to name just three.
- (ii) Investors and creditors will recall from the Administrators' Proposals that one of the major options which the administrators will be considering on behalf of the investors and creditors of the Companies is potential CVAs. With regard to these potential CVAs the Administrators' Proposals say that "the intention is that there will be a substantial initial cash injection, of c.£33m from companies and individuals associated with the Companies, made into the CVAs in order to settle investors' and creditors' claims, whether they be Buy Back/LLS" ("Lifetime Lease Scheme") "or (to the extent applicable and included in the CVAs) trade creditors, with the objective of ensuring that the Companies can support revised proposed financial returns to the LLS members going forward."
- (iii) **The 'companies and individuals', as referred to above, offering to introduce the amount of approximately £33m into the potential CVAs have confirmed that these funds will no longer be made available to the investors and creditors of the Companies should the Companies immediately proceed into Creditors' Voluntary Liquidation, as is proposed in the Proposed Modifications to the Administrators' Proposals.** (These funds are currently held in bank accounts and can only be released with the joint approval of the FCA and the "companies and individuals" referred to above". It is expected that these funds will be held by the joint administrators, under the same terms as they are currently held, at the date of the adjourned creditors' meetings.)
- (iv) Accordingly, in the best interests of the investors and the creditors, I believe that the best option for them is that the investors and the creditors be allowed to consider their financial position under the proposed CVA terms and to compare that financial outcome with their other likely financial outcomes under the sale of the car parks for the best price available and all other available options, including the Creditors' Voluntary Liquidations option.
- (v) It is the duty of the joint administrators to calculate the estimated financial outcome of all of the options referred to above and to work with the investors and creditors to choose that one which is in their best financial interests. The joint administrators indicated at the meetings of creditors held on 1 October 2019 that they would be in a position to complete this financial analysis within 6 to 8 weeks following the resolution of the position with regard to the Administrators' Proposals and the Proposed Modifications to the Administrators' Proposals. On that basis, the joint administrators believe that they will be in a position to report on their conclusions with regard to the estimated financial outcome of all of the available options within that 6 to 8 week timeframe.
- (vi) On the basis of the above analysis, I have concluded that it is in the best interests of the investors and creditors that the Administrators' Proposals are approved such that the investors and creditors can consider the estimated financial outcome to them from all of the potential options available under the Administrators' Proposals, of which a Creditors' Voluntary Liquidation option is only one. Most importantly, I believe it is imperative that the investors and creditors have an opportunity to hear the CVA option as that option, if acceptable to the investors and the creditors, brings with it an approximately £33m contribution into the proposed CVAs, a contribution which will not be available should the Proposed Modifications to the Administrators' Proposals be voted in favour of by the majority, in value, of the investors and creditors. Should it later transpire, having considered all of the possible options, that

Creditors' Voluntary Liquidations are the appropriate option, this option has already been provided for under section 10(v) of the Administrators' Proposals.

## Conclusion

Once I have made the application to Court, I will write to investors and creditors with further information. Investors and creditors do not need to do anything further with regard to the adjourned meetings of the creditors of the Companies until they receive my further communication.

Yours faithfully  
For and on behalf of the Companies

A handwritten signature in black ink, appearing to read "Finbarr O'Connell". The signature is written in a cursive, flowing style.

**Finbarr O'Connell**  
Joint Administrator of the Companies

3 October 2019

Dear Sir / Madam

Re: Park First Freeholds Limited, Park First Glasgow Rentals Limited, Park First Gatwick Rentals Limited, Help Me Park Gatwick Limited (all in administration) (together the "Companies")

Further to the four meetings of creditors of the Companies held on 1 October 2019 (the "meetings") to consider the Administrators' Proposals, please be advised that I, as the Chairman of those meetings, adjourned the meetings for a number of reasons including to allow investors and creditors time to consider the modifications which certain investors proposed to be made to the Administrators' Proposals in respect of the four Companies.

The maximum time the Administrators were allowed to adjourn the meetings for, under insolvency legislation, was 14 days and hence Monday 14 October 2019 was the last possible date, on that basis, that the meetings could be adjourned to. On this basis, the meetings were adjourned to that date.

However, given that there are approximately 4,500 investors and creditors with many being in widespread international locations and also given the amount of time it has taken the investors and creditors to deal with previous correspondence, the Administrators will be making an application to Court for an order to extend the 14 day adjournment from 14 October 2019 in order to allow investors and creditors sufficient further time to receive, translate if necessary and consider (including taking legal advice, if they wish to) the further communications from the Administrators and to then, having considered the proposed modifications, return, in good time, their votes on the Administrators' Proposals and the modifications. This will also afford the Administrators an opportunity to consider and address other important matters including (a) certain variations in the way in which creditors with claims of a similar nature have calculated their claims and (b) uncertainty in some cases as to which of the Companies is said to owe money to a particular investor or creditor. Naturally, the Administrators are keen to ensure that all investor and creditor claims are calculated on the same basis and with reference to the correct Company.

Please note that the Administrators do not have email addresses for all of the investors and creditors, including some who are based outside of the UK, and accordingly the Administrators will be communicating with the investors and creditors in this case by the following three means:

1. By post
2. Also by email, if available, and
3. Also by posting information on [www.smithandwilliamson.com/park-first](http://www.smithandwilliamson.com/park-first) and [www.ips-docs.com](http://www.ips-docs.com)

As things stand, the meeting of creditors has been adjourned to 14 October 2019. Please note that no time and place has been specified as yet due to the need to book a venue of a substantial size. However, as set out above, it is anticipated that this date will be extended to a later date. In any event the details of the date, time and venue to be set for the adjourned creditors' meetings will be provided to investors and creditors in good time for those meetings.

The Administrators will of course provide a further update, by the three means of communication set out above, as soon as possible.

Yours faithfully  
For and on behalf of the Companies

A handwritten signature in black ink, reading "Finbarr O'Connell". The signature is written in a cursive style with a large initial 'F' and 'O'.

**Finbarr O'Connell**  
Joint Administrator of the Companies