

Finbarr O’Connell, Emma Thompson, Adam Stephens and Andy McGill were appointed Joint Administrators (the “Administrators”) of Park First Freeholds Limited (in administration), Park First Glasgow Rentals Limited (in administration), Park First Gatwick Rentals Limited (in administration) and Help Me Park Gatwick Limited (in administration)(the “Companies”) on 4th July 2019

We have prepared this document to help creditors of the Companies, who are mostly investors in Park First car parking schemes, to understand what is happening.

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

UPDATE TO CREDITORS AND INVESTORS

Date 20 March 2020

In addition to the recent [six month progress report](#) which was sent on 30 January 2020 and the updated [Questions and Answers](#) document which was last updated on 24 February 2020 and is published on the [Administrators' website](#), in order to ensure the investors and creditors are kept apprised of the current position of the Administrators' progress, a brief update will be published towards the end of each month going forward. This is the first of these monthly updates.

COVID 19

Please note that the Administrators' team is continuing to work as normally as is possible during the current crisis. Whilst our staff will be working remotely, in line with the Government's recommendations, this will only adversely affect our activities very little.

The virus has had a significant affect on the operation of the car parking businesses and this is explained further below, in the body of this update.

General Update

The Administrators continue to work on various work streams which will enable finalisation of the draft CVA proposals. As you will be aware, c.£32m (the "Luton Fund") has been set aside from London Luton Airport Parking Limited, a company in the Group First Group of companies, together with c£1m in a separate bank account (together "the Funds"), to provide the core funding for the proposed CVAs. The Funds are held to the order of the Financial Conduct Authority ("FCA") and the Group First Group, which are both required to approve payments made from the Funds.

Payments have been requested to be made from the Funds in order to pay for legal and other expenses incurred by the Administrators in the course of administering the Companies. Protracted discussions following the making of the payment requests have been held between the Administrators, the FCA and the creditors' committees. During this time, the solicitors instructed by the Administrators to do the legal drafting on the CVAs, Paul Hastings (Europe) LLP ("PH"), have not been paid their fees incurred in dealing with the proposed CVAs. Therefore, PH has been unable to complete any further work on the CVA proposals, whilst discussions with regard to their fees have been continuing. This has led to a substantial delay, of at least 3 months, in drafting the CVA proposals.

We believe that these delay issues have just about been resolved and that PH will be able to recommence its work for the Administrators in relation to the proposed CVAs very soon.

The creditors' committees of the Companies are heavily involved in working with the Administrators in assisting to get appropriate monies released from the Funds.

We will update the creditors, which includes the investors, with a timetable for the issuing of the proposed CVA documents, and the voting on them, as soon as PH recommences its work for the Administrators. Please note, however the current COVID 19 circumstances could mean further delay is experienced while the underlying car park operating businesses are reviewed and protected from the negative financial impact caused by the virus.

Creditors' committees

Notwithstanding the delays to the drafting of the CVA proposals, the Administrators are continuing with their work and have been liaising with the creditors' committees throughout.

The next creditors' committee meetings are due to be held on 9 April 2020 (if there is a Government enforced lock down, the meetings will be held by Skype conference call) and the

Administrators are anticipating the committees will be able to consider draft terms for the CVA proposals then in order to be able to provide valuable feedback to the Administrators. The Administrators will consider any feedback from the creditors' committees, the FCA and the Group First Group, and make any necessary changes before distributing the final CVA proposals to creditors, including investors.

There may be intermediate conference call meetings between the Administrators and the creditors' committees before the one scheduled for 9 April if any urgent matters, such as the trading of the car parks or the release of necessary monies from the Funds, need to be considered.

The FCA

As previously reported, the FCA has commenced litigation against several parties, including a number of companies in the Group First Group, but excluding the Companies.

The FCA is very keen to see the proposed CVAs issued to the creditors, including the investors, as soon as possible. The Administrators will be seeking comments from the FCA regarding the terms of the proposed CVAs.

Trading update

As previously advised, most of the car parks were continuing to operate as normal and to date their net profits of c£600k have been paid into the administration estates.

COVID 19 has devastated the UK car parking business, in the short term, and the Administrators are working closely with the boards of directors of the Operating Companies ("OpCos") in order to come up with a rescue plan for them which would also be for the benefit of the creditors, including the investors, of the Companies. Clearly, this rescue plan for the OpCos needs to be factored into the revised proposed CVA terms. However, in the immediate term we believe that some financial support will need to be provided to the OpCos and we expect that part of the c£600k already paid into the Administrations by the OpCos may be utilised in order to fund and restructure them for the ultimate benefit of the investors. We will be speaking to the FCA, the Group First Group and the creditors' committees with regard to this urgent matter.

The Administrators have appointed an independent non-executive director to the board of directors of the companies trading the car parks and we are working with those boards to develop a strategy to mitigate losses and enable the car parks to continue trading, at a reduced level of activity, pending the end of the crisis.

LBTT Tax Return

The Administrators have been receiving queries regarding the LBTT Tax Return from those investors who have invested in car park spaces in Glasgow.

The administrators have provided documentation received from Revenue Scotland on the Park First website and links to the documents can be found here: -

<https://smithandwilliamson.com/media/6343/park-first-investors.pdf>
<https://smithandwilliamson.com/media/6342/lease-reviews-guidance.pdf>

If you need further guidance regarding LBTT submissions, please contact Revenue Scotland by:

Phone - 03000 200 310 (Monday - Friday, 9am until 4pm. Please note that lines will be closed from 9am until 10am every Thursday for staff training).

Email - LBTT@revenue.scot

Post - Revenue Scotland, PO BOX 24067, EH6 9BR.

Note regarding Store First Limited

The Administrators are receiving emails in relation to the insolvency of Store First Limited.

Neither Smith & Williamson LLP nor the Administrators are dealing with the liquidation of Store First Limited; any queries regarding Store First Limited should be directed to the Official Receiver at the following address:

Official Receiver Manchester, 3 Piccadilly Place, Manchester, M1 3BN.

Potential scammers

The Administrators have been made aware that a letter has been sent to some investors purporting to be from Adam Stephens of Smith and Williamson LLP, who is one of the Administrators. In this letter, it is claimed that the insolvency process of the Companies has completed and that funds are available to investors once an up-front payment has been made.

This letter is not legitimate. Do NOT send any money to anybody in response to this letter.

Neither the Administrators, nor anyone instructed by the Administrators, will ever ask investors for money up-front and we remind all investors to remain extremely vigilant when corresponding with any parties who make any such claims and demand money for such services.

If you have any concerns regarding potential scammers, please seek independent advice.

If you believe you are a victim of a scammer, please contact Action Fraud on 0300 123 2040 or by visiting their website: <https://www.actionfraud.police.uk/>

Further updates to creditors, including investors

We will be sending out a further update in April and will send out any urgent communications before that update, as appropriate.