

TO ALL KNOWN CREDITORS

21 March 2022

Ref: R/CAL/SH/RK/HOF/PF16.4

Direct line: +44 (0) 207 951 5156

Email: hofadministrations@uk.ey.com

Dear Sirs

HFL Realisations Limited (formerly House of Fraser Limited) (in Administration) ('the Company')

Court of Session, Number P793/18

Registered office address: c/o Ernst & Young LLP, Atria One, 144 Morrison Street, Edinburgh, EH3 8EX

I write, in accordance with Rule 3.93 of the Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018, to provide creditors with a report on the progress of the administration. This report covers the period from 10 August 2021 to 9 February 2022 ("the Period") and should be read in conjunction with our previous reports dated 15 September 2021, 22 March 2021, 17 September 2020, 19 March 2020, 20 September 2019 and 6 March 2019. Statutory information about the Company, the administration and the office holders is given at Appendix 1.

The Company, registered number SC021928, entered administration on 10 August 2018 ('the Date of Appointment') and A M Hudson, R H Kelly, C P Dempster and I were appointed to act as Joint Administrators ('Joint Administrators'). The appointment was made by The Court of Session under the provisions of paragraph 12 of Schedule B1 to the Insolvency Act 1986. Under the terms of the appointment, any act required or authorised to be done by the Joint Administrators can be done by any one of them.

Summary of progress since last report

Extension of the administration

As previously advised the Joint Administrators sought consent of the secured creditor, under paragraph 78(2) of Schedule B1 to the Insolvency Act 1986, to extend the period of the administration by a period of 12 months, ending on 10 August 2020 and the approval of the extension for 12 months to 10 August 2020 was granted by the secured creditor on 17 July 2019.

A further extension was sought in the prior period to extend the period of the administration for eighteen months, ending on 10 February 2023. The approval of extension was granted by the Edinburgh Court on 28 July 2021.

Rates refunds

No rate refunds were received during the Period and rates refunds recovered to date by the Joint Administrators total £558,865.76.

Leasehold properties

The Company held several head leases, all of which were subject to underleases to HF Stores Realisations Limited (formerly House of Fraser (Stores) Limited) ("HOFS"), which operated and traded from these sites. Following the sale to Sports Direct, a number of these leases have been surrendered for £nil value as part of the wider rationalisation of the leasehold estate.

Intercompany debtors

A claim of £155,264.56 has been submitted for the inter-company balance due to the Company from Jam B Realisations Limited (formerly James Beattie Limited) ("JBL"). We expect this to rank as an unsecured creditor in the Creditor's Voluntary Liquidation of JBL, and for a dividend to be recovered in the next six months.

Bank interest

During the period the Company received bank interest of £17.28, with total recoveries to date of £1,766.05.

Investigations

There were no investigations ongoing or concluded in the Period. There are no investigations to be carried forward to a future period.

VAT

All VAT returns in the Period have been submitted by their due dates. The return for the quarter ended October 2021 resulted in a refund of £51,123.22 in the Period. The return for the quarter ended January 2022 was a nil return.

Corporation tax

We have instructed EY tax specialists to prepare the corporation tax returns for the Company.

Corporation tax returns for the periods up to 10 August 2020 have been submitted, which HMRC have not raised an enquiry into to date. The standard enquiry window is generally within 12 months from the filing date.

The standard enquiry window for the period ending 10 August 2019 has now closed and the standard enquiry window for the period ending 10 August 2020 closes on 10 August 2022. The next tax return to be submitted for the Company is for the period from 11 August 2020 to 10 August 2021, which is due for submission on 10 August 2022.

Tax work is ongoing, and all Corporation tax and other tax related time costs are included within the Joint Administrators' total time costs, set out in detail at Appendix 3.

Receipts and payments account

A summary of our receipts and payments for the period from 10 August 2021 to 9 February 2022 is attached at Appendix 2. It does not reflect estimated future realisations or costs.

Joint administrators' remuneration

The statutory provisions relating to remuneration are set out in Rules 3.95 to 3.101 of the Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018.

In certain circumstances, creditors are entitled to request further information about our remuneration or outlays, or to apply to court if they consider the costs to be excessive (Rule 3.100, Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018. Further information is given in 'A Creditors' Guide to Administrators' Fees', a copy of which may be accessed from the web site of the Institute of Chartered Accountants of Scotland at <https://www.icas.com/technical-resources/creditorguides-to-office-holder-remuneration> or is available in hard copy upon written request to the Joint Administrators.

Following the receipt of the substantial rates refunds and the anticipated intercompany debtor realisation, the Joint Administrators have sought approval from the secured creditors to the basis of our remuneration and the payment of Category 2 disbursements in accordance with Rule 3.97 (6) (a) of the Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018. Approval was granted on 23 September 2021 and Administrators' fees of £250,000 plus VAT and £185.61 plus VAT of Administrators' expenses have been drawn in the Period in accordance with the resolutions of the Secured Creditors.

During the Period 10 August 2021 to 9 February 2022, the Joint Administrators have incurred time costs of £83,108.00. This takes the total time costs to £618,112.04, against which £250,000 plus VAT has been drawn. Appendix 3 provides an analysis of the time spent. The work completed includes the following:

- Pursuing recovery and realisation of assets.
- Statutory reporting including progress reports to creditors.
- Correspondence with creditors.
- VAT returns.
- Corporation Tax returns.
- Maintaining the bank account and recording receipts; making payments; bank reconciliations.

To date, the Joint Administrators have incurred disbursements of £216.79 against which £185.61 have been paid. An analysis of Category 2 disbursements (i.e. charges made by the office holders' firm that include elements of shared or overhead costs) is set out in Appendix 4.

Secured creditors

On entering administration, the House of Fraser Group's secured funding could be analysed into three categories:

- Super senior secured working capital facility ("Super senior facilities").
- Senior secured revolving credit facility, senior overdraft and senior secured term loan lenders ("Senior facilities").
- Holders of senior secured floating rate notes, due 2020 ("Bondholders").

The table below summarises the facilities provided:

	£m
Super senior facilities	10.0
Senior facilities	225.0
	165.0
Bondholders	400.0

Other than the Super senior facility, which has priority ranking, the senior facilities and bondholders indebtedness ranks pari passu with each other.

The confirmed indebtedness arising from these facilities at the Date of Appointment of the Joint Administrators, in particular the usage of the senior revolving credit facility and any post appointment interest and charges, is still subject to final confirmation.

Preferential creditors

There are no preferential creditors of the Company.

Non-preferential creditors

The Company has received thirteen claims totalling £182,093,353.61 from unsecured creditors. All unsecured claims will be adjudicated in the next period to 9 August 2022 and a first and final dividend will be paid from the Prescribed Part (see below for further details).

The Prescribed Part

The Prescribed Part is a proportion of floating charge assets set aside for unsecured creditors pursuant to section 176A of the Act. The Prescribed Part applies to floating charges created on or after 15 September 2003.

The Joint Administrators currently estimate, to the best of their knowledge and belief, that:

- The current value of the net property is c.£281,566.
- The value of the Prescribed Part is c.£59,313, being the amount available to be set aside, before the costs of dealing with the Prescribed Part.

The above estimate of net property is subject to, amongst other things, the final value of the dividend to be received from JBL.

If there are unsecured creditors who wish to submit a claim form but have yet to do so, I would request that they return Form 4.7 (Scot) (enclosed at Appendix 6), together with all back up documentation in support of their claim.

Distributions to creditors

No distributions have taken place to date.

Remaining work

We will continue to undertake work as set out in the Joint Administrators' Statement of Proposals, which will include:

- Pursuing the intercompany claim against JBL.
- Complying with our statutory reporting obligations.
- Adjudicate unsecured claims and make a subsequent distribution, both under the prescribed part and to the secured creditors.

The end of the administration

It is proposed that if, at the end of the administration, the Company has no property which might permit a distribution to its creditors, the Joint Administrators will send a notice to that effect to the Registrar of Companies. On registration of the notice, the Joint Administrators' appointment in respect of the Company will come to an end. In accordance with the provision of paragraph 84(6) of Schedule B1 to the Act, the Company will be deemed to be dissolved three months after the registration of the notice.

Other matters

If there are any matters concerning the Company's affairs which you consider may require investigation, please forward the details to me in writing as soon as possible.

Next report

We will report to you again at the conclusion of the administration or in six months' time, whichever is the sooner.

Yours faithfully
For the Company



C A Lewis
Joint Administrator

Enc: Appendix 1 – Statutory information about the Company, the administration and the office holders
Appendix 2 - Joint Administrators' Receipts and Payments Account
Appendix 3 - Summary of the Joint Administrators' time costs and category 2 disbursements
Appendix 4 - Breakdown of outlays incurred in this Period and to date
Appendix 5 – Form 4.7 (Scot) – Statement of Claim Form

The affairs, business and property of the Company are being managed by the Joint Administrators, A M Hudson, R H Kelly, C P Dempster and C A Lewis, who act as agents of the Company only and without personal liability.

A M Hudson is licensed in the United Kingdom to act as an insolvency practitioner by the Insolvency Practitioners Association. R H Kelly and C P Dempster are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants of Scotland. C A Lewis is licensed in the United Kingdom to act as an insolvency practitioner by the Institute of Chartered Accountants in England and Wales.

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 3.94 of the Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018

Name of court:	Court of Session, Parliament House, Parliament Square, Edinburgh, EH1 1RQ
Court reference:	P793/18
Registered name of the company:	HFL Realisations Limited
Registered office address of the company:	c/o Ernst & Young LLP, Atria One, 144 Morrison Street, Edinburgh, Scotland, EH3 8EX
Registered number:	SC021928
Country of incorporation (for a company incorporated outside the United Kingdom):	N/A
Details of any changes of administrator:	None
Date of Appointment of Joint Administrators:	10 August 2018

Details of the Joint Administrators

Name	Office Holder Number
Alan Michael Hudson Ernst & Young LLP, 1 More London Place, London, SE1 2AF	9200
Craig Anthony Lewis Ernst & Young LLP, 1 More London Place, London, SE1 2AF	9356
Robert Hunter Kelly Ernst & Young LLP, 1 Bridgewater Place, Water Lane, Leeds, West Yorkshire, LS11 5QR	8582
Colin Peter Dempster Ernst & Young LLP, Atria One, 144 Morrison Street, Edinburgh, EH3 8EX	8908
Telephone number:	+44 (0)207 951 1856
Name of alternative person to contact with enquiries about the case:	Sophie Hyde

HFL Realisations Limited (formerly House of Fraser Limited) (In Administration)
Joint Administrators' Abstract of Receipts and Payments - USD
From 10/08/2021 to 09/02/2022

	Statement of affairs	10/08/2018 to 09/02/2019	10/02/2019 to 09/08/2019	10/08/2019 to 09/02/2020	10/02/2020 09/08/2020	10/08/2020 09/02/2021	10/02/2021 09/08/2021	10/08/2021 09/02/2022	Cumulative Total
	USD	USD	USD	USD	USD	USD	USD	USD	USD
RECEIPTS									
Property	-	-	-	-	-	-	-	-	-
Bank Interest	-	1.49	-	-	-	-	-	-	1.49
Rent and Rates Refund	-	-	-	-	-	-	-	-	-
Other Debtors	-	-	-	-	-	-	-	-	-
Refund of Bank Charges	-	-	27.66	-	-	-	-	-	27.66
Supplier Overpayments	-	15,644.33	-	-	-	-	-	-	15,644.33
	-	15,645.82	27.66	-	-	-	-	-	15,673.48
PAYMENTS									
Bank Charges	-	(27.66)	-	-	-	-	-	-	(27.66)
Refund of Bank Interest	-	-	(1.49)	-	-	-	-	-	(1.49)
Supplier Overpayments	-	-	(15,644.33)	-	-	-	-	-	(15,644.33)
	-	(27.66)	(15,645.82)	-	-	-	-	-	(15,673.48)
Net Receipts/(Payments)	-	15,618.16	(15,618.16)	-	-	-	-	-	-
MADE UP AS FOLLOWS									
RBS-GBP-Current-29480187	-	-	-	-	-	-	-	-	-
HSBC-GBP-Current-71434012	-	-	-	-	-	-	-	-	-
HSBC-EUR-Current-83948991	-	-	-	-	-	-	-	-	-
HSBC-USD-Current-83949008	-	15,618.16	(15,618.16)	-	-	-	-	-	-

Notes:

1. Receipts and payments are stated net of VAT.

Appendix 3

HFL Realisations Limited (formerly House of Fraser Limited) (in Administration) ('the Company')

Joint Administrators' Time-Costs from 10 August 2021 to 9 February 2022

	Staff Grade						Total Hours	Time Cost	Average Hourly Rate
	Partner	Director	Senior Manager	Senior Executive	Executive	Analyst			
								(£)	(£)
Accounting and Administration	-	8.1	-	0.3	13.9	5.0	27.3	19,452.50	712.55
Bank & Statutory Reporting	-	15.0	-	-	9.0	9.2	33.2	26,470.00	797.29
Creditors (Mandatory)	-	2.5	-	-	3.6	3.3	9.4	6,263.50	666.33
Debtors	-	0.3	-	-	-	-	0.3	378.00	1,260.00
Employee Matters	-	-	-	-	-	-	-	-	-
Immediate Tasks	-	-	-	-	-	-	-	-	-
Investigation/CDDA (Mandatory)	-	-	-	-	-	-	-	-	-
Job Acceptance & Strategy (M)	-	-	-	-	-	-	-	-	-
Legal Issues	-	2.0	-	-	-	-	2.0	2,520.00	1,260.00
Other Assets (Mandatory)	-	-	-	-	-	-	-	-	-
Other Matters	-	-	-	-	-	-	-	-	-
Out of scope	-	-	-	-	-	-	-	-	-
Property	-	-	-	-	-	-	-	-	-
Statutory Duties	-	3.0	-	6.0	1.0	-	10.0	8,395.00	839.50
VAT & Taxation	-	6.1	-	5.4	8.8	-	20.3	19,629.00	966.95
Total Hours	-	37.0	-	11.7	36.3	17.5	102.5		
Time Costs (£)	-	49,669.50	-	9,661.50	17,726.50	6,050.50		83,108.00	
Average Hourly Rate (£)	-	1,342.42	-	825.77	488.33	345.74		810.81	
Category 1 Disbursements (£)	18.92								
Category 2 Disbursements (£)	-								
	18.92								

Joint Administrators' Time-Costs from 10 August 2018 to 9 February 2022

	Staff Grade						Total Hours	Time Cost	Average Hourly Rate
	Partner	Director	Senior Manager	Senior Executive	Executive	Analyst			
								(£)	(£)
Accounting and Administration	-	20.1	1.4	25.3	131.9	45.3	224.0	113,979.50	508.84
Bank & Statutory Reporting	-	56.8	2.1	93.9	193.7	55.4	401.9	224,009.00	557.37
Creditors (Mandatory)	5.5	3.0	-	10.5	45.3	23.3	87.6	43,839.50	500.45
Debtors	-	1.1	-	-	2.0	-	3.1	2,004.00	646.45
Employee Matters	-	2.7	-	-	1.7	-	4.4	3,473.50	789.43
Immediate Tasks	-	-	-	1.0	-	2.5	3.5	1,005.00	287.14
Investigation/CDDA (Mandatory)	-	4.6	8.0	-	-	-	12.6	9,924.00	787.62
Job Acceptance & Strategy (M)	-	1.0	-	-	-	-	1.0	1,145.00	1,145.00
Legal Issues	-	5.0	-	-	0.3	-	5.3	6,250.50	1,179.34
Other Assets (Mandatory)	-	-	0.9	0.4	-	-	1.3	1,023.50	787.31
Other Matters	-	1.0	-	-	-	-	1.0	1,650.00	1,650.00
Out of scope	-	-	-	3.0	-	7.0	10.0	3,260.00	326.00
Property	-	-	-	3.8	6.3	-	10.1	4,316.00	427.33
Statutory Duties	2.5	17.0	27.3	41.0	20.2	17.0	125.0	74,921.50	599.37
VAT & Taxation	-	40.8	9.9	31.0	67.9	7.2	156.8	127,311.04	811.93
Total Hours	8.0	153.1	49.6	209.9	469.3	157.7	1,047.6		
Time Costs (£)	8,332.50	190,050.00	33,568.50	129,542.50	212,039.50	44,579.04		618,112.04	
Average Hourly Rate (£)	1,041.56	1,241.35	676.78	617.16	451.82	282.68		590.03	
Category 1 Disbursements (£)	210.71								
Category 2 Disbursements (£)	-								
	210.71								

Appendix 3 (cont'd)

Time charging policy

The Administrators have engaged managers and other staff to work on the Administration. The work required is delegated to the most appropriate level of staff taking account of the nature of the work and the individual's experience. Additional assistance is provided by accounting and treasury executives dealing with the company's bank accounts and statutory compliance diaries. Work carried out by all staff is subject to the overall supervision of the Administrators.

All time spent by staff working directly on case-related matters is charged to a time code established for the case. Time is recorded in units of six minutes. Each member of staff has a specific hourly rate, which is subject to change over time. The average hourly rate for each category of staff over the period is shown below, as are the current hourly rates used.

Grade description	Restructuring hourly rate (£/hour)					Tax/VAT hourly rates (£/hour)		
	03/11/18 to 30/06/2019	01/07/19 to 30/06/2020	01/07/2020 to 30/06/2021	01/07/2021 to 31/12/2021	1/01/2022 to 09/02/2022	03/11/2018 to 30/06/2019	01/07/2019 to 30/06/2020	01/07/2020 to 09/02/2022
Partner	1140	1195	1255	1320	1450	1570	1650	N/A
Executive Director	1090	1145	1200	1260	1385	1570	1650	1355-1650
Director	930	975	1025	1320	1450	1295	1360	1360
Assistant Director	775	815	855	900	990	1145	1200 - 1335	1200
Senior Executive	590	620	650	685	755	945	990	990
Executive Director	435	455	480	505	555	695	615 - 730	N/A
Assistant executive	395	415	435	455	500	N/A	N/A	N/A
Analyst	280-395	295-415	310-345	390-560	360-500	220-430	230-450	235-375
Business Trainee	240	250	265	280	310	N/A	N/A	N/A

Payments to other professionals

The Administrators have engaged the following professionals to provide assistance:

Name of firm	Nature of services	How contracted to be paid
Montagu Evans	Professional Services Securing rates refunds for the Company	Paid on a percentage basis, with a "no win no fee"

Fees have been reviewed in line with rates refunds secured.

Appendix 4

HFL Realisations Limited (formerly House of Fraser Limited) (in Administration) ('the Company') Summary of joint administrators' outlays incurred

Type of Outlay	Paid as at 09/08/2021	Paid in Period 10/08/2021 to 09/02/2022	Outstanding	Total (£)
Category 1 disbursements (see Note 1)				
Specific penalty bond	-	£40.00	-	£40.00
Statutory advertising	-	£84.60	-	£84.60
Filing fees	-	£15.00	-	£15.00
Travel	-	£10.10	-	£10.10
Land title searches	-	£30.00	-	£30.00
Category 2 disbursements (see Note 2)				
Printing & Postage	-	£5.91	£31.18	£37.09
Totals	-	£185.61	£31.18	£216.79

Notes:

- SIP 9 defines disbursements as a type of expense which is met by, and reimbursed to, an office holder in connection with an insolvency appointment. Disbursements fall into two categories: Category 1 and Category 2.
 - Category 1 disbursements are payments to independent third parties where there is specific expenditure directly referable to the appointment
 - Category 2 disbursements are expenses which are directly referable to the appointment but not a payment to an independent third party. They may include shared and allocated costs.

It is our policy, in accordance with SIP 9, to disclose Category 1 and Category 2 disbursements but only to seek approval for Category 2 disbursements before they are drawn.

The Insolvency Act 1986 and the Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018

Administration Notice of Claim for Voting Purposes

Convocatoria para la presentación de créditos. Plazos aplicables.

Výzva k přihlášení pohledávky. Závazné lhůty

Opfordring til anmeldelse af fordringer. Vær opmærksom på fristerne

Aufforderung zur Anmeldung einer Forderung. Etwaige Fristen beachten!

Nõude esitamise kutse. Järgitavad tähtajad

Πρόσκληση για αναγγελία απαιτήσεως. Προσοχή στις προθεσμίες

Invitation to lodge a claim. Time limits to be observed

Invitation à produire une créance. Délais à respecter

Invito all'insinuazione di un credito. Termine da osservare

Uzaicinājums iesniegt prasījumu. Termins, kas jāievēro

Kvietimas pateikti reikalavimą. Privalomieji terminai

Felhívás követelés bejelentésére. Betartandó határidők

Stedina għal preżentazzjoni ta' talba. Limiti taż-żmien li għandhom jiġu osservati

Oproep tot indiening van schuldvorderingen. In acht te nemen termijnen

Wezwanie do zgłoszenia wierzytelności. Przestrzegać terminów

Aviso de reclamação de créditos. Prazos legais a observar

Výzva na prihlásenie pohľadávky. Je potrebné dodržať stanovené termíny Poziv k prijavi terjatve. Roki, ki jih je treba upoštevati!

Kehotus saatavan ilmoittamiseen. Noudatettavat määräajat

Anmodan att anmäla fordran. Tidsfrister att iaktta

HF Realisations Limited (formerly House of Fraser Limited) (in Administration) ('the Company')

Date of Administration: 10 August 2018

PLEASE NOTE: Once completed, this form will be used by the Joint Administrators ONLY for the purposes of voting in a creditors' decision procedure or a requisitioned meeting of creditors. The form will not constitute admission of the claim to rank for dividend in this or any subsequent procedure. For further information see Rules 5.26 to 15.32 of the Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018.

Name of creditor

Address

Amount claimed, after deductions for payments made post-administration or adjustments for set off (see notes overleaf)

Is the claim preferential or secured?

If secured, value of security

If you have made a retention of title claim against the company please attach details (see over)

Signature on behalf of creditor

Date

File with Sophie Hyde

Reviewed by _____

Notes to Administration Notice of Claim for Voting Purposes:

1. Please attach a detailed statement of your account as at the date on which the company entered administration.
2. If you have claimed retention of title please provide details, including the value of any payments made, or goods returned, to you in respect of your claim.
3. If your claim is preferential (e.g. for wages, holiday pay or certain pension arrears) or secured please give details and attach supporting documentation.
4. VAT bad debt relief may usually be claimed six months after the date of supply.

Extracts from the Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018:

5.28 Calculation of voting rights

- (1) Votes are calculated according to the amount of each creditor's claim -

- (a) in an administration, as at the date on which the company entered administration, less (i) any payments that have been made to the creditor after that date in respect of the claim, and (ii) any adjustment by way of set-off which has been made in accordance with that principle or would have been made if that principle were applied on the date on which the votes are counted; ...
- (2) A creditor may vote in respect of a debt of an unliquidated or unascertained amount if the convenor or chair decides to put upon it an estimated minimum value for the purpose of entitlement to vote and admits the claim for that purpose.
- (4) Where a debt is wholly secured its value for voting purposes is nil.
- (5) Where a debt is partly secured its value for voting purposes is the value of the unsecured part.
- (6) However, the value of the debt for voting purposes is its full value without deduction of the value of the security in the following cases -
 - (a) where the administrator has made a statement under paragraph 52(1)(b) of Schedule B1 and the administrator has been requested to seek a decision under paragraph 52(2); ...
- (7) No vote may be cast in respect of a claim more than once on any resolution put to the meeting; and for this purpose (where relevant), the claim of a creditor and of any member State liquidator in relation to the same debt are a single claim.
- (8) A vote cast in a decision procedure which is not a meeting may not be changed.
- (9) Paragraph (7) does not prevent a creditor or member State liquidator from -
 - (a) voting in respect of less than the full value of an entitlement to vote; or
 - (b) casting a vote one way in respect of part of the value of an entitlement and another way in respect of some or all of the balance of that value.

5.29 Calculation of voting rights: hire-purchase agreements

- (1) In an administration, a creditor under a hire-purchase agreement is entitled to vote in respect of the amount of the debt due and payable by the company on the date on which the company entered administration.
- (2) In calculating the amount of any debt for the purpose of paragraph (1), no account is to be taken of any amount attributable to the exercise of any right under the relevant agreement so far as the right has become exercisable solely by virtue of (a) the making of an administration application;
 - (b) a notice of intention to appoint an administrator or any matter arising as a consequence of the notice; or
 - (c) the company entering administration.