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TO ALL KNOWN CREDITORS

23 April 2018

Ref: FLT/SEC/D05.13
Direct line: 0131 240 2583
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Amjad Hassan
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Dear Sirs

Transflex Vehicle Rental Limited (In Administration) ("the Company")

On 16 April 2018 the Company entered Administration and Fiona Livingstone Taylor and I were appointed as Joint Administrators. The appointment was made by the Directors under the provisions of paragraph 22(2) of Schedule B1 to the Insolvency Act 1986. I attach formal notice of our appointment for your information.

As licensed insolvency practitioners, we are bound by the Insolvency Code of Ethics when carrying out all professional work relating to the Administration.

Sale of the business

On 16 April 2018 we completed a sale of the Company's business and certain assets to Dawsongroup Vans Limited ('Dawson' or 'the Purchaser') for a total consideration of £150,000 (excluding VAT).

In accordance with Statement of Insolvency Practice 16, a detailed explanation of this transaction is set out at Appendix D to our Statement of Proposals enclosed with this letter.

Joint Administrators' Statement of Proposals and Remuneration

I have enclosed with this letter (i) in accordance with paragraph 49 of Schedule B1 to the Insolvency Act 1986, a copy of my *Statement of Proposals* ("the Proposals"); (ii) an *Invitation to form a Creditors' Committee* in accordance with Rule 3.39; and (iii) in accordance with Rules 15.28 to 15.35 I enclose an *Administration Notice of Claim for Voting Purposes*.

In the event a creditors' committee is not formed, the Joint Administrators will seek approval of their Proposals, remuneration and pre-appointment fees from the Company's creditors. In this regard, I also enclose a *Notice to Creditors of the Decision Procedure*. This notice has been drafted in line with the requirements of Rules 15.7 and 15.8 of the Rules.

The statutory provisions relating to remuneration are set out in Chapter 4, Part 18 of the Rules. 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 website of the Institute of Chartered Accountants in England and Wales at <http://www.icaew.com/en/technical/insolvency/creditors-guides>, or is available in hard copy upon written request to the Joint Administrators.

As the Joint Administrators propose to seek for their remuneration to be fixed on a time-cost basis, they are required to provide creditors with an estimate of the remuneration to be charged and details of expenses incurred and likely to be incurred. This information can be found at Appendix A.

Creditors' claims

Please note that debts incurred by the Company before our appointment will rank as non-preferential claims against the Company. Any sums due to the Company arising after our appointment must be paid in full and without set-off against any debts incurred by the Company prior to our appointment.

The directors are required to submit a statement of affairs to us and you will appreciate that the full financial position is not yet known. Please send me a detailed statement of any sums due to you from the Company.

Certain debts due from the Company may be preferential in accordance with section 386 of the Insolvency Act 1986. If you consider that you have a claim in this category, please advise me immediately. If you hold any security for your claim or you consider that you have title to any assets in the Company's possession, please forward details to me as soon as possible.

You may be entitled to VAT bad debt relief on debts arising from supplies more than six months old. This procedure does not involve the Administrators and claims should be made directly to HM Revenue and Customs.

Opting out

Under the provisions of Rule 1.39, creditors have the right to elect to opt out of receiving further documents relating to the administration.

If you do elect to opt out you will still receive the following documents:

- ▶ Any which the Insolvency Act requires to be delivered without expressly excluding opted-out creditors;
- ▶ Notice relating to a change in the administrators, or their contact details;
- ▶ Notice of dividend or proposed dividend; or
- ▶ A notice which the court orders to be sent to all creditors, or all creditors the particular category to which you belong.

Any election to opt-out will not affect your entitlement to receive dividends, if any are paid.

Unless the Rules provide to the contrary, opting-out will not affect your rights to vote in a decision procedure or participate in a deemed consent procedure, although you would not receive notice of such procedures.

Any opted-out creditors will be treated as opted out in respect of any consecutive insolvency procedure which might follow the administration.

You may opt-out by delivering an authenticated (e.g. signed) and dated notice to me stating that you are electing to be an opted-out creditor in relation to this administration. You may at any time revoke this election by delivering to me an authenticated and dated notice stating that you no longer wish to be an opted-out creditor.

Other matters

If there are any matters concerning the company's affairs which you consider may require investigation and consequently should be brought to our attention, please forward the details to me in writing as soon as possible.

If you require any further information or explanation, please do not hesitate to contact my colleague, Amjad Hassan on 0131 240 2583.

Yours faithfully
for the Company



C P Dempster
Joint Administrator

Enc. Appendix A: Fee Estimate and Statement of Expenses
Administrators' Statement of Proposals
Invitation to form a Creditors' Committee
Administration Notice of Claim for Voting Purposes
Notice to Creditors of the Decision Procedure
Notice of Appointment of Administrators

F L Taylor is licensed in the United Kingdom to act as an Insolvency Practitioner by The Institute of Chartered Accountants in England and Wales and C P Dempster is licensed in the United Kingdom to act as an Insolvency Practitioner by The Institute of Chartered Accountants of Scotland.

As licensed insolvency practitioners, we are bound by the Insolvency Code of Ethics when carrying out all professional work relating to the Administration.

The affairs, business and property of the Company are being managed by the Joint Administrators, F L Taylor and C P Dempster, who act as agents of the Company only and without personal liability.

We may collect, use, transfer, store or otherwise process (collectively, "Process") information that can be linked to specific individuals ("Personal Data"). We may Process Personal Data in various jurisdictions in accordance with applicable law and professional regulations including (without limitation) the Data Protection Act 1998.

Appendix A Fee Estimate and Statement of Expenses

Estimate of remuneration to be charged

The Joint Administrators will seek approval for their remuneration to be fixed on a time cost basis from the Company's creditors in accordance with Rule 18.18 of the Insolvency (England and Wales) Rules 2016 ('the Rules'). In accordance with Rule 18.16(4) of the Rules, they set out below their estimate of remuneration to be charged.

The estimate of remuneration is £500,148 plus VAT. An explanation of how this sum has been arrived at is set out below and a breakdown of the expected costs is attached on the following page(s).

Explanation of the work proposed to be undertaken

Category of work	Description of work to be completed
Accounting & Administration	<ul style="list-style-type: none"> ▶ Overall management of the case, treasury and accounting functions, statutory compliance diaries and time cost reporting.
Bank & Statutory Reporting	<ul style="list-style-type: none"> ▶ Preparing the Joint Administrators' Statement of Proposals, six monthly progress reports and final report.
Creditors	<ul style="list-style-type: none"> ▶ Receipt and recording of creditor claims. ▶ Correspondence with creditors. ▶ Processing distributions to creditors (as applicable).
Debtors	<ul style="list-style-type: none"> ▶ Working with the Purchaser to realise value from book debts and prepayments. ▶ Discussing and agreeing book debt collection with debtors.
Employee Matters	<ul style="list-style-type: none"> ▶ Writing to employees regarding TUPE related matters. ▶ Dealing with any employee enquiries.
Immediate Tasks	<ul style="list-style-type: none"> ▶ Completion of work streams requiring immediate attention following the appointment, in order to execute the strategy outlined in the Proposals.
Investigations	<ul style="list-style-type: none"> ▶ Investigations into the Company's affairs in accordance with Statement of Insolvency Practice 2 "Investigations by Office Holders". ▶ The Joint Administrators' report on the conduct of the directors under the Company Directors Disqualification Act 1986.
Job Acceptance & Strategy	<ul style="list-style-type: none"> ▶ Matters relating to the appointments and initial planning of the administration strategy, including meetings with the Company's directors and management and formulating and executing the strategy adopted. ▶ Considering exit routes from administration and implementing the most appropriate route. ▶ Dealing with any ad hoc legal issues.
Legal Issues	<ul style="list-style-type: none"> ▶ Liaising with the shareholders (as required).
Members	
Other Assets	<ul style="list-style-type: none"> ▶ Realising value from the Company's residual assets.

Other Matters	<ul style="list-style-type: none">▶ Assessing, quantifying and seeking to realise value from assets not recorded in the management accounts of the Company at the date of appointment.▶ Recovery of the Company's physical books and records, and electronic records (including a back-up of company servers and systems), where applicable.▶ Liaise with landlord to finalise any outstanding leasehold matters.
Property	<ul style="list-style-type: none">▶ Agreeing and issuing statements to the press as required in pursuit of administration strategy.
Public Relations	<ul style="list-style-type: none">▶ Assessment and settlement of claims for retention of title from the Company's suppliers (if applicable).
Retention of Title	<ul style="list-style-type: none">▶ Completion of statutory requirements of the Administration, including notifications to creditors and members, advertising the appointment, letter to creditors pursuant to Statement of Insolvency Practice 16, and sending to creditors and filing at Companies House.
Statutory Duties	<ul style="list-style-type: none">▶ Preparing annual corporation tax and quarterly VAT returns, with input from EY VAT and tax specialists.▶ Assessment of the VAT and tax treatment of transactions and agreements entered into during the Administration.▶ Preparing claims for VAT bad debt relief.
VAT & Taxation	

Estimate of the Joint Administrators' remuneration

	Staff Grade					Total Hours	Time Costs (£)	Average
	Partner / Director	Assistant Director	Manager	Executive	Analyst			
Accounting & Administration	5.0	30.0	-	30.0	40.0	105.0	37,669	359
Bank & Statutory Reporting	10.0	40.0	30.0	40.0	55.0	175.0	65,997	377
Creditors	8.0	20.0	20.0	50.0	120.0	218.0	65,384	300
Debtors	4.0	25.0	-	50.0	60.0	139.0	44,392	319
Employee Matters	15.0	5.0	-	40.0	10.0	70.0	28,575	408
Immediate Tasks	5.0	15.0	30.0	10.0	-	60.0	28,053	468
Investigations	5.0	10.0	-	20.0	20.0	55.0	19,536	355
Job Acceptance & Strategy	5.0	15.0	-	-	-	20.0	12,053	603
Legal Issues	2.0	10.0	-	10.0	-	22.0	10,121	460
Other Assets	8.0	10.0	25.0	30.0	30.0	103.0	37,684	366
Other Matters	10.0	10.0	25.0	60.0	35.0	140.0	49,514	354
Property	-	5.0	-	15.0	-	20.0	7,400	370
Public Relations	2.0	5.0	-	-	-	7.0	4,271	610
Retention of Title	2.0	-	18.0	40.0	-	60.0	21,661	361
Statutory Duties	5.0	10.0	10.0	30.0	25.0	80.0	27,944	349
VAT & Taxation	4.0	10.0	30.0	40.0	30.0	114.0	39,892	350
Total Hours	90.0	220.0	188.0	465.0	425.0	1,388		
Time Costs	68,450	121,000	80,840	144,150	85,708		500,148	
Average hourly rate	761	550	430	310	202			360

Details of expenses incurred and anticipated to be incurred

Expenses comprise sums paid or to be paid to third parties and sums paid or payable to the Administrators' firm in respect of out of pocket expenses and costs which include an element of shared or allocated costs. Expenses expected to be incurred are £100,650 plus VAT.

The expenses incurred and anticipated to be incurred from the Company's estate can be summarised into the following categories:

Category of expense	Description of expense incurred or to be incurred
Agents' fees	Use of specialists to maximise recovery from the Company's tangible assets.
Legal fees	Legal advice regarding such matters required to maximise realisations from the Company's estate.
Storage	Costs to arrange collection and storage of the Company's books and records, for minimum periods required under legislation.
Insurance	Costs to insure the Company's assets and operations during the administration period.
Statutory costs	Costs of completing statutory requirements of the administrations, including advertising and filing costs.
Bank charges	Charges associated with operation of the Company's bank accounts during the administration.
Corporation tax	Corporation tax which may become payable following the preparation and submission of Corporation tax returns. It is currently too soon to provide an estimate in respect of these costs.

Disbursements

Disbursements comprise of sums paid or to be paid to third parties, or payable to the Joint Administrators' firm in respect of out of pocket expenses and costs which include an element of shared or allocated costs.

Category 1 disbursements

Category 1 disbursements are defined as payments to independent third parties where there is specific expenditure directly referable to the appointment

Disbursement	Description of disbursement incurred
Accommodation and subsistence costs	Those costs incurred by the Joint Administrators and their staff in respect of their work on the administration, whilst operating from or attending various sites operated by the Company or third parties.
Travel costs (excluding mileage)	Those costs incurred by the Joint Administrators, and their staff in respect of their work on the administration, to travel to various sites operated by the Company, or third parties (excluding mileage cost).
Specific Bond	A form of insurance required by insolvency law.
Postage and printing	Those costs incurred by the Joint Administrators in printing and posting the Joint Administrators' Statement of Proposals and subsequent progress reports and other written communication to all relevant creditors and shareholders.

Category 2 disbursements

Category 2 disbursements are charges which are directly referable to the appointment but not a payment to an independent third party. They may include shared and allocated costs.

Disbursement	Description of disbursement incurred
Mileage	Those costs relating to mileage incurred by the Joint Administrators and their staff in respect of their work on the administration, whilst operating from or attending sites operated by the Company prior to administration and third party locations to attend meetings with key stakeholders. Current mileage rates are 45p/mile.

Exceeding estimates of remuneration and expenses

These estimates may be exceeded, in which case an explanation will be provided in the appropriate progress report. The Joint Administrators will only draw remuneration in excess of the estimate with the prior agreement of the approving body, in accordance with Rule 18.30 the Insolvency (England and Wales) Rules 2016.

Estimated Joint Administrators' expenses and disbursements

Payments which are not disbursements	£
Legal fees	75,000
Agents' fees	5,000
Statutory costs	2,000
Insurance	2,000
Storage	1,000
Bank charges	250
Corporation tax	<u>10,000</u>
	95,250
Category 1 disbursements	
Accommodation and subsistence	2,000
Specific penalty bond	1,000
Travel costs (excl. mileage)	400
Postage and printing	<u>500</u>
	3,900
Category 2 disbursements	
Mileage	<u>1,500</u>
	1,500
Total	100,650



Transflex Vehicle Rental Limited
Administrators' Statement of Proposals

Pursuant to paragraph 49 of schedule B1 to the
Insolvency Act 1986 and Rule 3.35 of the Insolvency
(England and Wales) Rules 2016

23 April 2018

Abbreviations

The following abbreviations are used in this report:

the Act	the Insolvency Act 1986
the Company / Transflex	Transflex Vehicle Rental Limited
the Date of Appointment	16 April 2018
EPE	Equistone Private Equity
EY	Ernst & Young LLP
FVC	Finance Vehicle Contracts
The Group	T.O.M Group Limited and its subsidiaries
HMRC	Her Majesty's Revenue & Customs
HP	Hire Purchase
The Joint Administrators / Administrators	Colin Peter Dempster and Fiona Livingstone Taylor
the Proposals	the Joint Administrators' Statement of Proposals
the Purchaser	Dawsongroup Vans Limited
the Rules	the Insolvency (England and Wales) Rules 2016
S&W	Shepherd & Wedderburn LLP
TGL	T.O.M. Group Limited
TOM VRL	T.O.M. Vehicle Rental Limited
TUPE	Transfer of Undertakings (Protection of Employment) Regulations
VAT	Value Added Tax

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1. Introduction, background and circumstances giving rise to the appointment

1.1 Introduction

On 16 April 2018 ("the Date of Appointment") Transflex Vehicle Rental Limited ("the Company" or "Transflex") entered administration and Colin Peter Dempster and Fiona Livingstone Taylor were appointed to act as Joint Administrators ("the Joint Administrators" or "the Administrators"). This document, including its appendices, constitutes the Joint Administrators' Statement of Proposals ("the Proposals") pursuant to paragraph 49 of Schedule B1 to the Insolvency Act 1986 ("the Act") and Rule 3.35 of the Insolvency (England and Wales) Rules 2016 ("the Rules").

Certain statutory information relating to the Company and the appointment of the Joint Administrators is provided at Appendix A.

1.2 Background

The Company, incorporated in January 2012, was a leading provider of commercial vehicle hire, sales and services across England with a head office in Stockton, and other bases in Buckingham, Manchester and Bristol.

The Company rented out a fleet of around 3,500 vans and cars to a broad customer base across a diverse range of sectors. These vehicles are subject to finance vehicle contracts ("FVC") in favour of a number of lenders.

Equistone Private Equity ("EPE") acquired a majority stake in T.O.M Group Limited ("TGL") in December 2016 which subsequently enabled the acquisition by TGL of the Company in August 2017.

TGL was the 100% shareholder of Transflex Vehicle Rental Limited and a number of other group entities ("the Group"). The main trading business of the Group was T.O.M. Vehicle Rental Limited ("TOM VRL").

The Group had faced challenging trading conditions and a competitive market in recent years with key customers not investing in line with expectations. As a result of the operational difficulties and associated liquidity problems experienced by the Group as a whole, efforts were made to restructure the Group's operations. This included reaching a standstill agreement with the 7 largest HP funders in TOM VRL to defer regular instalments under their HP agreements for a number of weeks during February and March 2018.

In March 2018 the Group appointed Deloitte LLP to market the Group's businesses for sale. Ernst & Young LLP ("EY") subsequently took over that role. No party capable of completing an acquisition of the TOM VRL business was identified. The Group, with the exception of Transflex, entered administration on 28 March 2018 as a result of these difficulties. The business and assets of one subsidiary company, Alistair Fleming Limited, were sold in a pre-pack sale. The remainder of the Group's business is being wound down by the Administrators.

The Company was trading profitably and at the time of the remainder of the Group entering administration there was still considerable interest from potential purchasers for the Transflex business.

However, the Company had granted a cross guarantee to two vehicle funders in respect of the liabilities of other companies within the Group. It was also in a VAT Group with other members of the Group and was therefore jointly and severally liable for amounts owed to HMRC by the other members of the VAT Group. The Group VAT liability was estimated at c.£3.9m and had largely accrued in TOM VRL.

In this regard, the Company received a letter on 28 March 2018 from HMRC providing 7 days' notice of their intention to seek a winding up order against Transflex. After taking legal advice, the Directors of the Company concluded that they required the protection of an interim moratorium and filed a Notice of Intention to Appoint Administrators on 29 March 2018. A further notice was filed on 13 April 2018.

The Company's Directors took the decision to appoint Administrators on 16 April 2018 under the provisions of paragraph 22(2) of Schedule B1 to the Insolvency Act 1986. On the same day the Administrators concluded the sale of the business and assets of the Company to Dawsongroup Vans Limited ("the Purchaser").

The Company, at the Date of Appointment, had 76 employees, comprising 18 head office and 58 depot staff.

The recent financial results of Transflex can be summarised as follows:

1.2.1 Key financials

Period	Source	Turnover £000	Gross Profit £000	Gross Profit %	Directors' Remuneration £000	Net Profit after Tax £000	Accumulated Reserves £000
YTD 31 Jan 2018	Man. accounts	18,738	4,374	23.3	n/a	n/a	3,220
Y/E 31 Dec 2016	Audited accounts	16,119	3,926	24.4	369	1,065	3,220
Y/E 31 Dec 2015	Audited accounts	11,504	3,251	28.3	359	953	2,156
Y/E 31 Dec 2014	Audited accounts	7,048	2,208	31.3	179	696	1,203

1.3 Circumstances giving rise to the appointment of the Administrators

As demonstrated above, Transflex has remained profitable in recent years; however the wider TGL group, has faced challenging trading conditions. The operational difficulties and associated liquidity problems reflected low utilisation of its rental vehicles as a result of a competitive market and changing customer preferences.

Considerable efforts had been made to restructure TGL operations and, when that proved too challenging, the owners sought to market the Group for sale (including Transflex). EY were instructed on 10 March 2018 to advise and support the Group to progress an accelerated sale process of all or parts of its business.

Initial discussions with potential buyers commenced immediately, with a total of 37 parties identified and approached on a 'no names' basis in order to establish the degree of interest. These included parties from EY's own databases, other trade players in the market, private equity houses, parties suggested by the Directors, shareholders and lenders.

Unfortunately, no suitable interested parties emerged from the Group sale process, principally due to the scale of the losses and the investment required to turn the business around. Due to the Group's lack of liquidity and increasing pressure from creditors, the Group's Directors had no option but to seek the appointment of Administrators to certain Group companies.

Subsequently, on 28 March 2018 the Group, excluding Transflex, entered administration and Colin Peter Dempster and Fiona Livingstone Taylor were appointed to act as Joint Administrators, which included an appointment over the holding company, given a potential solvent sale of TGL's shareholding in Transflex being achieved.

Transflex was not put into immediate insolvency proceedings given it was still in a position to continue to trade in the short term and there was still interest from potential purchasers. However, a Notice of Intention to Appoint Administrators was lodged in Court on 29 March

2018 to provide the Company with the protection of an interim moratorium whilst a sale of the Company was pursued.

Trading the Group in administration whilst a sale was explored was not considered feasible due to the likelihood of HP funders wishing to recover their vehicles following the Company entering administration and the likelihood that no additional credible purchasers of the business would be identified following an administration appointment.

The collection of vehicles and the associated disruption for customers would have had a significant negative impact on the collection of the debtor book, the principal asset of the Company. A pre-pack sale allowed for the continuity of supply to customers and will help maximise debtor collections.

It was therefore considered that an accelerated marketing process of the Group and its assets represented the best course of action for the creditors as a whole.

As such, a sale of certain business and assets of the Company to the Purchaser was concluded shortly following the appointment of C P Dempster and F L Taylor as Joint Administrators of the Company on 16 April 2018.

Unpaid pre-administration costs totalling c.£206k have been incurred. The Joint Administrators are seeking approval for payment of these amounts as an expense of the administration. Please refer to section 6 and Appendix E for further details.

2. Purpose, conduct and end of administration

2.1 Purpose of the administration

The purpose of an administration is to achieve one of three objectives:

- a. To rescue the company as a going concern;
- b. 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); or
- c. To realise property in order to make a distribution to one or more secured or preferential creditors.

Insolvency legislation provides that objective (a) should be pursued unless it is not reasonably practicable to do so or if objective (b) would achieve a better result for the company's creditors as a whole. Objective (c) may only be pursued if it is not reasonably practicable to achieve either objective (a) or (b) and can be pursued without unnecessarily harming the interests of the creditors of the company as a whole

As part of the marketing process, no parties submitted a final offer for the shares of the Company. Accordingly, objective (a) could not be achieved.

The objective being pursued is therefore objective (b). The pre-pack sale of the Company's business and assets enables this objective to be achieved by maximising asset values and minimising creditor claims. The outcome achieved through the pre-pack sale was the best available outcome for creditors as a whole in all the circumstances.

2.2 Conduct of the administration

2.2.1 Pre-packaged sale of the business and / or assets

As explained in the previous section, on 16 April 2018, the Joint Administrators completed a sale of certain of the Company's business and assets to the Purchaser for a total consideration of £150k.

A detailed explanation of the sales process and subsequent transaction is outlined at Appendix D, in accordance with the requirements of Statement of Insolvency Practice 16. A summary of the transaction is outlined below.

2.2.2 Key terms, assets sold and consideration

In summary, the following key business and assets of the Company were sold to the Purchaser:

- ▶ the benefit of all FVCs held in the name of the Company that were capable of assignment without the consent of any other third party. Similarly, TOM VRL assigned all vehicles which were utilised by Transflex customers prior to appointment but were financed through TOM VRL to the Purchaser on the same terms;
- ▶ the benefit of all contracts that are capable of assignment without the consent of any other third party;
- ▶ all right, title and interest past, present and future that the Company may have in and to the Business Intellectual Property of the existing business was assigned to the Purchaser; and
- ▶ All remaining unencumbered vehicles and fixed assets.

A licence to occupy the head office and 3 depots (all leasehold) was granted to the Purchaser in order to provide it with the opportunity to trade from these locations whilst seeking to agree more permanent terms of ongoing occupation with the relevant landlords.

2.2.3 Principal benefits

The principal benefits of the transaction can be summarised as follows:

- ▶ the Purchaser will be continuing the Company's business following completion thereby helping to enhance recoveries from customers in relation to the £2.9m of book debts (net of £0.4m owed by other Group companies) which will be the source of the main recovery to non-preferential creditors;
- ▶ facilitates the novation of c.3,636 vehicles and corresponding HP liabilities to the Purchaser which should reduce the losses incurred by the HP funders in the event that the business had ceased trading and they were obliged to collect and sell the vehicles;
- ▶ the purchaser will be required to deal with any retention of title claims received following completion, however, there will be no refund of any part of the price paid for the items;
- ▶ avoiding preferential creditor claims from employees resulting from the transfer of the Company's employees to the Purchaser under TUPE;
- ▶ avoiding redundancy and lieu of notice claims from the aforementioned employees who otherwise would have been made redundant; and
- ▶ avoiding dilapidations and void period claims from landlords which would have arisen on termination of the leases for the four depots the Company traded from (if trading had ceased following the Administrators' appointment).

2.2.4 Significant assets not included in the sale agreement

- ▶ **Debtors** - at the Date of Appointment of the Joint Administrators, the Company was due £2.9m from trade debtors (net of £0.4m owed by other Group companies). As part of the sale agreement with the Purchaser, arrangements were to be put in place for the Purchaser to assist with the collection of pre-appointment book debts.
- ▶ **Cash at the date of appointment** - cash held in the Company's pre-appointment bank accounts at the Date of Appointment totalled c.£88k. Furthermore, we understand cash in transit at the Date of Appointment totalled c.£120k. We have liaised with the Company's bank and merchant services providers in order to secure these funds and have them transferred into our administration accounts.
- ▶ **Credit card security deposit** - we are aware that the Company's credit card services provider, Barclaycard, also holds a security deposit of c.£30k. We will liaise with this party to secure the release of these monies in due course.

We are not aware of any further assets which are likely to realise significant value.

2.2.5 Administrators' receipts and payments

A summary of the Administrators' receipts and payments for the period from 16 April 2018 to 20 April 2018 is attached at Appendix C.

2.3 Approval of the Administrators' proposals

As required by Rule 3.38 the Joint Administrators are seeking approval of their Proposals from the Company's creditors. In this regard a Notice to Creditors of the Decision Procedure for this approval is enclosed with the Joint Administrators' Proposals. This notice has been drafted in line with the requirements of Rules 15.7 and 15.8 of the Rules.

2.4 Future conduct of the administration

The Joint Administrators will continue to deal with the administration in line with the stated objective, namely 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).

Further tasks will include, but may not be limited to, the following:

- ▶ liaising with representatives of the Purchaser to invoice and collect work in progress and debtors balances due to the Company;
- ▶ providing reasonable assistance to the Purchaser, in line with the undertakings of the sales agreement;
- ▶ prepare and submit corporation tax returns and VAT returns;
- ▶ dealing with statutory reporting and compliance obligations;
- ▶ dealing with non-preferential creditor enquiries;
- ▶ distributing amounts due to the non-preferential creditors;
- ▶ liaising with landlords and rating authorities regarding the four Company leasehold properties being occupied under licence by the Purchaser.
- ▶ if the Joint Administrators deem it appropriate, to seek an extension and / or further extensions to the administration from the Company's creditors and / or the Court;
- ▶ finalising the administration, including the payment of all administration liabilities; and
- ▶ any other actions required to be undertaken by the Joint Administrators in order to fulfil the purpose of the administration.

2.5 The end of the administration

It is proposed that, if at the end of any the administration, the Company has no further 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 provisions of paragraph 84(6) of Schedule B1 to the Insolvency Act 1986, the Company will be deemed to be dissolved three months after the registration of the notice.

If there is a distribution to be made to non-preferential creditors, other than in respect of the prescribed part, and the distribution cannot be made in the administration, it is proposed that, at the end of the administration, the Company will move straight into creditors' voluntary liquidation upon the filing with the Registrar of Companies of a notice pursuant to paragraph 83 of Schedule B1 to the Insolvency Act 1986. It is proposed that the liquidators will be F L Taylor and C P Dempster of Ernst & Young LLP and that any act required or authorised under any enactment to be done by the liquidators may be done by either or all of them.

In accordance with paragraph 83(7) of Schedule B1 to the Insolvency Act 1986 and Rule 3.60(6)(b) of the Rules, creditors may nominate a different person as the proposed liquidator, provided that the nomination is made after the receipt of these Proposals and before the Proposals are approved. It should be noted in this regard that a person must be authorised to act as an insolvency practitioner in order to be appointed as liquidator.

3. Statements of Affairs

The Directors have not yet submitted a Statement of Affairs. A notice requiring the submission of a Statement of Affairs was issued to all current directors of the Company on 18 April 2018, with a requirement to submit the Statement of Affairs by 29 April 2018. In the absence of a Statement of Affairs, we attach at Appendix B an estimate of the Company's financial position together with a list of creditors including, as far as is currently known, their names, addresses, and amounts owed. This estimate is based on the Company's latest management accounts which were prepared to 31 January 2018.

The Directors are currently working on bringing the financial information up to date in order that a Statement of Affairs as at the Date of Appointment can be prepared. Whilst the information attached does not represent the most up to date position for the Company, our view is that it is the best available information for creditors at this point.

We will include copies of Directors' Statement of Affairs for the Company in our six monthly progress report to creditors together with information on actual and estimated future realisations.

3.1 Secured creditors

3.1.1 Barclays Bank

Prior to the Joint Administrators' appointment, Barclays provided banking facilities, including an overdraft, secured by a qualifying floating charge, to the Company.

At the Date of Appointment the Company were not utilising this overdraft facility and therefore we are not aware of any amounts due to them as secured creditor.

At the date of these Proposals we are not aware of any other secured creditors of the Company.

3.1.2 Vehicle Funders

The funders listed below have security over vehicles and hire agreements supplied to the Company. At the date of administration they had not enforced their security and the Company's interests in the security holders' financed vehicles and hire agreements were assigned to the Purchaser as part of the pre-pack sale.

Date of creation of charge	Date of registration of charge	Details of charge	Name of charge holder
20 February 2012	29 February 2012	Assignment and charge of sub hire agreements	Barclays Mercantile Business Finance Limited
20 February 2012	1 March 2012	Debenture by Transflex	Barclays Bank plc
6 June 2012	13 June 2012	Fixed charge over sub hire agreements	Lombard North Central PLC
8 August 2013	17 August 2013	Fixed charge over sub hire agreements	AIB Group (UK) PLC
23 March 2015	25 March 2015	Floating charge over sub hire agreements	United Dominions Trust Limited
22 June 2015	26 June 2015	Fixed charge over sub hire agreements	GMAC
17 March 2016	24 March 2016	Fixed charge over sub hire agreements	GMAC

3.2 Preferential creditors

There are no preferential creditor claims given that the employees of the Company have transferred to the Purchaser under TUPE legislation.

3.3 Non-preferential creditors

The Company's latest purchase ledger suggests that total non-preferential claims, will be in the region of c.£0.5m, however this figure is likely to increase due to the following factors:

- ▶ the Company had granted a cross guarantee to two vehicle funders in respect of the liabilities of other companies within the Group; and
- ▶ the Company was also in a VAT Group with other members of the Group and was therefore jointly and severally liable for amounts owed to HMRC by the other members of the VAT Group.

The level of dividend which will eventually be available to non-preferential creditors will be driven by achieving greater certainty on these issues.

The Joint Administrators are of the opinion, based on the information available at the date of these Proposals, that the Company will have sufficient property to enable a distribution to be made to non-preferential creditors.

4. Prescribed Part

The prescribed part is a proportion of floating charge assets set aside for non-preferential creditors pursuant to section 176A of the Insolvency Act 1986. The prescribed part applies to floating charges created on or after 15 September 2003. The Company's floating charges were all created after this date and accordingly the prescribed part will apply.

At this early stage, the Joint Administrators are unable to estimate the value of the Company's net property given, amongst other factors, the uncertainties outlined in the previous section.

5. Administrators' remuneration and disbursements and payments to other professionals

5.1 Remuneration

The statutory provisions relating to remuneration are set out in Chapter 4, Part 18 of the Rules. 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 the Joint Administrators.

As there is no secured or preferential creditors to seek confirmation from, the Joint Administrators will seek to have the basis of their remuneration fixed by agreement from the general body of non-preferential creditors in accordance with Rule 18.18(4) of the Rules. A resolution in this regard is included in the notice to creditors enclosed with these Proposals.

The Joint Administrators will ask for their remuneration to be fixed on the basis of time properly given by them and their staff in dealing with matters arising in the administration, in accordance with the fee estimate dated 23 April 2018 which is included at Appendix A of our letter to creditors of the same to which these Proposals are enclosed with.

5.2 Disbursements

Disbursements are expenses met by and reimbursed to the Joint Administrators. They fall into two categories: Category 1 and Category 2. The statement of expenses, which is included within the fee estimate dated 23 April 2018 referred to above, includes details of the Category 1 and 2 disbursements which are expected to be incurred.

- ▶ Category 1 disbursements are payments to independent third parties where there is expenditure directly referable to the administration. Category 1 disbursements can be drawn without prior approval.
- ▶ Category 2 disbursements are expenses that are directly referable to the administration but not to a payment to an independent third party. They may include an element of shared or allocated costs that can be allocated to the administration on a proper and reasonable basis. Category 2 disbursements require approval in the same manner as remuneration. In the event that a creditors' committee is not formed, the Joint Administrators propose that they are permitted to charge Category 2 disbursements in accordance with the Statement of Expenses included in Appendix A of my letter to creditors dated 23 April 2018.

5.3 Payments to other professionals

The Joint Administrators have to date engaged the following other professionals to assist them. They were chosen on the basis of their experience in similar assignments and their specialist knowledge of the market.

Name of firm	Nature of service	How contracted to be paid
Shepherd & Wedderburn LLP	Legal advisors	Time cost basis

No fees have been paid to date.

6. Pre-Administration costs

The Administrators are seeking approval for payment of unpaid pre-administration costs totalling £206,205.85 plus VAT. The payment of unpaid pre-administration costs as an expense of the administration is subject to approval under Rule 3.52, and not part of the Proposals subject to approval under paragraph 53. This means that they must be approved separately from the Proposals. A resolution for the approval of these pre-administration costs is included in the Notice to Creditors of the Decision Procedure enclosed with these Proposals.

A breakdown of the total pre-administration costs incurred and amounts paid pre-administration is attached at Appendix E. The nature of the pre-appointment work conducted can be summarised as follows.

- ▶ Negotiating and delivering the pre-pack transaction to the Purchaser. The sales process was protracted as a result of two bids being progressed to near completion but ultimately being aborted by the relevant interested party. This was largely due to challenges associated with reaching agreement with the Company's existing funders and resolving the cross guarantees and Group VAT positions outlined in section 1.2 above. The marketing process is discussed in greater detail in Appendix D to this report.
- ▶ During the course of the sales process planning for the period immediately post-appointment was ongoing in order to deal with all matters effectively.

The likely return to non-preferential creditors has been significantly enhanced by negotiating a going concern sale prior to administration.

In addition to the above, the following third-party pre-administration costs and expenses have been incurred prior to appointment.

- ▶ Shepherd and Wedderburn LLP ("S&W") provided legal advice to the Joint Administrators in respect of the pre-pack transaction. S&W's pre-administration costs are £22,347 plus VAT.

The breakdown attached at Appendix E sets out:

- ▶ The pre-appointment fees charged by the Administrators;
- ▶ The pre-appointment expenses incurred by the Administrators;
- ▶ The fees charged (to the Administrators' knowledge) by any other person qualified to act as an insolvency practitioner (and if more than one, by each separately); and
- ▶ The expenses incurred (to the Administrators' knowledge) by any other person qualified to act as an insolvency practitioner (and if more than one, by each separately).

Appendix A Statutory information

Company Information

Company Name: Transflex Vehicle Rental Limited
Registered Office c/o Ernst & Young LLP, 2 St Peter's Square, Manchester,
Address: M2 3EY
Registered Number: 07841788
Trading Name: Transflex Vehicle Rental Limited
Trading Address: Transflex House Teesway, North Tees Industrial Estate,
Stockton-On-Tees, England, TS18 2RS

Details of the Administrators and of their appointments

Administrators: C P Dempster and F L Taylor

Date of Appointment: 16 April 2018

By Whom Appointed: The appointment was made by the Company's Directors under the provisions of paragraph 22(2) of Schedule B1 to the Insolvency Act 1986.

Court Reference: 0200 of 2018

Any of the functions to be performed or powers exercisable by the Administrators may be carried out / exercised by any one of them acting alone or by any or all of them acting jointly.

Statement concerning the EC Regulation

The EC Council Regulation on Insolvency Proceedings does apply to this administration and the proceedings are main proceedings. This means that the administration is conducted according to UK insolvency legislation and is not governed by the insolvency law of any other European Union Member State.

Share capital

Class	Authorised		Issued and fully paid	
	Number	£	Number	£
Ordinary Shares	3,405,000	3,405,000	3,405,000	3,405,000

Directors and secretary and their shareholdings

Name	Director or Secretary	Date appointed	Date resigned	Current shareholding
Nicholas Skillman	Director	25 June 2014	N/A	Nil
Tina Lynas	Director	19 December 2014	N/A	Nil
Gary Henry	Director	19 December 2014	N/A	Nil
Alan Fairhurst	Director	22 January 2013	2 August 2017	Nil
Peter Abdale	Director	16 December 2011	28 January 2018	Nil
Maxwell Milne-Skilman	Director	19 December 2014	2 August 2017	Nil
Philip Moorhouse	Director	20 January 2014	2 August 2017	Nil
Robert Morton	Director	10 September 2013	2 August 2017	Nil

Gerard Murray	Director	10 September 2013	2 August 2017	Nil
Gerard Murray	Director	30 January 2012	25 May 2012	Nil
John Nixon	Director	10 September 2013	2 August 2017	Nil
Stephen Purkis	Director	2 August 2017	12 March 2018	Nil
John Richardson	Director	10 November 2011	16 December 2011	Nil
John Smith	Director	16 December 2011	2 August 2017	Nil
Robert Stewart	Director	2 August 2017	12 March 2018	Nil
Sir Peter Vardy	Director	25 May 2012	2 August 2017	Nil

Appendix B Company's balance sheet as at 31 January 2018

	£000
Fixed Assets	
Office & Workshop Equipment	19
Furniture and Fixtures	84
Computer Equipment	45
New Head Office	400
Hire Fleet	<u>27,728</u>
	<u>28,276</u>
Current Assets	
Stock	141
Trade & Other Debtors	3,424
Cash Balances	<u>144</u>
	<u>3,708</u>
Current Liabilities	
Creditors	561
Accruals	1,558
PAYE & Wages	52
VAT	<u>730</u>
	<u>2,901</u>
Long Term Liabilities	
Hire Purchase	21,880
Corporation Tax	(289)
Deferred Taxation	845
Intergroup Loan Account	<u>(2,073)</u>
	<u>20,362</u>
Net Assets / (Liabilities)	<u>8,721</u>

Source: Company management accounts

Notes:

1. Trade debtors - balance on latest trade debtors' ledger of £2.9m (net of £0.4m owed by other Group companies).
2. Cash at the date of appointment – amounts held in the Company's pre-appointment bank accounts at the Date of Appointment totalled c.£88k. Furthermore, we understand cash in transit at the Date of Appointment totalled c.£120k. We have liaised with the Company's bank and merchant services providers in order to secure these funds and have them transferred into our administration accounts.

Non-preferential Creditors based on Company records as at 16 April 2018

Name of creditor or claimant	Address (with postcode)	Amount of debt (£)
ATS Euromaster Limited	PO BOX 2 Sheffield S98 1AF	5,124.60
Alliance Corporate Rental	3 Eaton Court Colmworth Business Park Eaton Socon Cambridgeshire PE19 8ER	945.90
Access Bodyshop Ltd	2B Unit 4 Bridge Industrial Estate Speke Hall Road Liverpool L24 9HB	4,146.74
AGM Vehicle Services	30 Malvern Road Enfield Middlesex EN3 6DA	1,447.88
Autosmart International Ltd (New-Portal)	Lynn Lane Shenstone Lichfield Staffordshire WS14 0DH	1,493.94
Aycliffe Auto Supplies Ltd T/A Hilton Road Garage	356 Hilton Road Aycliffe Industrial Estate Newton Aycliffe Co Durham DL5 6EN	688.75
Bell Truck Sales Ltd	Bellway Industrial Estate Whitley Road Longbenton Newcastle upon Tyne NE12 9SW	690.58
Barclaycard	P O Box 3000 Teesdale Business Park Stockton on Tees TS17 6YG	5,585.92
Lookers Ford (Sunderland)	Newcastle Road Sunderland	529.73
	SR5 1JQ	
A Breeze Pest Control Ltd	Avondale Cottagers Lane Manfield Darlington DL2 2RN	480.00
BP Tyre & Exhaust	Gatherley Road Industrial Estate Brompton on Swale Richmond N Yorks DL10 7JQ	276.18
Busseys Ford	Whiffler Road Norwich Norfolk NR3 2EU	828.65
Croft Joinery Services	Copperty Keld Faceby Back Lane Faceby North Yorkshire TS9 7BW	810.00
D R Caswell Ltd	Lagonda Road Cowpen Ind Estate Billingham Cleveland TS23 4JA	175.22
Commercial Vehicle Linings Ltd	CVL House 1 Hopesay Hill Road, Cravens Arms Business Park Cravens Arms Shropshire SY7 8BW	5,565.30
Cathedral Leasing Limited	300 Relay Point Relay Drive Tamworth Staffordshire B77 5PA	358.78
CMS (UK) Ltd	Suite 2 1st Floor 21 Green Street Seaham Co Durham SR7 7HL	8,496.00
City West Commercials Ltd	Accounts Dept Kings Weston Lane St Andrews Road Avonmouth Bristol BS11 9BY	76.56
Driving Force Recruitment Ltd	Credit Control Department Unit 2, Chesney Court Wrexham Technology Park Wrexham LL13 7YP	8,093.91
Drive Vauxhall	Trunk Road Redcar	228.88
	TS10 5BW	
Drive-Time Vehicle Rental	4 Printers End Gatehouse Way Aylesbury Buckinghamshire HP19 8DB	1,715.23

Name of creditor or claimant	Address (with postcode)	Amount of debt (£)
Dent Right	9 Shepherds Walk Bugbrooke Northampton NN7 3PU	1,746.75
David Herd Motors Ltd	62/63 Woodsend Road Flixton M41 8GX	5,877.82
Deliverwize Ltd	1st Floor 244 Edgware Road London W2 1DS	2,304.00
Electro Diesel North East Ltd	Portrack Grange Road Stockton on Tees Cleveland TS18 2PH	249.19
Edstrom of Sweden Limited	1 - 3 Cronin Courtyard Weldon South Industrial Estate Corby Northants NN18 8AG	2,448.98
Euro Car Parts	Unit 8 Clayton Court Bowesfield Crescent Stockton on Tees TS18 3QX	12,885.90
Enza Motors Ltd T/A Roanza Ltd	Leacroft Road Risley Warrington WA3 6NN	124.06
Elite Servicing Ltd	Sinfin Central Business Park Sinfin Lane Derby DE24 9HL	5,158.66
First Choice Recruitment Ltd	Royal Middlehaven House 21 Gosford Street Middlesbrough Cleveland TS2 1BB	7,178.54
FMG Support	FMG House St Andrews Road Huddersfield HD1 6NA	3,453.35
Fleet Tyre Network Ltd	Mill Place Micheldever Station Winchester Hampshire SO21 3AP	11,427.14
Ford Rental	White Clarke House Woodlands Business Park Linford Wood Milton Keynes MK14 6FG	271.01
Fleet Complete Ltd	Europa House Adlington Business Park Adlington Cheshire SK10 4NL	7,320.63
First Choice Windscreens & Towbars	Unit 6 Clarke Road Mount Farm Bletchley Milton Keynes MK1 1LG	3,885.60
Fire Protection Shop	Chandos House Chandos Pole Street Derby DE22 3BJ	312.00
Filtration Control Limited	Filtration House Units B & C Longman Court Northampton NN4 7PL	1,791.33
George Browns Ltd	Grovebury Road Leighton Buzzard Beds LU7 4UX	11.81
Howley Quay Motors Ltd	Unit 4 Stretton Distribution Centre Grappenhall Lane Appleton Thorn Warrington WA4 4QT	135.00
The Human Group North East Ltd	Suite 201 Cleveland Business Centre 1 Watson Street Middlesbrough TS1 2RQ	4,213.86
Hughes of Beaconsfield Ltd	The Hughes Group 55 Station Road Beaconsfield Buckinghamshire HP9 1QJ	163.96
Integrated Office Systems Ltd	89 Willows Court Teesside Industrial Estate Stockton-On-Tees Cleveland TS17 9PP	1,112.55
Jennings Group	Cargo Fleet Lane Middlesbrough Cleveland TS3 8AX	10,661.18
JC Payne Specialist Services Ltd	Unit 2 Westgate Aldridge West Midlands WS9 8EX	571.35

Name of creditor or claimant	Address (with postcode)	Amount of debt (£)
Jacksons Fire & Security UK Ltd	6 Queens Lane Bromfield Industrial Estate Mold Flintshire CH7 1JR	75.00
Just Vans Ltd	258 Manchester Road Higher Ince Wigan Lancashire WN2 2ED	582.00
KWIK FIT FLEET	CREDIT CONTROL DEPARTMENT ETEL HOUSE, AVENUE ONE LETCHWORTH GARDEN CITY HERTFORDSHIRE SG6 2HU	9,190.54
Kernahan Service	Avenue 2 Station Lane Witney OX28 4YG	4,491.97
K T Properties Ltd	Canada Warehouse Worthy Road Chittering Industrial Estate Avonmouth BS11 0YB	633.60
Mr G Lay	25 Victoria Embankment Darlington DL1 5JR	225.00
Lloyd Locksmiths Ltd	6 West Street Normanby Middlesbrough TS6 0PB	1,056.00
Lerry Deliveries	Swiss Lodge Pilgrims Way Hollingbourne Kent ME17 1UT	210.00
Minster Self Drive	Old Station Road Southbank Middlesbrough TS6 6AD	2,804.50
Master Radiator Specialists	Bolckow Road Industrial Estate Grangetown Middlesbrough TS6 7BL	235.80
MAC Signs (NE) Ltd	48 Glendale Road Middlesbrough TS5 7QB	459.55
Motorscreen	82 Market Street Tottington Bury BL8 3LJ	1,263.60
MK Fleet Maintenance	4 Gleneagles Close Bletchley Milton Keynes MK3 7RT	4,200.78
MotorSave Ltd	Smeeton House 1 Barkan Way Pendlebury M27 8SF	1,027.17
Mercedes-Benz South West		999.01
Nexus Vehicle Management Limtied	Nexus House 2 Owlcoates Court 141 Richardshaw Lane Leeds LS28 6AA	1,034.11
North East Truck & Van	Cowpen Bewley Road Haverton Hill Billingham TS23 4EX	3,085.55
New Recruits Professional Services Ltd	11 Church Lane Banbury Oxon OX16 5LR	1,519.59
National Tyre Services Ltd	26 Ashby Road Coalville Leicestershire LE67 3LA	20,502.23
Nexus CIFS Ltd	52-56 Leadenhall Street London EC3A 2EB	22,540.00
Orwell Truck & Van	39 Hurricane Way Airport Industrial Estate Norwich NR6 6HE	2,330.53
Printwell	Unit 43, Evans Business Centre Lingfield Way Darlington Co Durham DL1 4PS	1,639.08
Ply-Line Services Ltd	Unit 1 Firby Road Gallowfields Trading Estate Richmond DL10 4SS	564.00

Name of creditor or claimant	Address (with postcode)	Amount of debt (£)
Premier Waste Recycling Ltd	Third Avenue Drum Industrial Estate Birtley Co Durham DH2 1AY	309.22
Premier Inn Business Account	1 Trinity Court Broadlands Wolverhampton WV10 6UH	196.98
Pool Resprays Limited	Parsons Business Centre Brenda Road Hartlepool Cleveland TS25 2BJ	378.00
Paterson Group (Recruitment)	P O Box 349 Abingdon SO Oxon OX13 6YP	874.36
Quicko Manchester	Unit 6 Clarke Industrial Estate Barton Dock Road Stretford Manchester M32 0ZE	308.69
RMB Teesside	Cygnet Drive Bowesfield Farm Stockton TS18 3DZ	371.86
Rygor Commercials Ltd	No 3 Road Hoobrook Industrial Estate Worcester Road Kidderminster DY10 1HY	1,844.56
Ring Road Garage	Gawcott Road Buckingham MK18 1DR	12,264.41
Revs Motors Ltd	Distribution House Capel Hendre Industrial Estate Ammanford Carmartheshire SA18 3SJ	407.17
Robins & Day Manchester	99 Windsor Street Salford Manchester Lancashire M5 4DG	112.14
RGR Garages (Cranfield) Ltd	High Street Cranfield Bedford MK43 0DG	9,514.60
Rays	High Cliff Garage Whitwell Terrace Guisborough TS14 6EY	75.00
Ross Gordon Engineering Ltd	Chittening Industrial Est Worthy Road Avonmouth Bristol BS110YB	6,264.92
Simon Bailes	Tannery Lane Northallerton North Yorkshire DL7 8DS	1,356.29
Sherwoods (Darlington) Ltd	Chestnut Street Darlington Co Durham DL1 1RJ	333.63
Stockton on Tees Borough Council	P O Box 410 Kingsway House West Precinct Billingham TS23 2YD	284.94
S G Petch	McMullen Road Darlington Co Durham DL1 1XZ	250.28
Sparshatts of Kent Ltd	Unit H Acorn Industrial Estate Dartford Kent DA1 4FL	508.93
St. Thomas Cross Garage	St Thomas Cross Egremont Cumbria	513.05
Superior Paint Works	Unit K Enterprise Centre Buckingham	2,727.90
Smiths (Gloucester) Limited	Alkerton Court Eastington Stonehouse Gloucestershire GL10 3AQ	137.30
Steven Eagell Toyota	Metron Drive Redmoor Milton Keynes MK13 OLQ	129.92
Safetykleen UK Ltd	Profile West 950 Great West Road Brentford Middlesex TW8 9ES	323.38

Name of creditor or claimant	Address (with postcode)	Amount of debt (£)
Safe and Sure Fire Protection Ltd	Unit 2 Mill Lane Langley Moor Ind Estate Langley Moor Durham DH7 8HE	372.77
Severn Servicing Garages Ltd	Unit 4F, Severnside Trading Estate St Andrews Road Avonmouth Bristol BS11 9EB	275.40
Tyre Exchange Supersites Ltd (Protyre)	2A Lockheed Close Preston Farm Industrial Estate Stockton Cleveland TS18 2RS	9,887.03
Town & Country Covers Ltd	7 Larchwood Business Centre Bedhampton Hampshire PO9 3QL	62.86
Trust Ford	Canal Road Bradford West Yorkshire BD1 4SR	976.37
Travis Perkins Trading Co Ltd	Lodge Way House Lodge Way Harlestone Road Northampton NN5 7UG	61.25
Total Signs Ltd	56 Cattle Market Road Northampton NN1 1HL	2,353.20
Tructyre Fleet Management	Goodwood House Goodwood Road Eastleigh SO81 4NT	600.12
Trust First Parts	Unit 19 Kingsland Grange Woolston Warrington WA1 4ET	198.84
Touchline UK	Unit 2 Kerfoot Street Warrington Cheshire WA2 8NU	76.20
Team Window Cleaning	3 Cargo Fleet Lane Ormesby Middlesbrough TS3 0LP	78.00
Thurlow Nunn	Campbells Meadow Hardwick Road Kings Lynn Norfolk PE30 4YN	90.00
The Best Connection	9 Birmingham Street Halesowen West Midlands B63 3HN	8,834.51
Tees Valley Mitsubishi	McMullen Road Darlington Co Durham DL1 1XP	158.22
T C Harrison Group Ltd	Oxney Road Peterborough PE1 5YN	204.55
Turtle Covers Ltd	Unit 8a Gledrid Industrial Park Gledrid Chirk Wrexham LL145DG	579.90
The SignBox.com Ltd	Unit 3 Coldhurst Ind Est Oldham OL1 2BQ	1,476.00
Tyre Spot Limited	Drum Road Birtley Chester le Street Co Durham DH3 2AF	148.99
Tyrenet UK Ltd	Churchill House Gaskill Road Liverpool L24 9PF	15,205.28
Thursday Night Pool League		250.00
T.O.M Vehicle Rental (Vehicle sales)	Ninian Road Brownsburn Industrial Estate Aidree ML6 9SE	130,628.81
UK Safety Management Ltd	Unit 5 Temple Point Finch Drive Off Bullerthorpe Lane Colton Leeds LS15 9JL	118.80
UK Truck Bodies Ltd	Unit 1 Henson Road Yarm Road Business Park Darlington Co Durham DL1 4QD	503.88

Name of creditor or claimant	Address (with postcode)	Amount of debt (£)
Vospers	Unit 16 Threemilestone Industrial Estate Truro Cornwall TR4 9LD	419.64
Vehicle SMART	Teesside Paints Ltd T/A Vehicle SMART Unit 16B Queensway Court Middlesbrough TS3 8TG	384.00
Van Line NI	7a Ballycreely Road Ballygowan Newtownards, Co Down Northern Ireland BT23 5PX	896.29
WCS Ltd	Unit 3 Evolution Wynyard Business Park Billingham TS22 5TB	267.60
WSM Van Centre Ltd	1a Oldmixon Cresent Weston-Super-Mare BS24 9AY	3,930.92
USE N003	Windscreens Scotland Unit 1 Brownrigg Loaning Business Park Dumfries DG1 3JT	5,139.60
Midland Truck and Van Ltd	1 Dorset Road Saltley Business Park Birmingham B8 1BG	923.85
Matrix Telematics Ltd	Matrix House Merlin Court Atlantic Street Altrincham WA14 5NL	2,994.00
Intercounty Truck & Van Ltd	Stewarts Road Findeon Road Industrial Estate Wellingborough NN8 4TR	370.80
Close Brothers Leasing	Olympic Court Third Avenue Trafford Park Village Manchester M17 1AP	16,800.00
Cuff Miller & Co Ltd	Horsham Road Littlehampton West Sussex BN17 6BX	213.29
Total		456,701.53

Appendix C Administrators' receipts and payments for the period from 16 April 2018 to 20 April 2018

Income received since our appointment as Administrators relates to the consideration for the pre-pack sale which completed on 16 April 2018. These can be summarised as follows:

	£
Vehicles	140,000
Plant & equipment	9,992
Transfer of records & contracts	3
Other assets	2
Stock	1
Intellectual Property	1
Goodwill	1
Total	150,000

In addition £64,658 was received from the Purchaser in relation to a licence to occupy the Company's operating sites.

These funds are currently being held in the client account of the Joint Administrators' lawyers pending a post-administration bank account being set up.

There have been no payments made in the post-appointment period to date.

Appendix D Detailed Explanation of Pre-Pack Transaction

Pre-packaged sale of the business and assets of the Company

On 16 April 2018 the Company entered administration and Colin Peter Dempster and Fiona Livingstone Taylor were appointed as Joint Administrators. The appointment was made by the Directors under the provisions of paragraph 22(2) of Schedule B1 to the Insolvency Act 1986. For your information, enclosed with these Proposals is formal notice of the Administrators' appointment.

As licensed insolvency practitioners, the Administrators are bound by the Insolvency Code of Ethics when carrying out all professional work relating to the administration.

Sale of the business

Shortly following the appointment of the Joint Administrators on 16 April 2018, a sale of the Company's business and assets was completed to Dawsongroup Vans Limited for a total consideration of £150,000.

In accordance with Statement of Insolvency Practice 16, a detailed explanation of the transaction is set out below.

Background

The Company traded as a light commercial vehicle hire and sales business across England with a head office in Stockton-on-Tees. It also traded through three depots, based in Bristol, Buckingham and Manchester. The Company rented out a fleet of around 3,500 vans and cars to a broad customer base across a diverse range of sectors. These vehicles are subject to FVCs in favour of a number of lenders.

EPE acquired a majority stake in TGL in December 2016 which was followed by the acquisition by TGL of the Company in August 2017.

TGL is the 100% shareholder of Transflex and a number of companies in the Group. The main trading business of the Group was TOM VRL.

The Group had faced challenging trading conditions and a competitive market in recent times with key customers not investing in line with expectations and lower vehicle utilisation leading to weaker performance metrics. As a result of the operational difficulties and associated liquidity problems experienced by the Group as a whole, efforts were made to restructure the Group's operations. This included reaching a standstill agreement with the 7 largest HP funders in TOM VRL to defer regular instalments under their HP agreements for a period of weeks during February and March 2018.

In March 2018 the Group appointed Deloitte LLP to market the Group's businesses for sale. EY subsequently took over that role. No party capable of completing an acquisition of the TOM VRL business was identified. The Group, excluding Transflex, entered administration on 28 March 2018 as a result of these difficulties. The business and assets of one subsidiary company, Alistair Fleming Limited, were sold in a pre-pack sale. The remainder of the Group's business is being wound down by the Administrators.

The Company was trading profitably and at the time of the remainder of the Group entering administration there was still a reasonable level of interest from potential purchasers for the Transflex business.

However, the Company had granted a cross guarantee to two vehicle funders in respect of the liabilities of other companies within the Group. It was also in a VAT Group with other members of the Group and was therefore jointly and severally liable for amounts owed to HMRC. The Group VAT liability was estimated at c.£3.9m and had largely accrued in TOM VRL.

In this regard, the Company received a letter on 28 March 2018 from HMRC providing 7 days' notice of their intention to seek a winding up order against Transflex. After taking legal advice, the Directors of the Company concluded that they required the protection of an interim moratorium and filed a Notice of Intention to Appoint Administrators on 29 March 2018. A further notice was filed on 13 April 2018.

The Company's Directors took the decision to appoint Administrators on 16 April 2018 under the provisions of paragraph 22(2) of Schedule B1 to the Insolvency Act 1986. On the same day the Administrators concluded the sale of certain of the business and assets of the Company to Dawsongroup Vans Limited.

Initial introduction to the Company

EY was introduced to the Group by HSBC plc in early February 2018. EY were engaged by HSBC to provide advice in relation to their lending to T.O.M. Group Limited and its subsidiaries on 18 February 2018. This included, *inter alia*, reviewing the short term cash position, assessing the achievability of a sale process and contingency planning work. Subsequently, EY were engaged by T.O.M. Group Limited on 10 March 2018 to progress an accelerated sale process of all or parts of its business.

Pre-appointment considerations

A process to consider the potential sale of the shares in the Company on a solvent basis was initiated, however, it quickly became clear that this would not be achievable due to challenges associated with the cross-guarantees granted by the Company and the Company being in a VAT group with the remainder of the T.O.M Group of Companies.

Trading the Company in administration whilst a sale was explored was not considered feasible due to the likelihood of HP funders wishing to recover their vehicles following the Company entering administration, the consequent impact on customer contracts and the likelihood that no additional credible purchasers of the business would be identified following an administration appointment.

The collection of vehicles and the associated disruption for customers would have had a significant negative impact on the collection of the debtor book, the principal asset of the Company. Alternatively, a pre-pack sale would allow for the continuity of service to customers and maximise debtor collections.

It was therefore considered that an accelerated marketing process of the Group and its assets represented the best course of action for the creditors as a whole.

The secured lender, Barclays, was consulted through the process.

No requests for working capital funding were made to the Company's funders as a trading administration was not considered an appropriate strategy, for the reasons outlined above. The Company has the following registered charges:

Date of creation of charge	Date of registration of charge	Details of charge	Name of charge holder
20 February 2012	29 February 2012	Assignment and charge of sub hire agreements	Barclays Mercantile Business Finance Limited
20 February 2012	1 March 2012	Debenture by Transflex	Barclays Bank plc

6 June 2012	13 June 2012	Fixed charge over sub hire agreements	Lombard North Central PLC
8 August 2013	17 August 2013	Fixed charge over sub hire agreements	AIB Group (UK) PLC
23 March 2015	25 March 2015	Floating charge over sub hire agreements	United Dominions Trust Limited
22 June 2015	26 June 2015	Fixed charge over sub hire agreements	GMAC
17 March 2016	24 March 2016	Fixed charge over sub hire agreements	GMAC

Statutory purpose of Administration

The purpose of an administration is to achieve one of three objectives:

- a) To rescue the company as a going concern;
- b) 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); and
- c) To realise property in order to make a distribution to one or more secured or preferential creditors.

As part of the marketing process, no parties submitted a final offer for the shares of the Company. Accordingly, objective (a) could not be achieved.

The objective being pursued is therefore objective (b). The pre-pack sale of the Company's business and assets enables this objective to be achieved by maximising asset values and minimising creditor claims. The outcome achieved through the pre-pack sale was the best available outcome for creditors as a whole in all the circumstances.

A potential sale of the shares in the Company on a solvent basis was initially progressed. However, it quickly became clear that this would not be achievable due to challenges associated with the cross-guarantees granted by the Company and the Company being in a VAT group with the remainder of the T.O.M Group of Companies.

The collection of vehicles and the associated disruption for customers would have had a significant negative impact on the collection of the debtor book, the principal asset of the Company. Alternatively, a pre-pack sale would allow for the continuity of service to customers and maximise debtor collections.

It was therefore considered that an accelerated marketing process of the Group and its assets represented the best course of action for the creditors as a whole. The secured lender, Barclays, was consulted through the process.

Marketing of the business and assets

During February 2018, Deloitte LLP had been instructed to assist the Group with an accelerated disposal process. Whilst this had identified that a solvent solution involving separate sales of the Scottish and English businesses (which included the Company and the English depots of the other companies in the Group) was likely to provide the optimal result for all stakeholders, no external marketing was conducted. Given the Group's worsening cash position and the level of support required from both existing funders and shareholders for a solvent solution, EY were instructed on 10 March 2018 to advise and support the Group to progress an accelerated sale process of all or parts of its business (including the Company's business).

We discussed and agreed with Group management the names of potential purchasers to be approached and, with the help of EY's Transaction Advisory Services team, a total of 37 parties were identified and approached on a 'no-names' basis in order to establish the degree of interest. These included parties from EY's own databases, other trade buyers in the market, private equity houses and parties suggested by the directors, shareholders, lenders and previous advisors.

A total of 28 confidentiality letters were signed and a proposed timetable of events provided. Potential purchasers were advised that there was a limited window for consideration of the opportunity and that we were seeking to establish indicative interest by 23 March 2018 with potential to complete in a relatively short timeframe. Interested parties were given access to information memoranda and a confidential data room populated with more detailed information.

Three offers were received from PE houses in relation to a Transflex transaction with a preference for a solvent sale to be achieved. Following a review of each of the offers, one party was granted preferred bidder status on 21 March 2018 for a short period to deliver a solvent sale. Preferred bidder status was granted to the highest bidder. However, this party was unable to reach a satisfactory resolution with the two funders with cross guarantees and also with HMRC. Accordingly, this party formally withdrew its interest on 26 March 2018.

Immediately following the unsuccessful solvent sale process, the party who had expressed the most credible interest in acquiring the business and assets of the Company on a pre-packaged basis was approached to re-confirm their interest and a due diligence process including our granting of access to management commenced on 26 March 2018. During this time, we also engaged with three additional interested trade buyers by way of additional contingency planning. These parties had already expressed interest in a pre-pack transaction, albeit with caveats around information availability.

On 29 March 2018 all four interested parties were invited to submit a best and final offer for the business and assets of the Company by no later than Friday 30 March 2018. The table below highlights the offers received:

Interested party	Offer	Comments
Party A	Up to £1,600,000	Only £90,000 payable on completion and £330 per vehicle novated
Party B	£1,500,000	Payable on completion
Dawsongroup	£6	
Party D	No offer	

After assessment of the offers it was concluded that the transaction with Party B was most deliverable, the most attractive (given the higher level of consideration payable upon completion) and would represent the best outcome for the creditors as a whole.

Therefore Party B was granted exclusivity until Friday 6 April 2018. However, during the course of that week, Party B encountered challenges in its due diligence process. This was mainly in relation to the quantum of the HP liabilities owed by the Company and the consequent impact both on Party B's perception of the value of the Company and also the need for increased working capital required to support the business post transaction. As a result, Party B withdrew their offer on Friday 6 April 2018.

During the week ending 6 April 2018 it became clear as an output of Party B's due diligence assessment that the extent of the Company's liabilities to HP funders had not been fully reflected in the information memorandum or data room interested parties had been provided access to. In particular:

- ▶ a refinancing exercise had been undertaken by the Group in December 2017 which increased the Company's indebtedness on its existing fleet by over £3m. This had not been reflected by the Company in its December 2017 nor its January 2018 balance sheet; and
- ▶ a significant number (over 800) of vehicles rented out by the Company had been financed via TOM VRL on terms significantly more onerous than the Company's standard terms. In addition, the Group had continued to sweep cash from the Company's bank account during March 2018 to fund losses elsewhere in the Group. Finally with the rest of the Group now in administration pressure increased from the Company's creditor base and there was a growing risk of 'contagion' impact on its customer base as a result of competitors approaching the Company's customer to prise away vehicle rental business.

At the time of withdrawing their offer, Party B, who were an experienced distressed financial buyer, made it clear that any subsequent offer by them would only be made on the condition that all HP funders were prepared to write-off a significant proportion of their HP debt to create the headroom possible to complete a transaction. Conversations with some of the main funders confirmed that this was unlikely to be acceptable. Party B have a strong track record in buying distressed businesses and we therefore concluded that other financial buyers were likely to have the same challenges in completing a deal. This would be further compounded by a lack of confidence in management and in underlying management information, both key factors for financial buyers.

The level of the Company's indebtedness, associated concerns regarding information and the worsening cash position led us to conclude that a transaction to sell the business as a going concern could only be achieved by a trade purchaser who had strong existing relationships and credibility with the major HP funders to the Company, a deep existing knowledge of vehicle and asset values in this sector, and an existing management team and infrastructure which could act quickly and support the business going forward. Of the parties who had made an offer we selected Dawsongroup as the most likely buyer.

Dawsongroup were persuaded to increase their offer to £150,000 and we granted exclusivity to them until 13 April 2018. During that week they undertook discussions with all of the major HP funders on the terms of taking on the Company's business and the financed vehicles. Party D, who had refused to make a bid on 29 March 2018 citing management information challenges, subsequently made an offer late on 12 April 2018 without the benefit of any new information. By this time we were in very advanced negotiations with Dawsongroup and after discussing with the Directors agreed to pursue this, taking account of the execution risk involved in engaging with another new party.

Dawsongroup reached agreement with all funders by Monday 16 April 2018 and the sale was completed later that day, immediately following appointment of Administrators.

It is the view of the Administrators that the additional marketing process adopted was proportionate to the nature and size of the Group's business ensuring that the business' availability for sale was made known to the widest group of potential purchasers in the time available.

We believe that the marketing strategy adopted has ensured that the best available consideration was obtained for the Company's business thereby achieving the best available outcome for creditors as a whole. The marketing complied with the 'Marketing essentials' set out in SIP16 in all respects other than the use of the internet to market the business. However, it is our view that this medium would not have identified additional parties who would realistically have been interested and in a position to complete in the required timescale.

Valuation of the business and assets

No valuations were obtained by the Administrators.

As explained above, an intensive marketing process was undertaken to explore interest in the Company's business and assets prior to the Administrators' appointment. The Administrators are satisfied that the marketing process resulted in the best available outcome for creditors as a whole in these particular circumstances. By agreeing a going concern sale we have ensured that realisations of the Company's main asset (book debts) will be maximised.

The transaction

As previously stated, the pre-pack sale was completed on 16 April 2018. Further details of the transaction are given below;

The purchaser and related parties

The purchaser is Dawsongroup Vans Limited, a subsidiary of Dawsongroup PLC.

One of the Company's Directors, Nick Skillman, had worked for Dawsongroup a number of years ago. Some of the HP funders of the Company are also HP funders to Dawsongroup. We are not aware of any other connection between the Purchaser and the Directors, shareholders or secured creditors of the Company or their associates. No Directors had given guarantees for amounts due from the Company to a prior financier and that financier is not financing the new business.

The assets

The assets sold comprise the following:

Description of asset	Valuation (£'000) and basis of valuation	Purchase consideration (£'000)
Business Intellectual Property	See comments above	£1
Claims	See comments above	£1
Contracts	See comments above	£1
Equipment	See comments above	£9,992
Financed Vehicles Contracts	See comments above	£1
IT Systems	See comments above	£1
Goodwill	See comments above	£1
Records	See comments above	£1
Stock	See comments above	£1
Vehicles	See comments above	£140,000

The transaction is a sale of certain elements of the business and assets of the Company as outlined at the start of this letter.

Sale consideration

As previously stated, the sale consideration was £150,000 (excluding VAT), all of which has been paid.

Securing the aforementioned sale has also brought a number of associated benefits to creditors including:

- ▶ the Purchaser will be continuing the Company's business following completion thereby helping to enhance recoveries from customers in relation to the £2.9m from trade

debtors (net of £0.4m owed by other Group companies), which will be the source of the main recovery to non-preferential creditors;

- ▶ the transaction facilitates the novation of 3,636 vehicles and corresponding HP liabilities to the Purchaser which, if effected, will reduce the losses which would have been incurred by the HP funders had the business ceased trading and they were obliged to collect and sell the vehicles;
- ▶ the Purchaser will be required to deal with any retention of title claims received following completion however there will be no refund of any part of the price paid for the items;
- ▶ avoiding preferential creditor claims from employees resulting from the transfer of the Company's employees to the Purchaser under TUPE;
- ▶ avoiding redundancy and lieu of notice claims from the aforementioned employees who otherwise would have been made redundant; and
- ▶ avoiding dilapidations and void period claims from landlords which would have arisen on termination of the leases for the four depots the Company traded from (if trading had ceased following the Administrators' appointment).

Significant assets not included in the sale agreement

The key asset not included in the sale is the Company's debtor book of £2.9m (net of £0.4m owed by other Group companies). Pursuant to the terms of the sale agreement, arrangements have been put in place for the Purchaser to assist in the collection of the book debts for the benefit of the administration. We believe the continuity of customer contact will help in maximising recoveries from this source.

Appendix E Pre-Administration Costs

Statement of pre-administration costs

	Administrator		Other IP		Details
	Remuneration £	Expenses £	Remuneration £	Expenses £	
Time costs	180,852.66	-	-	-	- Incurred by EY in respect of delivering the pre-pack transaction.
Legal expenses	22,347.00	-	-	-	- Incurred by S&W in respect of advice given to EY and facilitating the pre-pack transaction and administration appointment.
Category 1 expenses	-	2,349.19	-	-	-
Category 2 expenses	-	657.00	-	-	-
Total costs incurred	203,199.66	3,006.19			
Paid before the administration					
Time costs	-	-	-	-	-
Legal expenses	-	-	-	-	-
Category 1 expenses	-	-	-	-	-
Category 2 expenses	-	-	-	-	-
Total costs incurred	-	-	-	-	
Unpaid pre-administration costs	203,199.66	3,006.19			

Unpaid pre-administration costs are costs which had not been paid at the date of administration and are subject to approval under Rule 3.52 of the Insolvency (England and Wales) Rules 2016.

Unpaid pre-administration costs are not part of the Proposals subject to approval under paragraph 53 of Schedule B1 of the Insolvency Act 1986. This means that they must be approved separately from the Proposals. Further information on the way in which approval will be sought for unpaid pre-administration costs is set out in section 6 of this document.

Notice to creditors – invitation to form a creditors' committee

Rule 3.39, Insolvency (England and Wales) Rules 2016

Name of court:	High Court of Justice, Newcastle upon Tyne District Registry
Case Number:	0200 of 2018
Registered name of the company	Transflex Vehicle Rental Limited
Other trading name(s) or style(s) of the company:	N/A
Any other registered name in the 12 months prior to administration	N/A
Registered number:	07841788
Registered office address	c/o Ernst & Young LLP, 2 St Peter's Square, Manchester, M2 3EY
Principal trading address (if different from above)	Transflex House Teesway, North Tees Industrial Estate, Stockton-On-Tees, TS18 2RS
Date on which the company entered administration	16 April 2018
Date of appointment of Joint Administrators:	16 April 2018

Details of the Joint Administrators

Colin Peter Dempster Ernst & Young LLP Atria One 144 Morrison Street Edinburgh EH3 8EX	Fiona Livingstone Taylor Ernst & Young LLP G1 Building 5 George Square Glasgow G2 1DY
Office holder number: 8908	Office holder number: 8787
Telephone number:	0131 240 2583
Name of alternative person to contact about the administration:	Amjad Hassan

Invitation to form a creditors' committee

Creditors are invited to decide whether a creditors' committee should be formed if sufficient creditors are willing to be members of the committee. Information on the role of committees can be found at <https://www.r3.org.uk/media/documents/publications/professional/R3%20Guide%20to%20Creditors%20Committees.pdf>.

To be validly established, a committee must have at least three and not more than five members, who must have agreed to act.

Should you wish to form a committee, please follow the instructions in the nomination form attached to this notice and return the completed nomination form, with written agreements to act where appropriate, to me at the above address to arrive no later than 10 May 2018. Nominations can only be accepted if I am satisfied as to the creditor's eligibility under Rule 17.4 of the Insolvency (England and Wales) Rules 2016.

Signed
C P Dempster
Joint Administrator

Date

23 April 2018



Transflex Vehicle Rental Limited (in Administration)

Nominations for creditors' committee

You may nominate up to five creditors of the company. Please note that before a person can act as a member of a creditors' committee that person must agree to do so.

In the event that more than five valid nominations are received, the five receiving the most votes will be appointed.

When you have completed this form, please return it with the creditor's written agreement to act (unless you are nominating yourself or your own organisation) to Amjad Hassan at Ernst & Young LLP, G1 Building, 5 George Square, Glasgow, G2 1DY, to arrive no later than the closing date stated on the notice of invitation to form a committee.

I nominate:

(Name of creditor) _____ of _____

(Address) _____

(Name of creditor) _____ of _____

(Address) _____

(Name of creditor) _____ of _____

(Address) _____

(Name of
creditor) _____ of _____

(Address) _____

(Name of
creditor) _____ of _____

(Address) _____

to be appointed as (a) member(s) of the creditors' committee.

Signature _____

Name of signatory _____

On behalf of
(name of creditor) _____

Date _____

The Insolvency Act 1986 and the Insolvency (England and Wales) Rules 2016

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 απαιτησεως. 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. Termiņi, kas jāievēro

Kvietimas pateikti reikalavimā. Privalomieji terminai

Felhívás követelés bejelentésére. Betartandó határidők

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

Oproep tot indiening van schuldvorderingen. In acht te nemen termijnen

Wezwanie do zgloszenia 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 määräjät

Anmodan att anmäla fordran. Tidsfrister att iaktta

Transflex Vehicle Rental Limited (in Administration)

Date of Administration: 16 April 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 15.28 to 15.35 of the Insolvency (England and Wales) Rules 2016.

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

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	

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 (England and Wales) Rules 2016:

15.31 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 rule 14.24 or would have been made if that rule were applied on the date on which the votes are counted; ...
 - (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.

15.32 Calculation of voting rights: special cases

- (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.

Notice to creditors of decision procedure

Paragraph 51 of Schedule B1 to the Insolvency Act 1986 and Rules 3.38 and 15.8 of the Insolvency (England and Wales) Rules 2016

Transflex Vehicle Rental Limited (in Administration)

Name of court:	High Court of Justice, Newcastle upon Tyne District Registry
Case Number:	0200 of 2018
Other trading name(s) or style(s) of the company:	N/A
Any other registered name in the 12 months prior to administration	N/A
Registered number:	07841788
Registered office address	c/o Ernst & Young LLP, 2 St Peter's Square, Manchester, M2 3EY
Principal trading address (if different from above)	Transflex House Teesway, North Tees Industrial Estate, Stockton-On-Tees, TS18 2RS
Date of appointment of joint administrators:	16 April 2018

Details of the joint administrators

Colin Peter Dempster Ernst & Young LLP Atria One 144 Morrison Street Edinburgh EH3 8EX	Fiona Livingstone Taylor Ernst & Young LLP G1 Building 5 George Square Glasgow G2 1DY
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Office holder number: 8908	Office holder number: 8787
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Telephone number:	0131 240 2583
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Name of alternative person to contact about the administration:	Amjad Hassan
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NOTICE IS HEREBY GIVEN that the joint administrators of the above-named company are seeking decisions from creditors by correspondence on the following matters:

1. The approval of the Joint Administrators' proposals dated 23 April 2018.
2. In the event that a creditors' committee is not formed, to fix the basis of the Joint Administrators' remuneration as provided for in the fees estimate dated 23 April 2018.
3. In the event that a creditors' committee is not formed, to authorise the Joint Administrators to draw Category 2 disbursements in accordance with the statement of disbursements set out in the proposals.
4. In the event that a creditors' committee is not formed, to approve payment of unpaid pre-administration costs which were incurred with a view to the company entering administration, as set out in the proposals.

Creditors wishing to vote on the above matters, including any creditors who have opted out of receiving notices but nonetheless wish to vote, must complete and return the attached voting form and claim form, and return them to me by post or email to be received no later than 10 May 2018 (**the decision date**). Votes in respect of claim forms received after this time will be disregarded.

Creditors whose debts may be treated as small debts in accordance with Rule 14.31(1) of the Insolvency (England and Wales) Rules 2016 must still deliver a claim form if they wish to vote.

A creditor may apply to court to appeal a decision on eligibility to vote in the decision procedure. Any appeal must be made no later than 21 days after **the decision date**.

Creditors who meet the thresholds set out in section 246ZE of the Insolvency Act 1986 namely 10% in value of creditors, 10% in number of creditors or 10 creditors may, within five business days from the date of delivery of this notice, require a physical meeting to be held to consider the matters.

Signed
C P Dempster
Joint Administrator



Date

23 April 2018

Transflex Vehicle Rental Limited (in Administration)**Voting form****Resolutions**

1. That the Joint Administrators' proposals dated 23 April 2018 be approved.

FOR/AGAINST

2. In the event that a creditors' committee is not formed, the basis of the Joint Administrators' remuneration should be fixed as provided for in the fee estimate dated 23 April 2018.

FOR/AGAINST

3. In the event that a creditors' committee is not formed, to authorise the Joint Administrators to draw Category 2 disbursements in accordance with the statement of disbursements set out in the proposals.

FOR/AGAINST

4. In the event that a creditors' committee is not formed, to approve payment of unpaid pre-administration costs which were incurred with a view to the company entering administration, as set out in the proposals.

FOR/AGAINST

Signature _____

Name of signatory _____

On behalf of
(name of creditor) _____

Date _____

Notice of appointment of an administrator by the directors of a company (where a notice of intention to appoint has been given) ^(a)

(a) Amend heading as applicable.
(Rule 3.24(1).)

(aa) This notice is prepared for a company incorporated within England and Wales under the Companies Act 2006 or a previous Companies Act. If the company is incorporated outside the UK or is an unregistered company refer to rule 1.6 for identification requirements.
(Rules 3.24(1)(a) and 1.6.)

Name of Company

Transflex Vehicle Rental Limited

(aa) Company number

07841788

In the High Court of Justice, Newcastle upon Tyne District Registry

For court use only
Court case number

0200 of 2018

(aaa) (Rule 1.29.)

(aaa) This notice of appointment is given in accordance with the requirements of rule 3.24 of the Insolvency (England and Wales) Rules 2016 (IR 2016) and paragraph 29 of Schedule B1 to the Insolvency Act 1986 (respectively, Schedule B1 and IA 1986.) References in this notice of appointment to rules and sections are, unless expressly provided otherwise, respectively references to rules of the IR 2016, and to sections of the IA 1986.

(b) Select applicable appointer (rule 3.24(1)(b).)

(c) Insert names of person[s] appointed as administrator[s]. (Rule 3.24(1)(c).)

(d) Amend as applicable (rule 3.24(1)(d).)

(e) (Rule 3.24(1)(e).)

(f) (Rule 3.24(1)(f).)

(g) Delete as applicable. An Article 1.2 undertaking is, broadly, one of the following: (a) an insurance undertaking; (b) a credit institution; (c) an investment undertaking providing services involving the holding of funds or securities for third parties; or (d) a collective investment undertaking. (Rules 3.24(1)(g) and 1.2.)

(h) Delete as applicable to state whether the proceedings are main, secondary or territorial proceedings under the EU Regulation or non-EU proceedings (rule 3.24(1)(h)).

(hh) Non-EU proceedings mean insolvency proceedings which are not main, secondary or territorial proceedings.

(ii) Insert reasons for the statement.
(n) Insert name of appointer or person making the declaration on behalf of the appointer (and in that case indicate capacity in which the statement is made e.g. solicitor, director). (Rule 3.24(3).)

1. (b) The directors of the company (the appointer) has appointed the following named person(s) as administrator(s) of the company: (c) Colin Peter Dempster of Ernst & Young LLP, 10 George Street, Edinburgh, EH2 2DZ and Fiona Livingstone Taylor of Ernst & Young LLP, G1 Building, 5 George Square, Glasgow, G2 1DY

and notice that this appointment has been made is hereby given.

2. (d) Copies of the administrators' consents to act accompany this notice.

3. (e) The appointer is entitled to make an appointment under paragraph 22 of Schedule B1.

4. (f) This appointment is in accordance with Schedule B1.

5. The company (g) is not an Article 1.2 undertaking (as defined in rule 1.2).

6. The proceedings flowing from the appointment will be (h) main proceedings and the reasons for so stating are as follows:

(i) the company's registered office and centre of main interests is in England and Wales.

7. The appointer has given written notice of their intention to appoint in accordance with paragraph 26(1) of Schedule B1 and a copy of that notice was filed at court on (j) 13 April 2018 and (k) each person to whom the notice was sent has consented to this appointment.

8. The (l) administrators' appointment was made on (m) 16 April 2018 at (n) 11:00 am/pm.

9. (m) For the purposes of paragraph 100(2) of Schedule B1 the administrators may exercise any of the powers conferred on them by the IA 1986 jointly or individually.

10. I (n) TINA LYNA S , a director,

do solemnly and sincerely declare that the information provided in this notice and the statements made and information given in the notice of intention to appoint are, and remain, to the best of my knowledge and belief, true,

AND I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835.

101857.0003.8375888.4

Declared at Archers law LLP, Stockton on Tees

Signed Terry

This 16th day of April

before me John Carnegie Duffield

A Commissioner for Oaths or Notary Public or Justice of the Peace or solicitor or duly authorised officer.

Archers law.

Archers Law LLP
2018 Lakeside House
Kingfisher Way
Stockton on Tees
TS18 3NB

Endorsement to be completed by the court

This notice was filed (o) 16.04.2018 at 2:00 pm

