

TO ALL KNOWN CREDITORS

07 November 2025

Ref: MLP/RB/AS/IO

Telephone: 0333 4000 393

Email: eastwestinsurance@uk.ey.com

Dear Sirs,

**East West Insurance Company Limited (in Administration) (“the Company”)**

**High Court of Justice, Business and Property Courts of England and Wales, Insolvency and Companies List (ChD), Number CR-2020-003913**

I write, in accordance with Rule 18.3 of the Insolvency (England and Wales) Rules 2016 (“the Rules”), to provide creditors with a report on the progress of the administration.

The Company entered administration on 12 October 2020 and Richard Barker and Simon Edel were appointed to act as Joint Administrators. The appointment was made by the High Court following an application under the provisions of paragraph 12(1)(b) of Scheme B1 to the Insolvency Act 1986. Under the terms of the appointment, any act required or authorised to be done by the Joint Administrators can be carried out by any one of them.

This report, including its appendices, constitutes the Joint Administrators’ tenth report on the progress of the administration in accordance with the requirements of Rule 18.3 of the Rules. This report covers the period from 12 April 2025 to 11 October 2025 (the “Period”) and should be read in conjunction with the Joint Administrators’ Statement of Proposals dated 3 December 2022 and progress reports for previous periods of the administration (“Previous Reports”). Copies of these documents and other documents related to the administration are available at the following website: [https://www.ey.com/en\\_uk/administrations/eastwestinsurance](https://www.ey.com/en_uk/administrations/eastwestinsurance).

Statutory information about the Company, the administration and the office holders are provided in Appendix A.

**Purpose of the administration**

As creditors will be aware, the purpose of the administration of the Company is to facilitate a better outcome for the creditors than would be likely if the Company were wound-up (without first being in administration).

The administration does not terminate or cancel a current policyholder’s contract of insurance (unless specifically stated in their policy). Accordingly, it provides an environment in which the Company can continue to handle claims made in respect of its contracts of insurance until the expiry of those policies, the last of which is in 2029. This would have not been possible in a winding-up.

As previously reported, the Company is not and will not be conducting remedial works on behalf of policyholders. Policyholders who are eligible for the Financial Services Compensation Scheme (“FSCS”) funding will receive compensation for any insured defects, either directly, or through the funding of rectification works conducted by policyholders or their mandated agents. The timing of funding under the terms of the insurance policy will be provided by the FSCS without the need for policyholders to first fund costs themselves and then seek repayment from the FSCS.

## **Summary of progress for the Period**

During the Period, claims received under the Company's contracts of insurance related to structural warranty and buildings guarantee policies ("the BG Policies") have continued to progress through the claim lifecycle and there has been a net reduction of 12 open claims in the period. In the Period, three claims were opened, eight were closed, and seven agreed non-FSCS Protected claims were removed from open claims on the basis that they have been formally agreed and have no residual reserves. Accordingly, as at 11 October 2025, there were 72 open claims (compared with 84 as per the last progress report), across 48 individual developments.

The gross claim reserves for open claims reduced by £17.3m in the Period to £239.6m. Total estimated liabilities arising under the BG Policies reduced by £10.9m to £311.0m as at 11 October 2025.

The remaining open claims continue to progress, with the majority having full or partial policy responses and/or settlement letters issued. During the Period, the Company issued either full or partial policy responses on seven claims, as well as nine settlement offers. There are a small number of claims where investigatory works to determine policy response are still ongoing and, therefore, final policy response has not been issued.

The Company and the Joint Administrators have continued to work closely with the FSCS to agree the approaches to enable funding to be paid for accepted claims under BG Policies for FSCS eligible policyholders. This is an ongoing, iterative process taking account of the specific circumstances and complexities of each claim.

Significant progress has been made in the period in respect of contributions from developers and the BSF providing funding for costs associated with the remediation of defective properties for which claims have been made under the BG Policies. This has enabled the Company to implement reserve reductions of £28.9m across 10 claims in the Period.

Following the payment of the first dividend to non-FSCS Protected insurance creditors on 26 March 2025 at a rate of 15 pence in the pound, the Joint Administrators are planning a second dividend in the next three months. Further details in respect of the dividend are provided in the dividend section of this report.

## **Assets**

### **Recoveries**

The Joint Administrators' strategy in respect of recoveries is focused on ensuring that culpable third parties contribute to the costs of rectification of any defective development on which a valid claim has been made under the BG Policies. This reduces the liability incurred by the Company under the BG Policies. Where contributions are received, it minimises the amount of the insurance liability being settled by the Company in the first instance and, therefore, reduces the overall value of claims to rank for distribution as insurance creditors.

The Company continues to lead on interaction with developers and/or relevant third parties to secure either an undertaking to complete works to remediate insured defects or financial contributions to the costs of such works as part of the claims handling process.

The Company is currently in active dialogue with nine developers and freeholders in respect of the remediation of insured defects at developments on which claims have been made on the BG Policies. The aggregate gross claim reserves on open claims where contribution discussions are ongoing total £110.9m, some of which are also eligible for BSF funding. Of these, two developers are in the process of completing remediation works across four developments with aggregate gross claim reserves of £22.0m. In the Period, two developers completed remedial works on two developments, and these claims have been closed.

Where a third party notifies the Company that it intends to complete remedial works directly, the Company will monitor progression of the works and obtain evidence of their completion to current building regulations and, only at that point, will the Company notify policyholders that they consider their claim under the BG Policies to have been discharged. If any insured defects remain after completion of third parties' works, the claim associated with such defects will be progressed in the ordinary course by the Company and remedial works funded by the FSCS where policyholders are eligible.

The Company, the Joint Administrators and the FSCS also continue to monitor the impact of applications made to the BSF for funding of remedial works relating to fire safety defects at 10 developments. In respect of these developments, claims have also been made under the BG Policies, with aggregate gross claim reserves of £80.0m. Four of these developments (with gross reserves totalling £37.0m) have BSF funding applications in progress, five (with gross reserves totalling £40.9m) have BSF funded remedial works ongoing, and one (with gross reserves totalling £2.1m) has had their BSF funded remedial works fully completed, although the Company has not yet received evidence of the completion of these works.

### **Cash at bank**

As at 11 October 2025, funds totalling £36.3m were held in the Company's Estate. This comprised £25.9m of general estate funds, together with ring-fenced funds of £10.4m. The funds are held in accounts with five different banks for credit risk management purposes.

The Joint Administrators monitor short-term, low risk investment options for the funds held in the Company's Estate and, where appropriate, place funds in short-term treasury deposit accounts to maximise interest income for the Company's Estate. Interest income received on funds held in the Company's Estate in the Period was £0.6m.

### **Liabilities**

#### **Insurance claimants**

As noted earlier in this report, the administration of the Company does not terminate or cancel a current policyholder's contract of insurance (unless specifically stated in their policy). Accordingly, claims continue to be directed to the Company in the ordinary course of business.

#### **BG policies**

##### *Policy and open claim profile*

At the commencement of the administration, the Company's records identified 18,397 unexpired BG Policies, with a last known contractual expiry date of 8 December 2026. During the Period, the Joint Administrators were made aware of a further 45 policies at one development which are due to expire in 2029. The Joint Administrators understand that this is a unique situation at the development and have not been made aware of any similar circumstances at any other development.

At 11 October 2025, the number of unexpired policies had reduced to 1,254. A summary of the run-off of the remaining unexpired BG Policies is shown in the table below:

| Year of Expiry | Number of policies expiring |
|----------------|-----------------------------|
| 2025           | 487                         |
| 2026           | 722                         |
| 2029           | 45                          |
| <b>Total</b>   | <b>1,254</b>                |

In respect of claims received on the BG Policies, the table below details the progression of the number of new and closed claims in the Company's claims portfolio since the commencement of the administration:

| Description                              | Number of claims |
|--|------------------|
| Open claims as at 12 October 2020        | 139              |
| New and reopened claims                  | 102              |
| Closed claims                            | (169)            |
| <b>Open Claims as at 11 October 2025</b> | <b>72</b>        |

There was a net reduction of 12 claims in the Period and a net reduction of 67 claims in the portfolio since the commencement of the administration. As noted earlier in this report, the Company continues to issue policy responses, both full and partial, and settlement offers, in respect of the open claims as soon as practicable. Accordingly, the number of open claims is expected to continue to reduce in the next reporting period.

The Company's claim portfolio is made up of a wide variety of claims which differ substantially in size. Approximately 32% of open claims by number are for less than £0.25 million and predominantly relate to water ingress and major physical damage claims. The remaining 68% of open claims predominantly relate to fire safety and/or present imminent danger claims, and will likely take a number of years to fully resolve.

#### *Indemnification*

In the Period, the Joint Administrators and Davies Group have continued to work through particular challenges on the large and complex claims which are impacting the speed at which claims can progress.

This has included:

- supporting policyholders who are experiencing challenges to identify and/or mandate a representative party to lead and settle the claim on their behalf. This is a particular challenge where there are substantial numbers of individual properties and, therefore, policyholders at any given development;
- supporting policyholders and their representatives to understand and negotiate terms of legal documents required to enable FSCS compensation payments to be made; and.

- supporting policyholders to identify contractors with sufficient expertise to undertake remedial works. There continue to be reduced response rates to tenders for investigations, design and remedial works in recent months.

The Joint Administrators are collaborating closely with legal advisors, Davies Group and the FSCS to identify mitigating steps to navigate the above matters and others matters as they arise. As noted above, the Company is not and will not be conducting remedial works on behalf of policyholders and, therefore, FSCS-eligible policyholders will receive compensation for any insured defects, either directly or through the funding of rectification works conducted by policyholders or their mandated agents.

The Joint Administrators continue to monitor the impacts of the Building Safety Regulations which came into force on 6 April 2024 for properties located in England and Wales exceeding 18 metres in height and have resulted in the requirement for contractors to obtain additional approvals before remedial works can be carried out to developments. This process has created delays in commencing remedial works on certain claims in the Company's portfolio, thereby increasing the claims lifecycle by up to nine months. We understand that this is an area that is being reviewed by the relevant governmental departments with a view to assisting parties with further guidance on what is expected in applications and further resource to enable quicker processing of the applications.

#### *Claim reserves*

The nature of the claims in respect of the BG Policies are such that accurate calculation of the final value of claims is inherently uncertain at this stage, particularly for the largest, most complex claims. In particular, where assessment of the extent of policy coverage is ongoing and/or remedial works may take several years to implement. The value of claims will also be materially impacted by works undertaken by developers and/or relevant third parties to remediate insured defects without recourse to the Company and, therefore, the figures reported below will remain subject to substantial amendment in future reporting periods.

As of 11 October 2025, the Company's outstanding case reserves and initial potential estimates in respect of open claims relating to the BG Policies, as well as the value of agreed non-FSCS Protected claims are shown in the table below, along with the figures as at 12 April 2025 for comparative purposes.

| Description                                  | As at 12 April 2025 (£) | Movement in the Period (£) | As at 11 October 2025 (£) |
|--|-------------------------|----------------------------|---------------------------|
| Gross Reserves - FSCS Protected Claims       | 248,054,980             | (17,292,522)               | 230,762,458               |
| Gross Reserves – Non-FSCS Protected Claims   | 8,834,476               | (6,447)                    | 8,828,029                 |
| <b>Total Gross Reserves</b>                  | <b>256,889,456</b>      | <b>(17,298,969)</b>        | <b>239,590,487</b>        |
| Initial Potential Estimates                  | 27,500,000              | (3,481,550)                | 24,018,450                |
| <b>Total reserves and estimates</b>          | <b>284,389,456</b>      | <b>(20,780,519)</b>        | <b>263,608,937</b>        |
| Incurred and paid by FSCS                    | 25,184,588              | 9,470,068                  | 34,654,656                |
| Non-FSCS Protected Claims Agreed *           | 12,268,621              | 259,852                    | 12,528,473                |
| <b>Total estimated BG policy liabilities</b> | <b>321,842,665</b>      | <b>(10,879,741)</b>        | <b>310,962,924</b>        |

\* This figure is presented gross, before the deduction of the dividends paid to non-FSCS-Protected insurance creditors to date.

## Other matters

### Claims Handling Operations

Davies Group are responsible for handling and reporting on all claims received in respect of the Company's contracts of insurance.

As noted in this report and previously, the majority of the Company's remaining BG Policy claims by value relate to large, complex developments which are, and will continue to be, time intensive, requiring input from Davies Group, third-party suppliers and the Joint Administrators. However, Davies Group continue to focus on bringing smaller claims to their conclusion in the short term and working closely with the FSCS during the remedial works of the largest and most complex developments in the longer term, which is anticipated to take several years to complete.

The Company continues to adopt a collaborative approach with stakeholders to support timely determinations on policy response, FSCS eligibility, and commencement of remediation works. Bi-monthly claims working sessions between the Company's Claims Director and the Joint Administrators, and, separately, between Davies Group, the Joint Administrators, and the FSCS remain a key component of the claims management framework. These sessions ensure that there is an appropriate level of oversight of the Company's run-off strategy and the Joint Administrators have continued to provide input to the commercial and stakeholder management aspect of large and complex claims. Davies Group continue to be subject to regular audits by the Joint Administrators and monthly individual claim file audits by the FSCS.

The costs of claims handling services are funded by the Company's Estate. During the period from 1 April 2025 to 30 September 2025, costs and disbursements incurred by Davies Group in respect of the services of the Claims Director and the Claims Directorate were £1.4m (€1.6m), a decrease of £0.03m compared with the prior six months. In addition, costs of £0.1m were paid in the Period to Davies Group in relation to their development of the Company's claims management system, and £0.04m to City Computers in respect of licence fees, maintenance and document storage. Due to timing differences, not all the costs incurred in the Period were invoiced and paid from the Company's Estate in the Period itself and, therefore, the figures shown in the Receipts and Payments account at Appendix B differ from these amounts.

It is anticipated that the costs of claims handling services will reduce over the next 6 months as claims progress into their respective indemnification phases, and smaller claims are brought to their conclusion.

The Company has established processes and controls to engage with the various third-party suppliers required to progress claims. Certain third-party supplier costs have been paid directly by the FSCS in respect of policy claims for those deemed eligible by the FSCS.

### **FSCS Funding Agreement**

The Joint Administrators do not currently project a requirement to make a drawdown on the FSCS Funding Agreement. The position is reviewed regularly and the Joint Administrators continue to provide the FSCS with a quarterly cash flow and report of operational costs incurred by the Company which they consider would be payable under the Funding Agreement.

The FSCS have confirmed that costs paid from the Company's Estate in the amount of £1.78m, incurred for the period to 31 March 2025, are payable under the terms of the Funding Agreement. The FSCS are currently reviewing a schedule of costs paid from the Company's Estate for the period from 1 April 2025 to 30 June 2025 in the amount of £0.5m and these are yet to be agreed.

### **Value Added Tax ("VAT")**

The Company's VAT registration has been retained at this stage and VAT returns will continue to be submitted on a quarterly basis.

During the Period, input VAT in the amount of £0.23m has been paid on expenses settled from the Company's Estate. It is not expected that the Company will be able to recover input VAT during the administration period.

### **Corporation Tax**

A corporation tax return for the year ending 31 December 2024 is in the process of being finalised, with no corporation tax liability anticipated to be due. The return is expected to be submitted to HM Revenue & Customs shortly.

### **Regulatory engagement**

The Company remains a regulated insurance company and is required to comply with various regulatory matters. Engagement and information sharing with the FCA on the progress of the administration and the submission of relevant regulatory returns for the Company continues to occur periodically.

### **Creditors' Committee**

The Joint Administrators consult with the Creditors' Committee approximately every six months to discuss the administration strategy and allow creditors' views to be represented and considered. The fourteenth meeting of the Creditors' Committee took place on 1 October 2025.

In accordance with the Rules, a Creditors' Committee in an administration must have at least three members but not more than five members. The Committee comprises the following members:

1. FSCS
2. Killearn Developments Limited
3. Marco Island Developments Limited
4. Beacon Cymru Group Limited



## **Distributions to creditors**

As previously advised, the hierarchy of debts for an insurance company is set out in The Insurers (Winding-up and Reorganisation) Regulations 2004 and applies to the Company. The effect of which is that insurance creditors have priority over other classes of unsecured creditors, including reinsurance cedents.

### **Insurance creditors – those eligible for FSCS protection**

Insurance claimants with BG policies or employers' liabilities policies who are eligible for FSCS protection will receive payment in full of claims determined to be valid in accordance with the terms of their contract of insurance.

From the date of administration to 11 October 2025, a total of £34.7m has been paid by the FSCS to insurance claimants that are eligible for FSCS protection, of which £9.5m was paid in the Period.

It is expected that the number of payments made by the FSCS will increase in future reporting periods as the remaining claims progress through their lifecycle.

When paying compensation, the FSCS take an assignment of any rights those insurance claimants might have against the Company and any third parties, and the FSCS will have a subrogated insurance claim against the Company for the compensation payments made

### **Insurance creditors – those not eligible for FSCS protection**

Insurance claimants who are not eligible for FSCS protection will also rank as insurance claimants against the Company. The Joint Administrators have authorised, where appropriate to do so, certain initial investigation work to be paid for by the Company's Estate in order to determine whether the contract of insurance responds to the claim made against the Company and, assuming the policy responds, provide an indicative valuation of the claim.

As of 11 October 2025, nine non-FSCS Protected policyholder claims in the aggregate amount of £12.5m have been agreed relating to claims across seven developments.

On 26 March 2025, the Joint Administrators declared and paid a first dividend of 15 pence in the pound. The Joint Administrators currently anticipate paying a second interim dividend in the next three months in the amount of 5 pence in the pound on agreed claims, taking account of a prudent assessment of the future value of non-FSCS Protected claims to be received and/or agreed.

Due to uncertainty in respect of the eventual non-FSCS Protected insurance creditor claim population, the quantum and timing of dividends after the proposed second dividend is uncertain at this stage. However, the Joint Administrators will reassess the position every six months and provide an update in this respect in each future progress reports to creditors.

Funds in the amount of £10.4m are currently held in a separate ring-fenced bank account and will be available for distribution exclusively to policyholders with a valid policy claim under a BG Policy who do not meet the FSCS eligibility criteria for the payment of their claims by the FSCS.

### **Unsecured creditors – including reinsurance and trade creditors**

Given the scale of estimated liabilities under the Company's insurance policies, it is not anticipated that there will be sufficient realisations to make a distribution to unsecured creditors, including reinsurance and trade creditors.



## Receipts and payments account

A summary of the Joint Administrators' receipts and payments for the Period is provided in Appendix B. This is a statement of cash received and cash paid and does not reflect estimated future realisations or costs.

As the Joint Administrators are authorised to make distributions to non-FSCS Protected Insurance creditors from the ring-fenced funds, separate receipts and payments accounts are included for the general estate and the ring-fenced funds.

## Joint Administrators' statement of expenses incurred

During the Period, expenses of c.£1.10m (net of VAT and excluding the Joint Administrators' fees and disbursements) have been paid to third parties in administering the Company's Estate. A breakdown of expenses and disbursements incurred during the administration period are provided in Appendix C.

## Joint administrators' remuneration and disbursements

The statutory provisions relating to remuneration are set out in 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 me.

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

The Joint Administrators' time costs incurred during the Period were £1.05m, which brings total time incurred during the entire administration period to 11 October 2025 to £17.53m.

In accordance with resolutions of the Creditors' Committee (as set out previous reports), Joint Administrators' fees in the amount of £16.8m have been drawn from the Company's Estate during the administration.

The below table summarises the cumulative time incurred by the Joint Administrators and their staff, and the corresponding amounts (excluding VAT) drawn from the Company's Estate.

| Reporting period  | Previous periods:<br>12 October 2020<br>to 11 April 2025 | Current Period:<br>12 April 2025<br>to 11 October 2025 | Total      |
|-------------------|--|--|------------|
| Time incurred (£) | 16,484,251   | 1,045,921  | 17,530,172 |
| Fees drawn (£)    | 15,884,156   | 914,409  | 16,798,565 |

An analysis of the time spent during the Period and summary narrative is included in Appendix D. A statement of the Joint Administrators' policy in relation to charging time and disbursements is included in Appendix F.

To date, the Joint Administrators have incurred disbursements of £10,610 of which £6,186 are Category 1 disbursements and £3,974 are Category 2 disbursements. An analysis of the disbursements incurred to date is provided in Appendix C. Definitions of Category 1 disbursements and Category 2 disbursements can be found in Appendix F.

## Joint Administrators' fee estimates

As previously reported, in accordance with insolvency legislation, the Joint Administrators are obliged to agree a fee estimate for the Joint Administrators' remuneration with the Creditors' Committee.

The Joint Administrators initial fee estimate, covering the period 12 October 2020 to 11 April 2023, was issued in December 2020 and approved by the Creditors' Committee. Subsequently, revised fee estimates covering the periods to 11 April 2023 and 11 April 2027 were approved by the Creditors' Committee to take account of the evolving complexity of the administration, extension of the administration from April 2023 to April 2027 and consequent increases in time required to be spent by the Joint Administrators and their staff in discharging the statutory purpose of the administration.

Appendix E contains a summary of the fee estimate to 11 April 2027 and actual time costs incurred from 12 October 2020 (commencement of the administration) to 11 October 2025.

## Next report

The next progress report will be issued in six months' time, by 10 May 2026. The report will be shared with creditors by publication on the following website, [https://www.ey.com/en\\_uk/administrations/eastwestinsurance\\_](https://www.ey.com/en_uk/administrations/eastwestinsurance_) unless individual creditors have opted to receive reports by post.

Should you have any queries, please contact the Joint Administrators by emailing [eastwestinsurance@uk.ey.com](mailto:eastwestinsurance@uk.ey.com).

Yours faithfully  
for the Company



Richard Barker  
Joint Administrator

Richard Barker and Simon Edel are licensed in the United Kingdom to act as Insolvency Practitioners by The Insolvency Practitioners Association. As Insolvency Practitioners, they are bound by the Insolvency Code of Ethics in carrying out all professional work relating to the appointment.

The affairs, business and property of the Company are being managed by the Joint Administrators, Richard Barker and Simon Edel, who act as agents of the Company only and without personal liability.

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

## Appendix A

### East West Insurance Company Limited (in Administration)

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

|  |  |
|--|--|
| Name of court:   | High Court of Justice, Business and Property Courts of England and Wales, Insolvency and Companies Court (ChD)   |
| Court reference:   | 3913 of 2020   |
| Registered name of the company:                                      | East West Insurance Company Limited (in Administration)  |
| Registered office address of the company:                            | c/o Ernst & Young LLP<br>1 More London Place<br>London<br>SE1 2AF  |
| Registered number:   | 00811120   |
| Date of appointment of the joint administrators:                     | 12 October 2020<br>Richard Barker and Simon Edel   |
| Name(s) and address(es) of the administrator(s):                     | Ernst & Young LLP<br>1 More London Place<br>London<br>SE1 2AF  |
| Office holder number(s):   | 17150 and 9810   |
| Division of Administrators' responsibility:                          | Any of the functions to be performed or power exercisable by the Administrators may be carried out/exercised by any one of them acting alone or by any or all of them acting severally   |
| Name of alternative person to contact with enquiries about the case: | <a href="mailto:eastwestinsurance@uk.ey.com">eastwestinsurance@uk.ey.com</a><br>+44 (0) 20 7951 2000   |
| Prescribed Part:   | The Administrators have established that there are no valid fixed or floating charges registered against the Company. In the absence of a floating charge, there are no monies required to be set aside to the creditors under s176A of the Act being under the 'Prescribed Part' formula. |
| Statement concerning the EC regulation:                              | The EC Council Regulation on Insolvency proceedings does not apply to this Administration  |

## Appendix B

### East West Insurance Company Limited (in Administration)

#### Joint Administrators' summary of Receipts & Payments for the Period from 12 April 2025 to 11 October 2025 for general Estate funds

| Directors' Statement<br>of Affairs |  | Notes     | 12 Oct 2020 to<br>11 Apr 2025 | 12 Apr 2025 to<br>11 Oct 2025 | Cumulative total  |
|------------------------------------|--|-----------|-------------------------------|-------------------------------|-------------------|
| £                                  | Receipts   |           |                               |                               | £                 |
| 17,655,334                         | Cash and cash equivalents                            |           | 17,655,072                    | -                             | 17,655,072        |
| 23,306,759                         | Investments  |           | 22,937,925                    | -                             | 22,937,925        |
| 5,000,000                          | Third party funding                                  | 1         | 17,975,000                    | -                             | 17,975,000        |
| 290,143                            | Investment income                                    | 2         | 735,071                       | -                             | 735,071           |
| 10,414                             | Recovery receipts                                    | 3         | 857,797                       | -                             | 857,797           |
|                                    | - Indemnity costs reimbursed by FSCS                 |           | 329,462                       | -                             | 329,462           |
|                                    | - Bank interest                                      |           | 3,506,510                     | 434,930                       | 3,941,440         |
|                                    | - Miscellaneous receipts                             |           | 2,197                         | -                             | 2,197             |
| <b>46,262,650</b>                  | <b>Total Receipts</b>                                |           | <b>63,999,034</b>             | <b>434,930</b>                | <b>64,433,964</b> |
|                                    | <b>Payments</b>                                      |           |                               |                               |                   |
|                                    | Claims handling                                      | 4         | 10,631,732                    | 902,654                       | 11,534,387        |
|                                    | Claims handling disbursements                        | 4         | 107,729                       | -                             | 107,729           |
|                                    | Claims handling IT costs                             | 4         | 69,470                        | 153,092                       | 222,562           |
|                                    | Supplier payments                                    |           | 181,368                       | -                             | 181,368           |
|                                    | Legal fees - pre appointment                         |           | 48,648                        | -                             | 48,648            |
|                                    | Legal fees - post appointment                        | 5         | 1,923,942                     | 36,357                        | 1,960,299         |
|                                    | Loss adjuster expenses                               | 6         | 947,463                       | 127,561                       | 1,075,024         |
|                                    | Professional fees                                    |           | 7,000                         | -                             | 7,000             |
|                                    | Recoveries expenses                                  | 7         | 550,028                       | 39,339                        | 589,366           |
|                                    | Investment management fees                           |           | 21,851                        | -                             | 21,851            |
|                                    | Joint Administrators' fees – pre-administration      |           | 200,000                       | -                             | 200,000           |
|                                    | Joint Administrators' fees – post-administration     | 8         | 15,884,156                    | 914,409                       | 16,798,565        |
|                                    | Joint Administrators' expenses - post-administration | 9         | 5,649                         | 1,787                         | 7,436             |
|                                    | Indemnity costs to be reimbursed by FSCS             |           | 297,158                       | -                             | 297,158           |
|                                    | Sundry expenses                                      | 10        | 83,768                        | 2,184                         | 85,952            |
|                                    | Bank charges   |           | 26,171                        | 75                            | 26,246            |
|                                    | Irrecoverable input VAT                              | 11        | 5,130,300                     | 232,084                       | 5,362,384         |
|                                    | <b>Total Payments</b>                                |           | <b>36,116,433</b>             | <b>2,409,542</b>              | <b>38,525,975</b> |
|                                    | <b>Funds held in administration bank accounts</b>    | <b>12</b> |                               |                               | <b>25,907,989</b> |

# East West Insurance Company Limited (in Administration)

## Joint Administrators' summary of Receipts & Payments for the Period from 12 April 2025 to 11 October 2025 for funds ringfenced for non-FSCS Protected insurance creditors

|  | Notes | 12 Oct 2020 to<br>11 Apr 2025 | 12 Apr 2025 to<br>11 Oct 2025 | Cumulative total  |
|--|-------|-------------------------------|-------------------------------|-------------------|
| <b>Receipts</b>  |       |                               | £                             | £                 |
| Third party funding                                      | 13    | 10,975,000                    | -                             | 10,975,000        |
| Bank interest  |       | 1,163,635                     | 146,505                       | 1,310,140         |
| <b>Total Receipts</b>                                    |       | <b>12,138,635</b>             | <b>146,505</b>                | <b>12,285,140</b> |
| <b>Payments</b>  |       |                               |                               |                   |
| Bank charges   |       | -                             | 5                             | 5                 |
| <b>Total Payments</b>                                    |       | <b>-</b>                      | <b>5</b>                      | <b>5</b>          |
| <b>Funds available for distribution</b>                  |       |                               |                               | <b>12,285,135</b> |
| <b>Distributions to non-FSCS Protected Policyholders</b> | 14    | <b>1,840,293</b>              | 38,277                        | <b>1,878,570</b>  |
| <b>Funds held in administration bank accounts</b>        | 15    |                               |                               | <b>10,406,565</b> |

## Notes

1. Receipts from Zurich that were allocated to the general Estate pursuant to the terms of the Contribution Agreement.
2. All investments have now matured, and no further receipts are expected in relation to the Company's investments.
3. Receipts from recovery action against third parties related to claims made on the Company's BG Policies.
4. Payment of fees and disbursements in relation to ongoing claims handling services provided by Armour Risk Management Limited (to June 2021), Weightmans LLP (from May 2021), Davies Group (from December 2023) and other third parties, including the services of IT providers required to maintain the claims management software and licence fees.
5. Legal fees in respect of advice to the Joint Administrators in relation to ongoing claims management and various legal matters arising during the administration.
6. Fees in relation to loss adjusting services instructed by the Company on certain claims.
7. Fees in respect of legal advice relating to the Company's rights to pursue recovery action and supporting the Company in seeking contributions from other rightful liable parties in relation to claims received on the Company's BG policies.
8. Joint Administrators' fees drawn relating to time incurred in the post-administration period, as approved by the Creditors' Committee.
9. Joint Administrators' expenses drawn, including Category 1 expenses and Category 2 disbursements, as approved by the Creditors' Committee.
10. Sundry expenses pertaining to land registry fees and the maintenance of the Company's books and records.
11. The Company is currently VAT registered but is not able to recover input VAT.
12. Funds held in the general Estate are spread across five different banks for credit risk management purposes, with different accounts used to maximise interest income.
13. Proportion of the receipts from Zurich pursuant to the terms of the Contribution Agreement that are ring-fenced for non-FSCS Protected Insurance creditors.
14. Dividends paid to date to non-FSCS-Protected creditors with agreed claims.
15. Funds ring-fenced for non-FSCS-Protected creditors are spread across two different banks for credit risk management purposes, with different accounts used to maximise interest income.

## Appendix C

### East West Insurance Company Limited (in Administration)

#### Summary of Joint Administrators' expenses and disbursements incurred for the period from 12 October 2020 to 11 October 2025

| Category of expense                                       | Total revised estimate<br>to 11 April 2027 <sup>4</sup><br>£ (exc VAT) | Total incurred to<br>11 April 2025<br>£ (exc VAT) | Incurred in the Period<br>to 11 October 2025<br>£ (exc VAT) | Total incurred to<br>11 October 2025<br>£ (exc VAT) |
|---|--|---|---|---|
| <b>Administration costs</b>                               |  |   |   |   |
| Bank Charges  | 50,993   | 26,170  | 80  | 26,250  |
| Claims Directorate  | 7,500,000  | 1,512,838   | 897,011   | 2,409,849   |
| Legal fees and expenses – claims and insolvency advice    | 2,569,704  | 1,923,942   | 36,357  | 1,960,299   |
| Legal fees and expenses – recoveries                      | 492,245  | 550,028   | 18,599  | 568,627   |
| Loss adjusters  | 793,570  | 1,191,133   | 127,561   | 1,318,694   |
| NEAM fund management charges                              | 21,850   | 21,851  | -   | 21,851  |
| Public Notices  | 1,000  | -   | -   | -   |
| Supplier payments including quantity surveyor/consultants | 181,368  | 181,368   | -   | 181,368   |
| Sundry expenses including storage costs                   | 95,659   | 83,768  | 2,184   | 85,952  |
| Tax advisors  | 7,000  | 7,000   | -   | 7,000   |
| Third party claims handling service providers             | 9,415,548  | 9,052,424   | 20,740  | 9,073,164   |
| <b>Total expenses</b>                                     | <b>21,128,937</b>  | <b>14,550,522</b>                                 | <b>1,102,532</b>  | <b>15,653,054</b>                                   |
| <b>Pre-administration costs</b>                           |  |   |   |   |
| Joint Administrators' pre-administration costs            | -  | 200,000   | -   | 200,000   |
| Legal fees and expenses – pre-administration              | -  | 48,648  | -   | 48,648  |
| <b>Total pre-administration costs</b>                     | <b>-</b>   | <b>248,648</b>                                    | <b>-</b>  | <b>248,648</b>                                      |
| <b>TOTAL EXPENSES</b>                                     | <b>21,128,937</b>  | <b>14,799,170</b>                                 | <b>1,102,532</b>  | <b>15,901,702</b>                                   |
| <b>Category 1 disbursements</b>                           |  |   |   |   |
| Specific penalty bond                                     | 1,280  | 1,280   | -   | 1,280   |
| Regulatory checks   | 46   | 46  | -   | 46  |
| Travel and couriers                                       | 515  | 4,165   | 695   | 4,860   |
| <b>Category 2 disbursements</b>                           |  |   |   |   |
| Postage, photocopying and printing <sup>1</sup>           | 3,907  | 3,704   | 48  | 3,752   |
| Meeting room <sup>1</sup>                                 | 130  | 222   | -   | 222   |
| <b>Total disbursements<sup>3</sup></b>                    | <b>5,878</b>   | <b>9,417</b>                                      | <b>743</b>  | <b>10,160</b>                                       |
| <b>TOTAL DISBURSEMENTS &amp; EXPENSES<sup>2</sup></b>     | <b>21,134,815</b>  | <b>14,808,587</b>                                 | <b>1,103,275</b>  | <b>15,911,862</b>                                   |

#### Notes

- Statement of Insolvency Practice No.9 defines expenses as any payments from the insolvency estate which are neither an office holder's remuneration nor a distribution to a creditor or member. Expenses are divided into those that do not need approval before they are charged to the Company's Estate (Category 1) and those that do require prior approval (Category 2):
  - Category 1 expenses are payments to persons providing the service to which the expense relates who are not an associate of the office holder; and
  - Category 2 expenses are payments to associates or which have an element of shared costs.
- The Joint Administrators will seek approval to draw Category 2 disbursements incurred in the period from the Creditors' Committee in due course.
- Expenses also include disbursements. Disbursements are payments which are first met by the office holder and then reimbursed to the office holder from the Company's Estate. Disbursements fall into either Category 1 or Category 2. Further information on the Joint Administrators' charging policy for disbursements is provided at Appendix F.
- Expenses will continue to be incurred throughout the administration until 11 April 2027, the current expiry of the administration order. An updated estimate for these expenses is included in the table above. The previous estimate was prepared for period to 12 April 2023 only, being the expiry of the original administration order.



## Appendix D

### East West Insurance Company Limited (in Administration)

#### Summary of the Joint Administrators' time costs incurred for the Period from 12 April 2025 to 11 October 2025

|                                 | Hours by grade |            |                |            |            |            | Total hours  | Total costs £    | Average hourly rate £/hour |
|---------------------------------|----------------|------------|----------------|------------|------------|------------|--------------|------------------|----------------------------|
|                                 | Partner        | Director   | Senior Manager | Manager    | Executive  | Analyst    |              |                  |                            |
| Asset realisations              | 3              | 1          | -              | 17         |            | 31         | 52           | 19,652           | 378                        |
| Dealing with creditors          | 1              | -          | -              | -          | -          | -          | 1            | 366              | 366                        |
| Insolvency process              | 15             | 12         | 12             | 51         | 91         | 37         | 218          | 111,038          | 509                        |
| Insurance run off               | 87             | 383        | 10             | 205        | 163        | 131        | 979          | 634,956          | 649                        |
| Management of Company's affairs | 5              | 99         | 7              | 48         | 223        | 76         | 458          | 238,488          | 521                        |
| Strategy and planning           | -              | -          |                | 30         | 51         | 9          | 90           | 41,421           | 460                        |
| <b>Total</b>                    | <b>111</b>     | <b>494</b> | <b>29</b>      | <b>350</b> | <b>528</b> | <b>284</b> | <b>1,796</b> | <b>1,045,921</b> | <b>582</b>                 |

  

|                              |                |                |               |                |                |               |                  |
|------------------------------|----------------|----------------|---------------|----------------|----------------|---------------|------------------|
| <b>Total costs £</b>         | <b>109,948</b> | <b>419,815</b> | <b>21,900</b> | <b>192,555</b> | <b>237,780</b> | <b>63,923</b> | <b>1,045,921</b> |
| <b>Average hourly rate £</b> | 995            | 850            | 750           | 550            | 450            | 225           | 582              |

**Note:** The above costs exclude VAT, and the figures are rounded to the nearest whole number.

## Summary narrative of Joint Administrators' time costs incurred for the period from 12 April 2025 to 11 October 2025

Detailed fee reporting packs have been provided to the Creditors' Committee covering all time costs incurred to 30 June 2025 in order to assist them in considering the Joint Administrators' fees incurred and approve the level of fees which may be drawn from the Company's Estate.

The Joint Administrators' time costs incurred during the Period were £1,045,921. Set out below is a summary narrative of the significant areas of work in relation to which costs were incurred in this Period.

| Type of work                  | Description of work completed during the period |   |
|-------------------------------|---|---|
| <b>Asset realisations</b>     | Third party contributions and/or recoveries     | <ul style="list-style-type: none"> <li>• Discussing recoveries and contributions approach with FSCS.</li> <li>• Working closely with legal advisors, the run-off manager ("ROM"), the Claims Directorate and the FSCS to ensure sharing of certain documents with the FSCS can be facilitated in compliance with data protection regulations and responsibilities.</li> <li>• Review, discussion and finalisation of the Company's position in respect of a potential claim against third party and discussing this with FSCS.</li> <li>• Maintaining rolling cash flow for the Company.</li> <li>• Discussing and agreeing approach to reinvest Company's cash.</li> </ul> |
| <b>Insolvency Process</b>     | Creditors' committee                            | <ul style="list-style-type: none"> <li>• Preparing for and attending the fourteenth Creditors' Committee meeting on 1 October 2025, including the preparation of the agenda, meeting presentation, documents and supporting information for the Committee's proposed resolutions, and circulating relevant information to Committee members.</li> <li>• Drafting minutes for the fourteenth Creditors' Committee meeting and obtaining approval for the minutes of the thirteenth Creditors' Committee meeting.</li> </ul>  |
|                               | Reporting to creditors                          | <ul style="list-style-type: none"> <li>• Finalising the progress report for the period 12 October 2024 to 11 April 2025</li> <li>• Preparing and finalising quarterly reports for the FSCS.</li> <li>• Liaising with the Claims Directorate, regulators and the FSCS in respect of the content of the reports prior to issuing the same.</li> <li>• Issuing the reports to creditors, the Court, and Companies House.</li> <li>• Uploading appropriate documentation on the website for the Company.</li> </ul>   |
| <b>Dealing with creditors</b> | Creditor enquiries and management               | <ul style="list-style-type: none"> <li>• Reviewing and discussing approach to recent creditor queries, including enquiries received in relation to the first dividend to non-FSCS-Protected insurance creditors.</li> </ul>   |
| <b>Insurance run off</b>      | Payment processes                               | <ul style="list-style-type: none"> <li>• Reviewing and approving payment batches from the Claims Directorate to submit to the FSCS.</li> <li>• Liaising with the FSCS regarding payments for eligible claimants and implementing appropriate reconciliation processes and controls.</li> <li>• Updating purchase order register to account for supplier payments.</li> <li>• Undertaking purchase order schedule reviews during the period to ensure Standing Operating Procedures</li> </ul>   |

| Type of work | Description of work completed during the period |  |
|--------------|---|--|
|              |   | <p>are being followed, to identify outdated purchase orders in order to close them and notify relevant suppliers.</p> <ul style="list-style-type: none"> <li>Processing payments for loss adjusters and other third parties, such as fire experts and further investigations work required across the Company's claims portfolio.</li> </ul>   |
|              | Administrators' supervision of run off          | <ul style="list-style-type: none"> <li>Monitoring the Claims Directorate's performance and progression of the claims.</li> <li>Developing the Company's indemnification strategy and presenting to key stakeholders.</li> <li>Developing and collaborating with the FSCS to agree specific indemnification routes including one-off cash settlements and structured cash settlements.</li> <li>Preparing for and attending Joint Administrator meetings bi-monthly to discuss claims.</li> <li>Preparing for the Claims Directorate's audits and reviewing the audit reports.</li> <li>Reviewing policyholder communications and liaising with the claims handler to provide a substantive response.</li> <li>Holding quarterly policyholder complaints review meetings with the Claims Directorate to ensure any complaints are dealt with appropriately.</li> </ul>      |
|              | FSCS protected claims handling                  | <ul style="list-style-type: none"> <li>Monitoring claims handling activity and involvement on large and/or complex claims.</li> <li>Preparing quarterly reporting to the FSCS executive team for the period from March 2025 to June 2025 and July 2025 to September 2025.</li> <li>Preparing and presenting a quarterly claims cashflow forecast to the FSCS.</li> <li>Reviewing actual cashflow performance versus forecast figures and reporting to the FSCS on key variances.</li> <li>Holding weekly meetings with the FSCS operations team to provide updates on portfolio progress and discuss all other key matters in the administration.</li> <li>Working with HM Land Registry to retrieve leaseholder data to share with the FSCS for sanction checks.</li> <li>Attending claims clinic with the FSCS, ROM, and Claims Directorate to review claims.</li> </ul> |
|              | Non-FSCS protected insurance claims handling    | <ul style="list-style-type: none"> <li>Payment of catch-up dividends to non-FSCS-Protected policyholders where claims were agreed after payment of the first dividend on 26 March 2025.</li> <li>Updating distribution records.</li> <li>Liaising with the Claims Directorate to adjudicate claims received.</li> <li>Responding to creditor enquiries.</li> </ul>   |
|              | Claims handling operations                      | <ul style="list-style-type: none"> <li>Hold bi-monthly strategic team review meetings. critical to achieving the purpose of the administration and ensure proper task prioritisation.</li> <li>Undertaking claim portfolio reviews with Claims Directorate to ensure compliance with the Standard Operating Procedures.</li> <li>Attending meetings with key suppliers to understand industry trends and timeframes for remedial works.</li> </ul>   |

| Type of work                               | Description of work completed during the period |   |
|--|---|---|
|  |   | <ul style="list-style-type: none"> <li>• Updates to supplier terms and conditions schedule and later shared to the Claims Directorate</li> <li>• Planning ongoing retention and access to Company's claim related documents on Polygonal</li> </ul>   |
|  | Accounting and treasury                         | <ul style="list-style-type: none"> <li>• Monthly bank reconciliations and treasury operations.</li> <li>• Monitoring money market accounts and ensuring funds are held in accounts which provide a balance between benefit for the Company's Estate and credit risk.</li> </ul>   |
| <b>Management of the Company's affairs</b> | VAT & Tax                                       | <ul style="list-style-type: none"> <li>• Completing quarterly VAT returns for the periods 1 February 2025 to 30 April, and 1 May 2025 to July 2025.</li> <li>• Liaising with tax advisors to prepare the computation and corporation tax return submission for the administration period ending 31 December 2024.</li> </ul>  |
|  | Regulatory                                      | <ul style="list-style-type: none"> <li>• Completing and filing ongoing regulatory returns required of the Company.</li> <li>• Regularly reviewing the FCA site to ensure all returns are submitted on time.</li> </ul>  |
|  | Data & Software                                 | <ul style="list-style-type: none"> <li>• Access company files from storage facility, including IM records.</li> <li>• Facilitating access to Company records for the ROM, Claims Directorate, the FSCS and their representatives.</li> </ul>  |
|  | Project management                              | <ul style="list-style-type: none"> <li>• Collecting and sharing leaseholder data with FSCS to facilitate sanction checks.</li> <li>• Completion of statutory six-monthly case review</li> <li>• Maintaining records of key activities undertaken throughout the Period and decisions taken</li> <li>• Meetings across all workstreams for updates and managing against actions and plans.</li> </ul>  |
| <b>Strategy and Planning</b>               | Joint Administrators' oversight                 | <ul style="list-style-type: none"> <li>• Overseeing activity across all workstreams and ad-hoc meetings and calls as point of contact for escalation.</li> <li>• Maintaining a team and FSCS outstanding actions list, liaising with the Claims Directorate and ROM to update weekly.</li> <li>• Attending quarterly supplier management calls with the Claims Directorate.</li> <li>• Raising a fee pack for Joint Administrators' fees and disbursements for the period 1 February 2025 to 31 August 2025.</li> <li>• Monitoring and preparing quarterly time cost reports for the Joint Administrators.</li> <li>• Preparing and sharing quarterly time cost reports with the Creditors' Committee for the period February 2025 to June 2025.</li> </ul> |

## Appendix E

### East West Insurance Company Limited (in Administration)

#### Joint Administrators' fee estimate to 11 April 2027 and actual Joint Administrators' time costs incurred to 11 October 2025

|   | Actual time to 11 Oct 2025 |                   |                         | Total Fee Estimate to 11 April 2027 |                   |                         |
|---|----------------------------|-------------------|-------------------------|-------------------------------------|-------------------|-------------------------|
|   | Total hours                | Total fees        | Average hourly run rate | Total hours                         | Total fees        | Average hourly run rate |
| <b>Asset realisations</b>                           |                            |                   |                         |                                     |                   |                         |
| Third party contributions and/or recoveries         | 2,396                      | 1,216,989         | 508                     | 2,699                               | 1,540,108         | 571                     |
| <b>TOTAL</b>  | <b>2,396</b>               | <b>1,216,989</b>  | <b>508</b>              | <b>2,699</b>                        | <b>1,540,108</b>  | <b>571</b>              |
| <b>Insolvency process</b>                           |                            |                   |                         |                                     |                   |                         |
| Initial letters and notices                         | 224                        | 89,473            | 399                     | 224                                 | 89,473            | 400                     |
| Proposals, deemed consent and creditor consultation | 297                        | 156,949           | 528                     | 297                                 | 156,950           | 528                     |
| CDDA and SIP2 compliance                            | 212                        | 100,550           | 474                     | 212                                 | 100,550           | 474                     |
| Creditors' committee                                | 930                        | 539,286           | 580                     | 1,138                               | 622,513           | 547                     |
| Reporting to creditors                              | 2,072                      | 939,239           | 453                     | 1,584                               | 730,739           | 461                     |
| Statement of Affairs                                | 34                         | 22,603            | 665                     | 34                                  | 22,603            | 659                     |
| Insurance   | 2                          | 1,210             | 605                     | 2                                   | 1,210             | 605                     |
| <b>TOTAL</b>  | <b>3,771</b>               | <b>1,849,310</b>  | <b>490</b>              | <b>3,492</b>                        | <b>1,724,037</b>  | <b>494</b>              |
| <b>Dealing with creditors</b>                       |                            |                   |                         |                                     |                   |                         |
| Creditor enquiries and management                   | 626                        | 278,283           | 445                     | 615                                 | 275,414           | 448                     |
| <b>TOTAL</b>  | <b>626</b>                 | <b>278,283</b>    | <b>445</b>              | <b>615</b>                          | <b>275,414</b>    | <b>448</b>              |
| <b>Insurance run off</b>                            |                            |                   |                         |                                     |                   |                         |
| Claims litigation matters                           | 326                        | 222,033           | 681                     | 276                                 | 180,280           | 652                     |
| Payment processes                                   | 1,232                      | 543,143           | 441                     | 964                                 | 459,305           | 476                     |
| Administrators' supervision of run off              | 6,042                      | 4,013,760         | 664                     | 5,675                               | 3,382,651         | 596                     |
| Protected claims handling                           | 4,986                      | 2,835,746         | 569                     | 6,268                               | 3,837,066         | 612                     |
| Non-protected claims handling                       | 515                        | 301,246           | 585                     | 340                                 | 207,452           | 610                     |
| Claims handling operations                          | 3,388                      | 2,096,032         | 619                     | 6,800                               | 3,844,503         | 565                     |
| <b>TOTAL</b>  | <b>16,490</b>              | <b>10,011,960</b> | <b>607</b>              | <b>20,325</b>                       | <b>11,911,257</b> | <b>586</b>              |
| <b>Management of Company's affairs</b>              |                            |                   |                         |                                     |                   |                         |
| Accounting and treasury                             | 2,887                      | 1,379,357         | 478                     | 2,658                               | 1,158,048         | 436                     |
| VAT & Tax   | 763                        | 421,379           | 552                     | 749                                 | 417,915           | 558                     |
| Regulatory  | 444                        | 251,938           | 568                     | 570                                 | 339,852           | 597                     |
| Data & Software                                     | 191                        | 105,608           | 553                     | 205                                 | 128,257           | 625                     |
| Public relations                                    | 28                         | 18,003            | 651                     | 22                                  | 15,425            | -                       |
| <b>TOTAL</b>  | <b>4,313</b>               | <b>2,176,285</b>  | <b>505</b>              | <b>4,204</b>                        | <b>2,059,497</b>  | <b>490</b>              |
| <b>Strategy and planning</b>                        |                            |                   |                         |                                     |                   |                         |
| Project management and statutory requirements       | 2,294                      | 1,073,721         | 468                     | 2,924                               | 1,445,835         | 495                     |
| Joint Administrators' oversight                     | 1,343                      | 713,403           | 531                     | 699                                 | 368,333           | 527                     |
| <b>TOTAL</b>  | <b>3,637</b>               | <b>1,787,124</b>  | <b>491</b>              | <b>3,623</b>                        | <b>1,814,168</b>  | <b>501</b>              |
| <b>Administration closure and exit</b>              |                            |                   |                         |                                     |                   |                         |
| Exit planning                                       | 289                        | 210,223           | 727                     | 551                                 | 377,785           | 686                     |
| <b>TOTAL</b>  | <b>289</b>                 | <b>210,223</b>    | <b>727</b>              | <b>551</b>                          | <b>377,785</b>    | <b>686</b>              |
| <b>Total hours and fee</b>                          | <b>31,521</b>              | <b>17,530,174</b> |                         | <b>35,508</b>                       | <b>19,702,266</b> | <b>555</b>              |

The above table includes the revised Joint Administrators' fee estimate through to 11 April 2027 and summarises the Joint Administrators' actual time costs incurred from 12 October 2020 (commencement of the Administration) to 11 October 2025.

**Note:** The above costs exclude VAT, and the figures are rounded to the nearest whole number.

## Appendix F

### East West Insurance Company Limited (in Administration)

#### Statement of the Joint Administrators' charging policy for remuneration and disbursements pursuant to Statement of Insolvency Practice No.9

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

All time spent by staff working directly on the case related matters is charged to a time code established for the case. Time is charged in units of six minutes. Each member of staff has a specific hourly rate which is subject to change over time. The hourly rate for each category of staff, including the maximum rate for specialist staff, over the Period is shown below.

| Grade          | Hourly rate £/hour<br>from 12 October 2020<br>to 31 December 2023 | Hourly rate £/hour<br>from 1 January<br>2024 |
|----------------|---|--|
| Partner        | 925   | 995  |
| Director       | 775   | 850  |
| Senior Manager | 675   | 750  |
| Manager        | 500   | 550  |
| Executive      | 400   | 450  |
| Analyst        | 200   | 225  |

#### Office Holders' Charging Policy for Disbursements

Statement of Insolvency Practice No. 9 ("SIP 9") published by R3 (The Association of Business Recovery Professionals) divides disbursements into two categories:

- 1 Category 1 disbursements are defined as specific expenditure relating to the administration of the insolvent's affairs and referable to payment to an independent third party. Such disbursements can be paid from the insolvent's assets without approval from the Creditors' Committee. In line with Statement of Insolvency Practice No. 9, it is our policy to disclose Category 1 disbursements drawn but not to seek approval for their payment. We are prepared to provide such additional information as the Committee require to support the disbursements drawn.
- 2 Category 2 disbursements are charges made by the office holder's firm that include elements of shared or overhead costs. Statement of Insolvency Practice No. 9 provides that such disbursements are subject to approval as if they were remuneration. It is our policy, in line with SIP 9, to seek approval for this category of disbursement before they are drawn. This approval has been sought and obtained from the Company's Creditors' Committee.