

TO ALL KNOWN CREDITORS

28 July 2023

Ref: SJW/AH/HW/MODA01
Email: MFLcommunications@uk.ey.com

Dear Sir/Madam

Moda Furnishings LTD (in Administration) (“the Company”)

I write further to the appointment of Tim Vance and myself as joint administrators (“Joint Administrators”) of the Company and attach a copy of my statement of Proposals (“the Proposals”) in accordance with paragraph 49 of Schedule B1 to the Insolvency Act 1986.

As you will note from the Proposals, there is no prospect of any funds becoming available to unsecured creditors other than by virtue of the prescribed part (which the Joint Administrators currently estimate to be nil). As a consequence, I do not propose to seek a decision on approval of the Proposals from creditors.

Creditors whose debts amount to at least 10% of total debts of the Company may requisition a decision (either by a decision procedure or deemed consent procedure) on approval of the Proposals if they deliver to me, within 8 business days of the date of delivery of these Proposals, a request which fulfils the requirements of Rule 15.18 of the Insolvency (England and Wales) Rules 2016 (the Rules). In accordance with Rule 15.19 of the Rules, I may require a deposit as security for payment of the expenses associated with convening a decision procedure or deemed consent procedure and will not be obliged to initiate the procedure until I have received the required sum.

In the event that a decision is not requested by creditors under paragraph 52(2)(c) of the Insolvency Act 1986, the Proposals will be deemed to be accepted. The Joint Administrators’ will be seeking approval for remuneration, any Category 2 disbursements and unpaid pre-administration costs incurred with a view to the Company entering administration from the secured creditors in accordance with the provisions of Rule 18.18 of the Insolvency (England and Wales) Rules 2016.

As the Joint Administrators propose to ask 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. The information is attached as an appendix to the Proposals.

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

Should you have any queries relating to this letter or any other aspect of the administration, please do not hesitate to contact us at MFLcommunications@uk.ey.com.



Yours faithfully
for the Company

A handwritten signature in black ink, appearing to be 'S J Woodward', written in a cursive style.

S J Woodward
Joint Administrator

Encs: Administrators' statement of Proposals
Fee estimate and details of expenses

Samuel James Woodward is licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales and Timothy Vance is licensed in the United Kingdom to act as an insolvency practitioner by The Institute of Chartered Accountants of Scotland.

The affairs, business and property of the Company is being managed by the Joint Administrators, Samuel James Woodward and Timothy Vance, 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.