

TO ALL KNOWN PREFERENTIAL CREDITORS

2 July 2019

Ref: R/CAL/SH/RK/JBL/D16.4  
Direct line: +44 (0)207 951 1372  
Ali Walji  
Email: hofadministrations@uk.ey.com

Dear Sirs

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

As you may be aware, the administration of the above Company is due to end on 10 August 2019.

As my work is not yet complete, I am seeking the consent of the secured and preferential creditors, under paragraph 78(2) of Schedule B1 to the Insolvency Act 1986, for an extension of the administration for a period of 12 months, ending on 10 August 2020.

### **Statement of reason for seeking extension**

The reasons for the request to extend the Joint Administrators' appointments have been listed below, but primarily the main reason is that the purpose of the administration is still being achieved.

### **Creditors**

The Joint Administrators continue to receive claims from unsecured and non-preferential creditors of the Company.

The Joint Administrators have continued to progress matters pursuant to a framework that has been developed for the submission and resolution of potential claims.

### **Intercompany claims**

In due course, we will submit a claim in the administration of Jam B Realisations Limited (in Administration) ('JBL') in the sum of £155,263.56 for the inter-company balance due to the Company as at the Date of Appointment. We expect this to rank for dividend purposes as an unsecured creditor in the administration of JBL, but the timing and quantum of any dividend is currently uncertain, as JBL will first need to be placed into creditors' voluntary liquidation before a distribution can take place.

### **VAT and Corporation tax**

We have submitted the first VAT return for the period 10 August 2018 to 30 April 2019 for a nil return and we will look at completing a further return for the 3 months to 31 July 2019 and settle or reclaim any amounts from HMRC.

We have also instructed EY tax specialists to prepare the corporation tax returns for the Company, as required.

## Remaining assets

The Joint Administrators will continue to pursue debts due from other members of the House of Fraser group as the administration process progresses.

I intend to seek decision on this matter by correspondence. Accordingly, I enclose formal notice of the decision procedure and a voting form and notice of claim form. Please would you complete both the voting form and the notice of claim form and return them to me, either by post to Ali Walji, Ernst & Young LLP, 1 More London Place, London, SE1 2AF or by email [hofadministrations@uk.ey.com](mailto:hofadministrations@uk.ey.com), to arrive no later than 23:59 hours on 18 July 2019.

The Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018 require that whenever a decision is sought from creditors, they must also be invited to establish a creditors' committee if, as in this case, a committee is not already in existence. Accordingly, the attached notice and voting form include a resolution on whether a committee should be formed. In order for a committee to be formed, at least 3 creditors must be willing to serve on the committee and they must give their consent in writing.

If you vote in favour of establishing a committee, please also complete the nomination section of the voting form and, unless you are nominating yourself, include the appropriate written consent(s) to act with your completed voting form. If there are fewer than 3 valid nominations, a committee will not be established. If there are at least 3 and no more than 5 valid nominations, a committee will be formed with the nominated creditors. In the event that there are more than 5 valid nominations, I shall put the nominations to a vote by the general body of creditors.

Should you have any queries relating to the enclosed documents or any other aspect of the administration, please do not hesitate to contact Ali Walji at this office.

Yours faithfully  
for the Company



Craig Anthony Lewis  
Joint Administrator

Enc: Notice of decision procedure by correspondence, with voting form  
Claim form for voting purposes  
Invitation to form a creditors' committee

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

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

The Joint Administrators may act as data controllers of personal data as defined by the General Data Protection Regulation 2016/679, 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).

## Notice to creditors of decision procedure

**Paragraph 76 of Schedule B1 to the Insolvency Act 1986 and Rules 3.54 and 5.8 of the Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018**

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

Name of court: Court of Session, Parliament House, Parliament Square, Edinburgh, EH1 1RQ

Case number: P793/18

Other trading name(s) or style(s) of the company: House of Fraser, Frasers, Jenners

Any other registered name in the 12 months prior to administration: House of Fraser Limited

Registered number: SC021928

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

Principal trading address (if different from above): 27 Baker Street, London, W1U 8AH, United Kingdom

Date on which the company entered administration: 10 August 2018

Date of appointment of Joint Administrators: 10 August 2018

#### Details of the Joint Administrators

Name	Office Holder Number
Alan Michael Hudson Ernst & Young LLP, 1 More London Place, London, SE1 2AF	9200
Craig Anthony Lewis Ernst & Young LLP, 1 More London Place, London, SE1 2AF	9356
Robert Hunter Kelly Ernst & Young LLP, 1 Bridgewater Place, Water Lane, Leeds, West Yorkshire, LS11 5QR	8582
Colin Peter Dempster Ernst & Young LLP, Atria One, 144 Morrison Street, Edinburgh, EH3 8EX	8908

Telephone number: 0207 951 1372

Name of alternative person to contact about the administration: Ali Walji

NOTICE IS HEREBY GIVEN that the Joint Administrators of the Company are seeking a decision from preferential creditors by correspondence on the following matter:

1. The approval of an extension of the administration for a period of 12 months to 10 August 2020.

#### **Statement of reason for seeking extension**

The reasons for the request to extend the Joint Administrators' appointments have been listed below, but primarily the main reason is that the purpose of the administration is still being achieved.

#### **Creditors**

The Joint Administrators continue to receive claims from unsecured and non-preferential creditors of the Company.

The Joint Administrators have continued to progress matters pursuant to a framework that has been developed for the submission and resolution of potential claims.

#### **Intercompany claims**

In due course, we will submit a claim in the administration of Jam B Realisations Limited (in Administration) ('JBL') in the sum of £155,263.56 for the inter-company balance due to the Company as at the Date of Appointment. We expect this to rank for dividend purposes as an unsecured creditor in the administration of JBL, but the timing and quantum of any dividend is currently uncertain, as JBL will first need to be placed into creditors' voluntary liquidation before a distribution can take place.

#### **VAT and Corporation tax**

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We have also instructed EY tax specialists to prepare the corporation tax returns for the Company, as required.

#### **Remaining assets**

The Joint Administrators will continue to pursue debts due from other members of the House of Fraser group as the administration process progresses.

#### **Voting**

Creditors wishing to vote on the extension, including any preferential 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 23:59 on 18 July 2019. Votes in respect of claim forms received after this time will be disregarded.

Preferential creditors whose debts may be treated as small debts in accordance with Rule 3.118 of the Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018 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 4 July 2019.

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 matter.

Signed

*CA Lewis*

Craig Anthony Lewis  
Joint Administrator

Date

2 July 2019\_\_\_\_\_

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

**Voting form**

**Resolution**

1. That the administration be extended for a period of 12 months to 10 August 2020.

FOR/AGAINST

Signature \_\_\_\_\_

Name of signatory \_\_\_\_\_

On behalf of  
(name of creditor) \_\_\_\_\_

Date \_\_\_\_\_

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

**Administration Notice of Claim for Voting Purposes**

Convocatoria para la presentación de créditos. Plazos aplicables.  
Výzva k přihlášení pohledávky. Závazné lhůty  
Opfordring til anmeldelse af fordringer. Vær opmærksom på fristerne  
Aufforderung zur Anmeldung einer Forderung. Etwaige Fristen beachten!  
Nõude esitamise kutse. Järgitavad tähtajad  
Πρόσκληση για αναγγελία απαιτήσεως. Προσοχή στις προθεσμίες  
Invitation to lodge a claim. Time limits to be observed  
Invitation à produire une créance. Délais à respecter  
Invito all'insinuazione di un credito. Termine da osservare  
Uzaicinājums iesniegt prasījumu. Terminī, kas jāievēro  
Kvietimas pateikti reikalavimą. Privalomieji terminai  
Felhívás követelés bejelentésére. Betartandó határidők  
Stedina għal preżentazzjoni ta' talba. Limiti taż-żmien li għandhom jiġu osservati  
Oproep tot indiening van schuldvorderingen. In acht te nemen termijnen  
Wezwanie do zgłoszenia wierzytelności. Przestrzegać terminów  
Aviso de reclamação de créditos. Prazos legais a observar  
Výzva na prihlásenie pohľadávky. Je potrebné dodržať stanovené termíny  
Poziv k prijavi terjatve. Roki, ki jih je treba upoštevati!  
Kehotus saatavan ilmoittamiseen. Noudatettavat määräajat  
Anmodan att anmäla fordran. Tidsfrister att iaktta

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

Date of Administration: 10 August 2018

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

Name of creditor

Address

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

Is the claim preferential or secured?

If secured, value of security

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

Signature on behalf of creditor

Date


File with Ali Walji

Reviewed by \_\_\_\_\_

## **Notes to Administration Notice of Claim for Voting Purposes:**

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

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

### **5.28 Calculation of voting rights**

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

### **5.29 Calculation of voting rights: hire-purchase agreements**

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



## Notice to creditors – invitation to form a creditors’ committee

### Rule 3.39, Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018

Name of court: Court of Session, Parliament House, Parliament Square, Edinburgh, EH1 1RQ

Case number: P793/18

Registered name of the company: HFL Realisations Limited

Other trading name(s) or style(s) of the company: House of Fraser, Frasers, Jenners

Any other registered name in the 12 months prior to administration: House of Fraser Limited

Registered number: SC021928

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

Principal trading address (if different from above): 27 Baker Street, London, W1U 8AH, United Kingdom

Date on which the company entered administration: 10 August 2018

Date of appointment of joint administrators: 10 August 2018

#### Details of the joint administrators

Name	Office Holder Number
Alan Michael Hudson Ernst & Young LLP, 1 More London Place, London, SE1 2AF	9200
Craig Anthony Lewis Ernst & Young LLP, 1 More London Place, London, SE1 2AF	9356
Robert Hunter Kelly Ernst & Young LLP, 1 Bridgewater Place, Water Lane, Leeds, West Yorkshire, LS11 5QR	8582
Colin Peter Dempster Ernst & Young LLP, Atria One, 144 Morrison Street, Edinburgh, EH3 8EX	8908

Telephone number: 0207 951 1372

Name of alternative person to contact about the administration: Ali Walji

### 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 18 July 2019. Nominations can only be accepted if I am satisfied as to the creditor's eligibility under Rule 3.74 of the Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018.

Signed

CA Lewis

Craig Anthony Lewis  
Joint Administrator

Date

2 July 2019

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

## 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 Ali Walji at Ernst & Young LLP, 1 More London Place, London, SE1 2AF 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) \_\_\_\_\_

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(Name of creditor)\_\_\_\_\_ of

(Address)\_\_\_\_\_

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(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 \_\_\_\_\_