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Glasgow
G2 1DY

TO ALL KNOWN CREDITORS

2 September 2018

Ref: CD/GY/SC/PCF
Direct line: 0141 226 9545
Sanjay Chita
SChita@uk.ey.com

Dear Sirs

Petrostem (UK) Limited (in Administration) ("the Company")

On 29 August 2018 the Company entered Administration and C P Dempster and I were appointed as Joint Administrators. The appointment was made by the Company's Directors under the provisions of paragraph 22 of Schedule B1 to the Insolvency Act 1986. Formal notice of our appointment is attached. As licensed insolvency practitioners, we are bound by the Insolvency Code of Ethics when carrying out all professional work relating to the Administration.

The Company is continuing its business under our supervision whilst we conduct an investigation of its financial affairs. At present, I am unable to indicate whether there will eventually be a surplus available for creditors. However, in accordance with paragraph 49(5) of Schedule B1 to the Insolvency Act 1986, we shall be preparing proposals within eight weeks of our appointment. The proposals will be made available to all creditors and will give an indication of the likely dividend prospects.

At that time, we will also set out our proposals for remuneration and will seek approval for its basis. The statutory provisions relating to remuneration are set out in Chapter 4, Part 18 of the Insolvency (England and Wales) Rules 2016 (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 at <https://www.icaew.com/en/technical/insolvency/creditors-guides>, or is available in hard copy upon written request to the Joint Administrators.

Please send me a detailed statement of any sums due to you from the Company.

Please note that debts incurred by the Company before our appointment will rank as unsecured claims against the Company.

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

Any sums due to the Company arising after our appointment must be paid in full and without set-off against any debts incurred by the Company prior to our appointment.

Please note that with effect from the date of our appointment the Company will not be responsible for payment for any goods or services delivered to the Company except against orders which bear the signature of one of the Joint Administrators, or one of our representatives,



whose specimen signatures and authority limits (where applicable) appear at the end of this letter. Goods and services so ordered will be paid for on normal credit terms.

If any orders placed with you by the Company prior to our appointment have not been completed, they should not be completed unless you receive written confirmation from either of us, or our authorised representative, that the goods or services are still required. Please let me have a statement of any orders placed by the Company prior to our appointment which have not yet been completed.

The directors are required to submit a statement of affairs to us and you will appreciate that the full financial position is not yet known.

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

Opting out

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

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

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

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

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

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

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



Other matters

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

If you require any further information or explanation, please do not hesitate to contact my colleague, Sanjay Chita, at the details above.

Yours faithfully
For the Company

Gavin Yuill
Joint Administrator

C P Dempster and G D Yuill are licensed in the United Kingdom to act as Insolvency Practitioners by The Institute of Chartered Accountants of Scotland.

The affairs, business and property of the Company are being managed by the Joint Administrators, C P Dempster and G D Yuill, 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.

Enc: Notice of Administrator's Appointment

The authorised signatories for orders are:

Colin Dempster who will sign

Gavin Yuill who will sign

Alastair Casey who will sign
(Authority up to £10,000)

Gordon Wilson who will sign
(Authority up to £10,000)



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TO ALL KNOWN CREDITORS AND MEMBERS

2 September 2018

Ref: CD/GY/SC/PCF
Direct line: 0141 226 9545
Sanjay Chita
SChita@uk.ey.com

Dear Sirs

**Petroleum Pipe Company Limited
Petrostem (UK) Limited
(In Administration) (together “the Companies”)**

Notification that future documents will be made available on a web site

As you may be aware, on 29 August 2018 the Companies entered Administration and C P Dempster and I were appointed as Joint Administrators.

I write to inform you that future documents relating to each of the Companies, other than those described at the end of this letter, will be made available for viewing and downloading at the following web address <https://www.ey.com/uk/en/services/transactions/restructuring/ey-ppg-petrostem-insolvencies> without any further notification from me. I will not be obliged to deliver (ie, send) any such documents to you, unless specifically requested by you.

You may at any time request a hard copy of any or all of the following:

- All documents currently available for viewing on the web site
- All future documents which may be made available there

If you do wish to receive a hard copy of the document(s), please either telephone or email Sanjay Chita, or write to me, using the contact details at the top of this letter and a copy will be sent to you.

The following documents will still be delivered by post:

- Any document for which personal delivery is required
- Any notice of intention to declare a dividend



- Any document which is not delivered generally (eg, which is not sent to all known creditors or members)

Yours faithfully
for the Companies

A handwritten signature in blue ink, appearing to read 'Gavin Yuill'.

Gavin Yuill
Joint Administrator

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Notice of Administrators' Appointment – paragraph 46(3) of Schedule B1 to the Insolvency Act 1986

Petrostem (UK) Limited (in Administration)

Name of Court	High Court of Justice, Business and Property Courts of England and Wales
Court reference number	CR-2018-007195
Company registered number:	03581607
Nature of business	Wholesale of petroleum and petroleum products
Registered office of company	40 Holborn Viaduct, London, England, EC1N 2PZ
Principal trading address (if different from above)	DFC House, Claymore Drive, Bridge of Don, Aberdeen, AB23 8GB
Any other name under which the company was registered in the previous 12 months	n/a
Any other name(s) or style(s) under which the company carried on business or incurred debts	Petrostem
Date of appointment of administrators	29 August 2018
Name(s) and address(es) of administrator(s)	C P Dempster and G D Yuill Ernst & Young LLP, G1 Building 5 George Square G2 1DY Glasgow United Kingdom
Joint / Administrator(s) IP No(s)	8908 / 14218
Telephone number	0141 226 9545
Name of alternative person to contact with enquiries about the case	Sanjay Chita

Notice to all creditors

On 29 August 2018 the company entered administration and G D Yuill and I were appointed as Joint Administrators. The appointment was made by the Company's Directors under the provisions of paragraph 22 of Schedule B1 to the Insolvency Act 1986.

Signed



Date 31 August 2018

C P Dempster and G D Yuill are licensed in the United Kingdom to act as Insolvency Practitioners by The Institute of Chartered Accountants of Scotland.

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

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