



Our ref: DW/PXS/MXW/MXF/HE/JP/LCJ/SAM/SG/MA/AK/HYW/KAL
Your ref:

**RSM UK Restructuring Advisory
LLP**

25 Farringdon Street
London
EC4A 4AB
United Kingdom
T +44 (0)20 3201 8000
rsmuk.com

TO ALL M2 LENDERS

27 July 2023

Dear Sir or Madam,

Lendy Ltd - In Administration (“the Company”) & Saving Stream Security Holding Limited – In Administration (“SSSHL”)

In the High Court of Justice, business and Property Courts in Birmingham, Insolvency and Companies CR-2019-BHM-000443 & CR-2019-BHM-000444

Court Application for Directions

The Joint Administrators have previously set out the details of their application to Court for directions (“**Application**”) and the Judgment that was handed down by the Court on 12 August 2021. This Judgment dealt with the first part of the issues in the Application which is set out in the Joint Administrators’ progress reports to creditors. As previously advised, the Court held that M2 Loan realisations fall outside of the Lendy Administration estate and are held by Lendy solely for the benefit of the M2 Lenders. The second part of the issues in the Application primarily relates to the Cost Protocol which is discussed in further detail below.

Cost Protocol

As previously advised, in the period since the Judgment was handed down the Joint Administrators have been working with their legal advisors and Gunnercooke LLP, who represent the Lendy Action Group to agree an appropriate way to deal with the applicable costs and expenses which Lendy has incurred in collecting and realising the M2 loans. This was agreed as a Cost Protocol in the form of a Court order which was approved by the Court on 20 July 2023 (‘the **Protocol**’). The Joint Administrators will provide further detail on the Protocol in due course. For the purpose of this letter and the enclosed documents, the Joint Administrators have adopted the definitions in the Protocol.

M2 Committee

In accordance with the Protocol, the Joint Administrators are seeking nominations for membership of an M2 Committee which will be formed in accordance with the Protocol.

Such nominations are to be received by email to Lendy.Restructuring@rsmuk.com or by post to 25 Farringdon Street, London, EC4A 4AB no later than 5:00pm on 10 August 2023. Nominations will only be accepted from

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM UK Corporate Finance LLP, RSM UK Legal LLP, RSM UK Restructuring Advisory LLP, RSM UK Risk Assurance Services LLP, RSM UK Tax and Advisory Services LLP, RSM UK Audit LLP, and RSM UK Consulting LLP and RSM UK Creditor Solutions LLP are limited liability partnerships registered in England and Wales, with registered numbers OC325347, OC402439, OC325349, OC389499, OC325348, OC325350, OC397475 and OC390886 respectively. RSM Employer Services Limited, RSM UK Tax and Accounting Limited and RSM UK Management Limited are registered in England and Wales with numbers 6463594, 6677561 and 3077999 respectively. RSM Northern Ireland (UK) Limited is registered in Northern Ireland at Number One Lanyon Quay, Belfast, BT1 3LG with number NI642821. All other limited companies and limited liability partnerships are registered at 6th Floor, 25 Farringdon Street, London, EC4A 4AB. The UK group of companies and LLPs trading as RSM is a member of the RSM network. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practises in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.
RSM UK Legal LLP is authorised and regulated by the Solicitors Regulation Authority, reference number 626317.

**Lendy Ltd In Administration
contd.**

investors who have an 'M2' investment and who are not a member of the Company's Creditors' Committee. Please note that M2 Lenders will also have to sign a Non-Disclosure Agreement in the form attached.

Noting the number of investors this note is being circulated to the Joint Administrators request that, to manage costs, investors do not telephone the RSM team.

Please note that, in order for the M2 Committee to be formed, there must be at least three and no more than five M2 Lenders to be represented on the M2 Committee. In accordance with the Protocol, Lisa Taylor, first respondent at the directions hearing and representative of the Lendy Action Group will be a founding member of the M Committee. If three or four M2 Lenders nominate themselves to be members of the M2 Committee, the M2 Committee will be formed and the Administrators will contact the M2 Committee members accordingly.

If more than four eligible candidates apply to become M2 Committee members (Lisa Taylor already being a member), the Joint Administrators will ask the M2 Lenders to vote on which candidates are to be appointed. M2 Lenders will be admitted for voting for the balance of their outstanding M2 investment. A proof of debt form is enclosed, however if M2 Lenders are unsure of this balance, the Joint Administrators have this detail and will admit M2 Lenders for the amount from the Company records.

I look forward to hearing from you. In the meantime, if you have any queries please direct them to the email address provided below.

Yours faithfully
for and on behalf of
Lendy Ltd



**Damian Webb
RSM UK Restructuring Advisory LLP
Joint Administrator**

Lendy.Restructuring@rsmuk.com

Encls

Damian Webb, Phillip Sykes and Mark Wilson are licensed to act as Insolvency Practitioners in the UK by the Institute of Chartered Accountants in England and Wales

Insolvency Practitioners are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment

The affairs, business and property of the company are being managed by the Joint Administrators who act as agents of the company and without personal liability

**In the High Court of Justice, business and Property Courts in Birmingham, Insolvency and Companies
List CR-2019-BHM-000443 & CR-2019-BHM-000444**

**Lendy Ltd – In Administration (“the Company”)
Company No: 08244913**

Saving Stream Security Holding Limited – In Administration (“SSSHL”)

Company No: _09736866

**Damian Webb, Phillip Sykes and Mark Wilson appointed as Joint Administrators to the Company and
SSSHL on 24 May 2019**

Notice delivered to the creditors on: 27 July 2023

Notice to M2 Lenders inviting establishment of M2 Committee

Notice is hereby given that the M2 Lenders are invited to establish an M2 I Committee , with no fewer than three and no more than five M2 Lenders on the M2 Committee. Please note, in accordance with the Protocol, Lisa Taylor, first respondent at the directions hearing and representative of the Lendy Action Group will be a founding member of the M2 Committee

Nominations are invited for membership of the M2 Committee, such nominations to be received by email to Lendy.Restructuring@rsmuk.com or by post to 25 Farringdon Street, London, EC4A 4AB no later than 5:00pm on 10 August 2023.

Please note that, in order for a M2 Committee to be formed, there must be at least three M2 Lenders wishing to be represented on the M2 Committee. There can be no more than five M2 Committee members. If three or four M2 Lenders nominate themselves to be members of the M2 Committee, the M2 Committee will be formed and the Administrators will contact the M2 Committee members accordingly.

If more than four nominations are received from eligible M2 Lenders, a vote will be carried out to establish which M2 Lenders are to become members of the M2 Committee. If a vote is required, the Joint Administrators will contact M2 Lenders with the list of nominations for voting purposes. M2 Lenders will be admitted for voting for the balance of their outstanding M2 investment. A proof of debt form is enclosed, however if M2 Lenders are unsure of this balance, the Joint Administrators have this detail and will admit for voting purposes for the M2 Committee, M2 Lenders for the amount from the Company records (the platform).

Guidance on acting as a Committee member can be found at the R3 website, www.R3.org.uk. A hard copy can be requested by email or in writing to this office.

You may also wish to note that R3 have also produced guidance on the different insolvency processes, which can again be located at their website.

A proof of debt form and a consent to act, can be found on the creditors' portal both of which should be completed and returned to the above address by the date given above in order for your nomination to the committee to be considered further. If you have already submitted a proof of debt form you do not need to do so again.

Name, address & contact details of Joint Administrators

Primary Office Holder

Damian Webb
RSM UK Restructuring Advisory LLP
25 Farringdon Street, London, EC4A 4AB
Tel: 020 3201 8000
Email: restructuring.london.core@rsmuk.com
IP Number: 14970


Joint Office Holder:

Phillip Sykes
RSM UK Restructuring Advisory LLP
25 Farringdon Street, London, EC4A 4AB
Tel: 020 3201 8000
Email: restructuring.london.core@rsmuk.com
IP Number: 6119

Joint Office Holder

Mark Wilson
RSM UK Restructuring Advisory LLP
25 Farringdon Street, London, EC4A 4AB
Tel: 020 3201 8000
Email: restructuring.london.core@rsmuk.com
IP Number: 008612

Dated: 27 July 2023



Damian Webb
RSM UK Restructuring Advisory LLP
Joint Administrator

NOTE: Please complete a proof of debt form and consent to act form which can be found on the creditors' portal and return them, to restructuring.london.core@rsmuk.com or RSM UK Restructuring Advisory LLP 25 Farringdon Street, London, EC4A 4AB.

In the High Court of Justice, business and Property Courts in Birmingham, Insolvency and Companies
List CR-2019-BHM-000443 & CR-2019-BHM-000444

Lendy Ltd - In Administration ("the Company")
Company No: 08244913

Saving Stream Security Holding Limited – In Administration ("SSSHL")
Company No: _09736866

Damian Webb, Phillip Sykes and Mark Wilson appointed as Joint Administrators to the Company &
SSSHL on 24 May 2019

M2 Lenders Committee consent to act

If you personally are a M2 Lender, please complete only Part A of this form

If you represent a M2 Lender (eg your employer), please complete only Part B

Part A

I hereby consent to act as a member of the M2 s' Committee. I also confirm my eligibility* to act.

Your name: _____

Your address: _____

Telephone: _____

E-mail: _____

Please sign here: _____

Dated: _____

Part B

I am duly authorised by proxy to act as a representative of the below named company as its representative on
the M2 ' Committee , and hereby consent to do so. I also confirm my eligibility* to act.

Representative's name: _____

M2 Lender represented: _____

Representative's position in
relation to the M2 Lender: _____

Representative's address: _____

Telephone: _____

E-mail: _____

Please sign here:

Dated:

* Eligibility for membership of the M2 Committee

A creditor is eligible to be a member of the committee if:

- a) They are a natural person ,
- b) They are an M2 Lender,
- c) They have an amount owing in respect of an investment in an M2 Loan as of the date of this application to join the M2 Committee,
- d) They are not a member of the Company's creditors committee and
- e) They provide a signed Non-disclosure Agreement in the form set out as attached

A committee member cannot be:

- a) An undischarged bankrupt (or, in Scotland, a person whose estate has been sequestrated and who has not been discharged),
- b) Subject to a full or interim Bankruptcy Restriction Order or Undertaking, or a Debt Relief Restrictions Order or Undertaking,
- c) Be a disqualified director
- d) A person to whom a moratorium period under a debt relief order applies.

PROOF OF DEBT

**In the High Court of Justice, business and Property Courts in Birmingham, Insolvency and Companies
List No 443 of 2019
Lendy Ltd - In Administration ("the Company")
Company No: 08244913
Damian Webb, Phillip Sykes and Mark Wilson appointed as Joint Administrators to the Company on 24
May 2019**

Relevant date for Model 2 investor claims for voting purposes: 27 July 2023

1	Name of Model 2 investor If a company please also give company registration number	
2	Address of Model 2 investor for correspondence.	
3	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the relevant date. Less any payments made after that date in relation to the claim, any deduction in respect of discounts and any adjustment by way of mutual dealings and set off in accordance with relevant legislation	£
4	Details of any documents by reference to which the debt can be substantiated. There is no need to attach them now, but you should retain them safely as the Joint Administrators may ask you at a future date to produce any document or other evidence which is considered necessary to substantiate the whole or any part of the claim, as may the chairman or convenor of any qualifying decision procedure.	
5	If amount in 3 above includes outstanding uncapitalised interest please state amount.	£
6	Particulars of how and when debt incurred If you need more space append a continuation sheet to this form	
7	Particulars of any security held, the value of the security, and the date it was given.	£ Date
8	Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates.	
	Signature of creditor or person authorised to act on his behalf	
	Name in BLOCK LETTERS	
	Date	
	Position with or in relation to creditor	
	Address of person signing (if different from 2 above)	

--	--	--

Notes:

1. This form can be authenticated for submission by email, to restructuring.london.core@rsmuk.com, by entering your name in block capitals and sending the form as an attachment from an email address which clearly identifies you or has been previously notified to the office holder. If completing on behalf of a company, please state your relationship to the company.