

**NOTICE OF DISTRIBUTION OF DIVIDEND PURSUANT TO RULE 118 OF THE
INSOLVENCY RULES 2014
ENTERPRISE INSURANCE COMPANY PLC – IN LIQUIDATION
REGISTERED NUMBER: 89698
REGISTERED ADDRESS: 6A QUEENSWAY, GIBRALTAR
IN THE SUPREME COURT OF GIBRALTAR**

Notice is hereby given pursuant to Rule 118 of the Insolvency Rules 2014 that a first interim dividend to insurance creditors of 10 pence in the pound has been declared.

In accordance with section 152 of the Financial Services (Insurance Companies) (Solvency II Directive) Act, insurance claims take precedence over other claims as specified in subsections (2) and (3) of section 152. With regard to assets representing technical provisions, insurance claims shall take absolute precedence over any other claim on the insurance undertaking under section 152(2) and with regard to the whole of the assets of the insurance undertaking under section 152(3), insurance claims take precedence over any other claims other than:

- 1.1 Claims by employees arising from employment contracts and employment relationships;
- 1.2 Claims by public bodies on taxes;
- 1.3 Claims by social security systems, and
- 1.4 Claims on assets subject to rights in rem.

Given the priority afforded under Gibraltar’s insurance legislation to insurance claims and the insufficiency of assets to meet them, there is in my view no realistic prospect that creditors other than insurance creditors and the other creditors mentioned in section 152(3) will have any economic interest in the liquidation of the Company.

The Liquidator’s receipts and payments account from the commencement of the liquidation on 26 October 2016 to 14 May 2024 is attached.

Rule 117(1) of the Insolvency Rules 2014 requires that in determining the funds available for distribution to creditors by way of dividend, the liquidator shall make provision-

- (i) For any claims which creditors may not have had sufficient time to make;
- (ii) For any claims which have not yet been determined; and
- (iii) For any disputed claims

Provision has therefore been made for all notified insurance claims which have not yet been adjudicated upon and admitted as insurance creditors as at 29 February 2024, the date fixed for creditors to submit their claims for the purpose of benefitting from the first interim dividend distribution. Provision has been made at the reserved value attached to notified insurance claims being the estimated quantum of the claims to be admitted as an insurance creditor after the adjudication process. A further provision of £10 million has been included as an “Incurred But Not Enough Reported” (IBNER) reserve to provide for any unforeseen deterioration and increase in claims. If this IBNER provision is not required it will be released in respect of the calculation of further interim dividend distributions.

Total incurred insurance claims (including IBNER) are projected to be circa £337 million. Realised assets and projected reinsurance recoveries indicate potential dividend distributions to insurance creditors amounting to circa 32%. Given the inherent uncertainties relating to the final value of insurance creditors the first interim dividend is set at 10% of the total incurred amount.

The Liquidator is unable to estimate the likely timing or quantum of any future dividends, but intends to pay a further interim dividend distribution at a time when he considers it appropriate and prudent to do so.

For further information, contact details and proof of debt forms, please visit the liquidation website www.eigplc.com

Liquidators details:

FDJ White (IP no. FSC0895FSA) of Grant Thornton Ltd, 6A Queensway, Gibraltar

Date of liquidation appointment 26 October 2016

Frederick David John White

Date: 14 May 2024

Liquidator

ENTERPRISE INSURANCE COMPANY PLC (IN LIQUIDATION)
(in Liquidation by the Court)

Liquidator's Receipts and Payments Account for the Period
26 October 2016 to 14 May 2024

	£	£
Receipts		
Bank balances taken over from provisional liquidation		16,327,425
Reinsurance recoveries		73,166,587
Premium debtor from brokers		9,527,493
Third party recoveries - claims		939,405
Proceeds - disposal investment properties		4,077,918
Monies recoverable by legal actions		7,529,935
Monies held on account - returned		1,860,431
Bank interest receivable		7,092,750
ATE premium receivable		273,471
Sundry income		253,667
Total Income		<u>121,049,082</u>
Payments		
Claims management services	5,018,603	
Claims handling costs	6,095,674	
Claims settlement costs	791,000	
Claims - defence costs	<u>3,353,140</u>	
Claims handling costs		15,258,417
Sundry underwriting costs		12,097
Staff Salaries and associated office costs		1,327,604
IT services costs		523,229
Investment property costs		19,842
Bank Charges		57,562
Provisional liquidator's fees and costs		394,940
Liquidators fees		5,208,565
Liquidators costs - legal fees		7,941,107
Liquidators costs - professional fees		3,338,416
Liquidators costs - general costs		343,399
Foreign exchange movement		759,550
Total expenses		<u>35,184,728</u>
BALANCE IN HAND		<u><u>85,864,354</u></u>
Represented by:		
NatWest		82,295,374
Coutts & Co		3,536,093
Cash held in claims floats		32,887
		<u><u>85,864,354</u></u>