



English & American Insurance Company's scheme administrators announce increase in scheme payment percentage to 48%

Friday 13th December 2013

The scheme payment percentage for English & American Insurance Company Limited ("EAIC") has been increased from 45% to 48%, effective from 11th December 2013.

The joint scheme administrators of EAIC, Mike Walker and Darryl Ashbourne, stated that the additional payments will be made to all eligible scheme creditors with an agreed scheme liability within the next 90 days.

Mike Walker, joint scheme administrator and restructuring partner at KPMG, commented:

"We are pleased to announce a third substantial increase in the payment percentage since the bar date, from 45% to 48%. This latest increase reflects the continued success in agreeing scheme claims and recovering reinsurance assets, and demonstrates our ongoing commitment to distributing EAIC's assets to creditors."

EAIC entered provisional liquidation in 1993, following which a scheme of arrangement was authorised by the court.

On 6th October 2010 the High Court of Justice sanctioned a closing scheme of arrangement, which became effective and binding on EAIC and its scheme creditors on 12th October 2010, with a claims bar date on 11th April 2011.

Mike Walker continued:

"The bar date for EAIC passed in April 2011, with over 1,500 claims being submitted. Since then we have been working with scheme creditors and have agreed values for all but one of the claims submitted. Scheme claims of over \$720 million have been agreed and over \$320 million has been distributed to date to scheme creditors overall."

- ENDS -

For further information please contact

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Notes to editors:

Schemes of arrangement were provided for by Section 425 of the Companies Act 1985 and set out the rules by which the ongoing administration and management of a company are governed. These are binding upon the company and all its creditors, or any class of them, provided that a majority in number, representing three-fourths in value of the creditors or class of creditors, present and voting, either in person or by proxy at a meeting ordered to be summoned by the court, agrees to the arrangement. Schemes of arrangement are now provided for in England and Wales under Part 26 of the Companies Act 2006.

About KPMG

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