

TO ALL INVESTORS, CREDITORS AND SHAREHOLDERS

11 July 2018

Dear Sir(s)

Collateral (UK) Ltd - In Administration
Registered Number: 03515336

Collateral Security Trustee Limited - In Administration
Registered Number: 10390795

Collateral Sales Limited - In Administration
Registered Number: 10390419

Together ('the Companies')

Notice of deemed consent of the Joint Administrators' Proposals was included at Appendix 6 of the Joint Administrators' Proposals, which were emailed to investors and creditors and uploaded to the dedicated Collateral portal on 21 June 2018.

No objections were received to the deemed consent procedure and, consequently, Resolutions A and B of the Joint Administrators' Proposals were deemed to have been approved on 5 July 2018.

In addition, a decision by correspondence form was included in the Joint Administrators' Proposals in respect of Resolution C, which invited investors and creditors to establish a Creditors' Committee if sufficient investors and creditors were willing to be members. Investors and creditors were asked to return the decision by correspondence form, together with a statement of their claim, on or before the Decision Date of 5 July 2018.

By the Decision Date, investors and creditors voted in favour of forming a Creditors' Committee. A Creditors' Committee must have a minimum of three and a maximum of five members. The Joint Administrators' have currently received more nominations than the maximum number of members allowed. We are currently liaising with the nominees and will be writing to investors and creditors shortly regarding the constitution of the Creditors' Committee.

Yours faithfully
For and on behalf of
The Companies



Shane Crooks
Joint Administrator
Authorised by the Institute of Chartered Accountants in England & Wales in the UK