

ALL Scheme Ltd

**Joint Scheme Supervisors'
progress report for the period
1 April 2023 to 30 June 2023**

September 2023



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Abbreviations and definitions

The following table shows the abbreviations and terms that may be used in this report.

Abbreviation or definition	Meaning
ALL	Amigo Loans Ltd.
AMSL	Amigo Management Services Ltd.
Effective Date	26 May 2022 being the date on which the Order sanctioning the Scheme was delivered to the Registrar of Companies in England and Wales for registration.
Fallback Solution	The method of implementing this Scheme which is the secondary and alternate objective of the Scheme. In this situation ALL stops lending and is placed into an orderly wind-down, with the result that all surplus assets at the end of the wind-down are available for Scheme Creditors.
FCA	The Financial Conduct Authority, ALL's regulator.
First Funding Payment	A payment of £60 million.
FOS	The Financial Ombudsman Service.
Holdings PLC	Amigo Holdings PLC.
Loan	A loan made by ALL to any person whether resident in the United Kingdom or elsewhere after 28 January 2005 and before 21 December 2020, which was administered by ALL or AMSL.
Period	1 April 2023 to 30 June 2023.
Preferred Solution	The method of implementing the Scheme which was the primary objective of the Scheme. It envisaged ALL starting to lend again and raising new money. ALL believed the Preferred Solution would provide more compensation than the alternative outcomes.
Redress Liability	An amount owed by SchemeCo to a person whether resident in the United Kingdom or elsewhere (including borrowers, former borrowers, guarantors and former guarantors), arising out of or in relation to the provision or administration of a Loan, and excluding: (a) any amounts owed between any of ALL, AMSL, Holdings PLC and/or SchemeCo; and (b) certain excluded liabilities.
Scheme	The ALL scheme of arrangement, made in accordance with Part 26 of the Companies Act 2006.
SchemeCo	ALL Scheme Ltd.
Scheme Creditor	A person who is or claims to be a creditor (this means somebody that is owed compensation) of SchemeCo in respect of a Scheme Liability.
Scheme Fund	The balance from time to time which stands to the credit of the Trust Account.
Second Funding Payment	A payment of £37 million.
Scheme Liability	A Redress Liability or an amount due to FOS in respect of outstanding fees.
Trust Account	The account in the name of SchemeCo the balance of which is held on trust by SchemeCo for the Scheme Creditors.

Key messages

This is our fourth report as Joint Scheme Supervisors since the Scheme was approved by the High Court on 23 May 2022. We are writing to update you on the progress of the Scheme during the Period.

What you need to do

As previously reported, the deadline of 26 November 2022 for submitting claims has now passed and it is no longer possible to submit claims in the Scheme.

If you have submitted a claim into the Scheme you will be sent a notification via the ALL Scheme website: www.amigoscheme.co.uk when the assessment of the claim has been completed.

This report is for your information only and has been prepared by Dan Schwarzmann and Nigel Rackham as Joint Scheme Supervisors of the ALL Scheme solely to provide an update on the progress of the Scheme to Scheme Creditors and for no other purpose. This report is not suitable to be relied upon by Scheme Creditors, or for any other purpose, or in any other context.

This report has not been prepared in contemplation of it being used, and it is not suitable to be used, to inform any investment or tax decision in relation to any debt of, or any financial investment in, Holdings PLC, ALL, AMSL or SchemeCo.

Any person choosing to rely on this report for any purpose or in any context other than for assessing the progress of the Scheme does so at their own risk. To the fullest extent permitted by law, the Joint Scheme Supervisors do not assume any liability in respect of this report to any person.

Dan Schwarzmann and Nigel Rackham have been appointed as Joint Scheme Supervisors and act as agents of SchemeCo without personal liability. Both are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales. The Scheme Supervisors are bound by the Insolvency Code of Ethics which can be found at: www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics

Overview of progress to date

As Scheme Supervisors we are required to act in good faith with reasonable skill and care in the interests of Scheme Creditors as a whole, and exercise our powers and functions under the Scheme with a view to ensuring that the Scheme is implemented in accordance with its terms.

During the Period we have continued to meet with ALL's and SchemeCo's representatives to discuss and assess the activities that have been undertaken in respect of the Scheme. We provide updates on the key developments below.

New business conditions

As detailed in our third report, unfortunately Holdings PLC was unable to obtain sufficient interest from potential investors to cover the investment and the share issue required by the business. As a result, on 23 March 2023 ALL announced that it had taken the decision to switch the Scheme from the Preferred Solution to the Fallback Solution outlined in the Scheme.

The Fallback solution

The Fallback Solution required ALL to stop lending with immediate effect and be placed into an orderly wind-down, with the result that all surplus assets after the wind-down are to be transferred to Scheme Creditors. The Scheme claims process is unaffected.

The wind-down of the business, during which the existing loan book will continue to be collected, will last for approximately 12 months.

Funding payments

It was previously reported that £97m was paid by ALL into the Scheme Fund.

Following ALL's announcement, on 23 March 2023, that it was pursuing the Fallback Solution, the Scheme Supervisors, in accordance with the Scheme, agreed with ALL the amount of funding required to manage the orderly wind-down of ALL. Accordingly, the amount of £51m was transferred from the Scheme Fund to ALL (the "Fallback Transfer").

Following the implementation of the Fallback Solution and the payment of the Fallback Transfer, the Scheme also requires ALL to make a monthly payment into the Scheme Fund in an amount equal to any additional collections made from ALL's existing loan book during that period less any additional amounts required (if any) to provide for any further costs, liabilities and expenses. As at 30 June the Scheme Fund held the amount of £52.2m. Any surplus assets after the wind-down will also be transferred to the Scheme Fund for the benefit of Scheme Creditors. Ultimately it is expected that the Scheme Fund will exceed the initial £97m.

Claims submissions and outcome for Scheme Creditors

As detailed earlier, the deadline of 26 November 2022 for submitting claims has now passed. The total number of unique claims received from both borrowers and guarantors is c.210,000. We understand that this figure includes some duplication where both guarantor and borrower have claimed on the same loan agreement.

As previously reported, ALL currently estimates that Scheme Creditors will receive 17 pence in the pound compensation in the Fallback Solution. This compares to the 33 to 37 pence in the pound originally estimated for the Fallback Solution and detailed within the Scheme's Explanatory Statement.

It will not be possible to provide the final pence in the pound compensation payable until the claims assessment process has been substantially completed. The process of issuing emails detailing the outcome of the claims assessment continues. Where the assessment has been completed borrowers and guarantors are able to log into the portal to accept or reject the decision. Claims have started to be referred to the Scheme Adjudicator but it is not expected that the assessment and adjudication process will be completed until towards the end of the third quarter of 2023. As a result payments should commence towards the end of 2023. Borrowers and guarantors are encouraged to review all of their personal details on the portal - www.amigoscheme.co.uk - in order to ensure that they receive timely communications and that payment details are correct.

Next steps

If you have any queries please contact Nigel Rackham using the following email address - nigel.d.rackham@pwc.com. We expect to issue our next report as Scheme Supervisors in December 2023.

Yours faithfully



Joint Scheme Supervisors