

**Nationwide Accident Repair Services Limited, Nationwide Crash Repair Centres Limited, Network Services (Nationwide) Limited, Mobile Vehicle Repairs Limited, Just Car Clinics Limited, Just Car Clinics Group Limited, Seward Accident Repair Centres Limited, Howard Basford Limited and Nationwide Fast Fit Plus Limited – in administration (“the Companies”)**

## **Creditor FAQ's**

### **I am owed money, what notification will I receive?**

The officeholder will write to all known creditors of the Companies (as recorded by the Companies) to inform them formally of the administration appointments. In some cases this will be accompanied by a general website notice informing creditors that most future documents for creditors will be posted to a website rather than being delivered by mail.

### **Administration**

The administrators will send a report to all known creditors and members within 1 week of the appointments. This report is known as the administrators' proposals and will outline steps taken by the joint administrators to date and the strategy going forwards.

The administrators are also required to provide a written update on the administrations to all known creditors every 6 months. This report will be sent within one month of every 6 month anniversary or earlier if an administrator vacates office or an extension to the administration is granted.

### **Delivery methods**

In the event the officeholder intends to use alternative methods for the delivery of future reports/communications, e.g. use of a website, details of this will normally be provided in the initial communication with the creditors.

### **Opting Out**

Creditors have the right to elect to opt out of receiving certain documents about insolvency proceedings. Any election to opt out will not affect a creditor's entitlement to receive dividends, should any be paid to creditors. Further details on opting out will be provided by the office holder in their initial communications with creditors.

### **When will I get paid?**

- Payment for goods and services provided prior to the date of appointment will not be paid for as an expense of the administration estate.
- However, all outstanding amounts at the date of the Joint Administrators' appointment will be an unsecured claim in the administration. You can submit a claim with the administrators for the amount you were owed prior to their appointment. If there are funds available, you may receive a dividend payment in due course, although at this time we cannot estimate what this will be.
- We will shortly be providing guidance on how to submit a claim via an online creditors portal. Our preferred method for creditors to submit claims and supporting documents is via the Turnkey (IPS) online portal, as this is the most efficient and cost effective way for us to deal with your claim and also allows you to better track its status, so we recommend the use of the online portal for claim submission. Your unique login details will be sent to you separately.
- If your claim includes VAT, you may be able to obtain VAT bad debt relief six months after your supply. Your local VAT office can help you with this.

- You will be paid on normal terms for any goods and services provided to the Companies, but only for those supplies that are made against a written order (purchase order and/or letter of undertaking) signed by one of the Joint Administrators or an authorised member of our PwC team after the date of the Administrators' appointment.

### **How do I know what kind of creditor I am?**

There are three main types of creditor:

- Secured (split into security via fixed/standard and floating charges);
- Preferential; and
- Unsecured.

Secured creditors have security registered at Companies House. When they have a fixed/standard charge over an asset, the secured creditor will be paid out of the realisations from that specific asset, after the costs of realisation have been deducted. When they have a floating charge over an asset, the secured creditor will be paid out of the realisations from those assets, after the costs of realisation and other expenses of the insolvency procedure, the preferential creditors (see below) have been paid in full and the prescribed part (see below) has been set aside.

Preferential creditors primarily consist of employees for arrears of wages, accrued holiday pay, unpaid contributions to occupational pension schemes and state scheme premiums, all within certain limits. Preferential creditors rank ahead of all other creditors when realisations are achieved from assets where there is no fixed charge registered.

Unsecured creditors are all other unsecured and non-preferential creditors (with the exception of shareholders/members). These are usually the normal "trade" creditors. They rank below preferential and secured creditors, with the exception of when the prescribed part is applicable (see below).

Shareholders / members will be the last class of creditor to receive a distribution and they will only receive a distribution after everyone else has been paid in full.

### **What is the prescribed part?**

When a secured creditor has a floating charge registered after 15 September 2003, a proportion of the funds available to them is set aside for distribution to unsecured creditors. This is the prescribed part. (Please note there are some insolvencies where there are pre 15 September 2003 floating charges and consequently NO prescribed part.)

Insolvency legislation sets out how the prescribed part is calculated and if it is applicable further details will be provided in the officeholders' reports to creditors.

### **Estimated timeframe for reviewing my claim and paying a dividend?**

The administration and liquidation process is complex and it takes time to assess the Companies' position and provide an estimate of the quantum or timing for reviewing claims and making a distribution. The officeholders will include an update of dividend prospects and, if possible, a timeframe in their proposals and reports.

### **Other Queries**

Please contact: [uk\\_nationwide\\_suppliers@pwc.com](mailto:uk_nationwide_suppliers@pwc.com)