



30 September 2022

FAO: General Scheme Creditors

**Stronghold Insurance Company Limited (in Creditors' Voluntary Liquidation) ("Stronghold")
- General Scheme of Arrangement Update**

Dear General Scheme Creditors

As previously highlighted, in accordance with the General Scheme (and the Insurers (Reorganisation and Winding Up) Regulations 2004), the claims of the Direct Scheme Creditors are to be paid in full in priority to the claims of the General Scheme Creditors.

As you may recall from our update in November 2021, a return to General Scheme Creditors was not expected due to the significant Direct Scheme claims received and, therefore, no General Final Claims Time was set.

Although we have not yet agreed all Direct Scheme claims, we are in the position to confirm that the current level of agreed Direct Scheme claims exceeds the Company's distributable funds. Accordingly, we regret to inform you that no General Final Claims Time will be set and there will be no distribution to the General Scheme Creditors.

We do not expect to send you further correspondence on the General Scheme, although information about the case will continue to be made available on the website, including how you can contact us with any queries.

Kind regards

For and on behalf of Stronghold

A handwritten signature in black ink, appearing to read 'Dan Schwarzmann', with a long horizontal flourish extending to the right.

**Dan Schwarzmann
Joint Liquidator and Joint Scheme Administrator**

Dan Yoram Schwarzmann and Douglas Nigel Rackham have been appointed as Joint Liquidators and Joint Scheme Administrators of Stronghold Insurance Company Limited. Dan Yoram Schwarzmann and Douglas Nigel Rackham are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales.

The Insurers (Reorganisation and Winding Up) Regulations 2004 apply to Stronghold Insurance Company Limited. The effect of these regulations is that direct insurance creditors have priority over other classes of unsecured creditors, including cedants.

*The Joint Liquidators are bound by the Insolvency Code of Ethics which can be found at:
<https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>.*

The Joint Liquidators and Joint Scheme Administrators may act as controllers of personal data as defined by UK data protection law depending upon the specific processing activities undertaken. PricewaterhouseCoopers LLP may act as a processor on the instructions of the Joint Liquidators and Joint Scheme Administrators. Personal data will be kept secure and processed only for matters relating to the Joint Liquidators' and Joint Scheme Administrators' appointment. Further details are available in the privacy statement on the [PwC.co.uk](https://www.pwc.co.uk) website or by contacting the Joint Liquidators and Joint Scheme Administrators.

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