
**Joint administrators' twenty-fourth
progress report for the period from
23 March 2020 to 22 September
2020**

**Storm Funding Limited
(in administration)**

20 October 2020

High Court of Justice, Business & Property Courts of
England & Wales, Insolvency & Companies List (ChD)

Case no. 8210 of 2008

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Abbreviations and definitions

The following table shows the abbreviations and insolvency terms used in this report:

Abbreviation or definition	Meaning
Acenden	Acenden Limited (formerly known as Capstone Mortgage Services Ltd)
Administrators	DY Schwarzmann, EJ Macnamara, GE Bruce and R Downs
Administration	Storm's administration
Court	The High Court of Justice
CURL	Consumer Unsecured Reperforming Loan PLC
Firm	PricewaterhouseCoopers LLP
Group	Lehman Brothers UK Group
HMRC	HM Revenue and Customs
IMA	Investment Management Agreement
IR16	Insolvency (England and Wales) Rules 2016
IA86	Insolvency Act 1986
LBH	Lehman Brothers Holdings Plc (in administration)
LBHI	Lehman Brothers Holdings Inc (Chapter 11)
LBHI2	LB Holdings Intermediate 2 Limited (in administration)
LBIE	Lehman Brothers International (Europe) (in administration)
Mable	Mable Commercial Funding Limited (in administration)
Period	The six months from 23 March 2020 to 22 September 2020
Proposals	The Administrators' statement of proposals for achieving the purpose of the Administration, dated 12 November 2008
Storm or the Company	Storm Funding Limited (in administration)
Secured creditors	Creditors with security in respect of their debt, in accordance with section 248 IA86
Preferential creditors	Claims for unpaid wages earned in the four months before the insolvency up to £800, holiday pay and unpaid pension contributions in certain circumstances
Unsecured creditors	Creditors who are neither secured nor preferential
Repo Claim	A claim arising from a repo/reverse repo arrangement
Shortfall Claim	The Storm claim against LBIE arising from a shortfall in the number of securities held in the Lehman depository accounts
VAT	Value Added Tax

Key messages

Why we have sent you this report

This is the twenty-fourth progress report by the Administrators of the Company.

Creditors should have received the Proposals approved at a meeting of creditors held on 27 November 2008 and the Administrators' 23 previous progress reports. All earlier reports can be viewed on our website at <http://www.pwc.co.uk/services/business-recovery/administrations/non-lbie-companies/storm-funding-limited-in-administration.html>.

This report provides an update on the work the Administrators have undertaken, and the progress made since their appointment with particular focus on the progress made in the Period.

How much creditors may receive

On 24 June 2013 the Court made an order pursuant to paragraph 65(3) of Schedule B1 to IA86 granting permission for the Administrators to make distributions to unsecured creditors.

The Administrators have paid twelve dividends totalling 41.97 pence in the pound on admitted claims, the twelfth interim dividend was paid in the Period. Cumulative distributions to date total £981.5m.

We set out in Appendix D a list of the dividends paid to date.

The timing and quantum of future dividends are dependent on further asset recoveries, which are presently uncertain.

Class of creditor	Current estimate (p in £)
Secured creditors	n/a
Preferential creditors	n/a
Unsecured creditors	*41.97 – 42.24

**Please note this guidance on dividends is only an estimate. Creditors should therefore exercise caution in relying on these figures and all estimates included in this report for any purpose. The Administrators will not be responsible for any losses incurred in relation to these estimates.*

What you need to do

If you have not already done so, please send your claim to us so that we can agree it. A claim form can be downloaded from our website at [http:// www.pwc.co.uk/services/business-recovery/administrations/non-lbie-companies/storm-funding-limited-in-administration.html](http://www.pwc.co.uk/services/business-recovery/administrations/non-lbie-companies/storm-funding-limited-in-administration.html) or you can obtain one by telephoning John Baker on +44 7843 326661.

Overview of what we have done to date

Securities held in Lehman depository accounts

As reported previously, the Administrators have filed an affiliate asset claim against LBIE in respect of its securities held in the Lehman depository accounts.

The Administrators also entered into an IMA with LBIE to market and realise these securities on behalf of Storm.

All recoverable securities have been realised or disposed of. As outlined in earlier reports, the Administrators discovered that a number of securities were no longer held in the depository accounts and as a result, a Shortfall Claim was submitted to LBIE.

Inter-company debtors – LBIE

In addition to the Shortfall Claim, Storm has a Repo Claim against LBIE. Both the Shortfall Claim and the Repo Claim were agreed with LBIE in March 2014. After offsetting a small intercompany balance owed to LBIE, the net claim amounts to £158m. This claim was agreed on the basis that Storm waived its entitlement to statutory interest accrued before 31 August 2012. Storm has received 100 pence in the pound on the principal amount of its claim. On 25 July 2018, Storm received a final distribution of £21m for statutory interest.

Inter-company debtors – US affiliates

Storm's total claims against the various Lehman US affiliates were agreed pursuant to the Joint Chapter 11 Plan dated December 2011 at \$1.1bn. In August 2014 Storm sold its largest US affiliate claim to a third party, leaving a total claim of \$335.7m. To date, cumulative dividends received from US affiliates and consideration from selling the claim, have totalled \$495.5m.

Acenden sale

In 2010 Storm purchased Acenden from another group entity. An element of the purchase price was deferred consideration due to the vendor on Storm realising value from its shareholding in Acenden.

The sale of Storm's shareholding in Acenden completed on 6 January 2015, following a competitive sale process. Under the terms of the sale, details of the final consideration agreed with the buyer are confidential.

Storm recovered £14m after payment of deferred consideration to the group entity under the original acquisition. As discussed in the next section of this report, further deferred consideration became due during the Period.

Claims agreement

Storm has received 14 claims from unsecured creditors, mainly Lehman affiliates, totalling £3.2bn. The two largest agreed claims are £1.8bn from LBHI and £366m from Mable. Nine other claims were admitted for dividend and three claims have been withdrawn.

Taxation

All corporation tax returns up to and including the year ended 22 September 2017 have been agreed by HMRC. The enquiry window for the corporation tax return for the year ended 22 September 2018 will close on 31 January 2021.

The corporation tax return for the year ended 22 September 2019 has been submitted to HMRC.

All VAT returns to the quarter ended August 2020 have been submitted to HMRC.

Progress since we last reported

The key developments in the Period are described below.

Inter-company debtors – US affiliates

During the Period, the Company received \$390k from its US affiliate claims.

We previously reported that one of the US debtors had asserted that they had overpaid distributions to Storm, exceeding the guaranteed amount. Pending future discussions to resolve the matter, on 12 September 2018, Storm paid the US debtor a partial refund (in the sum of £12.9m) in accordance with a settlement agreement.

The timing and future quantum of future distributions remains uncertain.

Acenden sale

The sale of Storm's shares in Acenden provided for the payment of deferred consideration during the Period, provided that certain confidential preconditions are met. In the Period Storm received net proceeds of £2.7m, after payment of a contractual obligation to another UK Lehman entity, in relation to this agreement. No further sums are due to the Company.

Storm is also entitled to deferred consideration in respect of the CURL asset held by Acenden. In the Period, Storm received net proceeds of £95k, after payment of a contractual obligation to another UK Lehman entity.

Deposition and discovery process in relation to the Clawback Proceedings

In April 2019, LBHI initiated proceedings in the United States Bankruptcy Court Southern District of New York ("NY Bankruptcy Court") ("the Clawback Proceedings") against certain other Lehman UK affiliate entities. LBHI is seeking to reclaim amounts it has paid to certain Lehman UK affiliate entities in relation to a guarantee claim, along with prejudgment interest.

In June 2019, certain Lehman UK affiliate entities filed their answers and counterclaims in the Clawback Proceedings. The NY Bankruptcy Court held an initial pre-trial conference in July 2019, at which the parties agreed to confer on a proposed stipulation of facts and a discovery process and return to the Court when necessary to do so.

Taxation

The tax computation for the year ended 22 September 2018 showed a profit for the period of c.£1.6m which was sheltered using Storm's brought forward losses. The enquiry window for this return will close on 31 January 2021.

The tax computation for the year ended 22 September 2019, which was submitted on 17 September 2020 showed a loss for the period of c.£22k. The enquiry window for this return will close on 22 September 2021.

The Administrators have complied with their obligations regarding the publication of the Lehman group Tax Strategy. The Administrators have also adhered to the UK and US Foreign Account Tax Compliance Act, Common Reporting Standards and the Senior Accounting Officer Regime. They have also considered their obligations under the Corporate Criminal Offence rules which came into effect in September 2017.

To date, VAT totalling £2.9m has been repaid to Storm. VAT repayments of £30k in relation to the VAT return quarters February 2020 and May 2020 were received in the Period. In the Period, work commenced to prepare the VAT return for the quarter ended 31 August 2020.

Connected party transactions

Except where disclosed elsewhere in this report, there have been no sales or transactions with connected parties of the Company during the Period.

Investigations and actions

Nothing has come to our attention during the Period to suggest that we need to do any more work in line with our duties under the Company Directors' Disqualification Act 1986 and Statement of Insolvency Practice No.2.

Our receipts and payments account

We set out in Appendix A an account of our receipts and payments in the Administration from 23 March 2020 to 22 September 2020, and cumulative receipts and payments from 23 September 2008 to 22 September 2020.

As advised earlier in the Administration, all of the Company's assets are uncharged, and there are therefore no secured creditors.

Significant receipts in the Period were:

- \$390k in respect of dividends on intercompany debts from US affiliates;
- £2.7m relating to deferred consideration from the Acenden sale, net of amounts contractually due to another Lehman entity; and
- £95k relating to CURL assets, net of amounts contractually due to another Lehman entity.

Significant payments included:

- £7m in respect of Storm's twelfth interim distribution, paid on 18 September 2020; and
- Administrators' remuneration of £113k (inclusive of VAT).

Total cash held as at 22 September 2020 was £9.3m (GBP equivalent).

Funds are invested on the money markets where beneficial to accrue interest and to manage risk.

Our expenses

We set out in Appendix B a statement of the expenses we have incurred to the date covered by this report and an estimate of our future expenses.

Our fees

The manner in which the Administrators' remuneration is determined and approved is set out in the applicable insolvency legislation.

In accordance with the Proposals, as a creditors' committee was not formed, it is for creditors to agree the level of the Administrators' remuneration and Category 2 disbursements.

At a meeting held by correspondence on 20 September 2010 creditors approved resolutions authorising the Administrators to draw remuneration on the basis of their time costs, together with Category 2 disbursements and VAT from 1 July 2010 onwards from time to time.

In accordance with the resolution, the Administrators can draw remuneration 21 days or more after circulating details to creditors. On 30 March 2020, the fee analysis for the period from 1 September 2019 to 29 February 2020 was circulated to creditors and the fee of £0.1m (inclusive of VAT) was drawn on 29 April 2020. This brings the total amount of Administrators' remuneration to £23m (inclusive of VAT).

We set out in Appendix C an update on our remuneration which covers our fees, disbursements and other related matters in this case.

Creditors' rights

Creditors have the right to ask for more information within 21 days of receiving this report as set out in Rule 18.9 IR16. Any request must be in writing. Creditors can also challenge fees and expenses within eight weeks of receiving this report as set out in Rule 18.34. This information can also be found in the guide to fees at:

<http://www.icaew.com/-/media/corporate/files/technical/insolvency/creditors-guides/creditors-guide-administrators-fees-final.ashx?la=en>

This guide is for appointments on or after 1 November 2011 and whilst not all the provisions apply to this Administration (which commenced 23 September 2008) it is the most appropriate guide currently available following the changes made by IR16.

You can also obtain a copy free of charge by telephoning Elliot Stickings on +44 7483 421780.

What we still need to do

The Administrators will continue to:

- Realise value from the remaining assets;
- Continue to file tax and VAT returns;
- Comply with other statutory obligations; and
- Make further payments to creditors as funds permit.

Next steps

We continue to consider the best strategy for ending the Administration, taking into account asset realisations and tax implications.

We expect to send our next report to creditors in six months' time.

If you have any questions, please get in touch with John Baker on +44 7843 326661.

Yours faithfully
For and on behalf of Storm Funding Limited



DY Schwarzmann
Joint Administrator
Storm Funding Limited

DY Schwarzmann, EJ Macnamara, GE Bruce and R Downs were appointed as Joint Administrators of Storm Funding Limited to manage its affairs, business and property as agents without personal liability.

The Joint Administrators are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales.

The Joint Administrators 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 Administrators may act as Data 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 Administrators.

Personal data will be kept secure and processed only for matters relating to the Administrators' appointment. Further details are available in the privacy statement on the PwC.co.uk website or by contacting the Administrators.

Appendix A: Receipts and payments

The receipts and payments account does not show estimated to realise values from the directors' statement of affairs as this would not provide a meaningful comparison with actual asset recoveries. Given the nature of the Company's assets and ongoing realisations, the Administrators are not in a position to provide an estimate of the final outcome for creditors.

Storm Funding Limited

	As at 22 September 2020			As at 22 September 2020	Movements from 23 March 2020 to 22 September 2020	As at 22 March 2020 (GBP equivalent) RESTATED at 22 September 2020	As at 22 March 2020 (GBP equivalent)
	GBP (£)	EUR (€)	USD (\$)	TOTAL GBP equivalent £	(GBP equivalent) £	exchange rate £	£
RECEIPTS	000's	000's	000's	000's	000's	000's	000's
Principal and interest on mortgage assets	107,920	51,190	-	155,020	-	155,020	155,845
Acenden net proceeds	31,043	-	-	31,043	2,833	28,210	28,210
Income from investments	5,956	400	77	6,385	13	6,372	6,385
Corporation Tax repayments	23,296	-	-	23,296	-	23,296	23,296
VAT	2,856	-	-	2,856	30	2,826	2,826
Other income	23,283	1,517	-	24,679	-	24,679	24,703
Intercompany debtors	212,683	98	495,481	602,270	306	601,964	643,602
PML and SPML legal costs recovered	172	-	-	172	-	172	172
Foreign currency conversions	596,808	-	-	596,808	-	596,808	596,808
Trust asset recoveries	21,919	35,654	327,724	312,349	-	312,349	340,484
Receipts grand totals	1,025,936	88,859	823,282	1,754,878	3,182	1,751,695	1,822,331
PAYMENTS							
Building and occupancy costs	685	-	-	685	-	685	685
Payroll and employee costs	1,680	-	-	1,680	-	1,680	1,680
Acenden share repurchase	50	-	-	50	-	50	50
Asset management company expenses	80	-	-	80	-	80	80
Tax/VAT	4,675	-	-	4,675	-	4,675	4,675
Legal fees	4,560	-	5	4,564	-	4,564	4,564
Insurance fees	7	-	-	7	-	7	7
Administrators' remuneration	23,002	-	-	23,002	113	22,889	22,889
Administrators' disbursements	46	-	-	46	-	46	46
Other professional fees	542	-	-	542	-	542	542
Foreign currency conversions	-	88,592	820,365	726,402	-	726,402	796,821
Trust asset fees	137	267	2,455	2,313	1	2,312	2,523
Distributions to unsecured creditors	981,470	-	-	981,470	7,016	974,454	974,454
Payments grand totals	1,016,933	88,859	822,825	1,745,516	7,130	1,738,384	1,809,016
NET POSITION	9,003	0	457	9,362	(3,948)	13,310	13,315
CASH BALANCES							
HSBC	385	-	457	744	-	-	-
Money markets	8,618	-	-	8,618	-	-	-
Total cash	9,003	-	457	9,362	-	-	-
Exchange rate as at 22 March 2020							
EURO €1 : GBP	0.9362						
USD \$1 : GBP	0.8702						
Exchange rate as at 22 September 2020							
EURO €1 : GBP	0.9201						
USD \$1 : GBP	0.7861						

Amounts include VAT where applicable

Note: We set out in Appendix D a list of the dividends paid to date.

Appendix B: Expenses

The following table provides details of our expenses. Expenses are amounts properly payable by us as administrators from the estate and includes our fees but excludes distributions to creditors. The table also excludes any potential tax liabilities that we may need to pay as an administration expense because amounts becoming due will depend on the position at the end of the tax accounting period.

The table should be read in conjunction with the receipts and payments account at Appendix A, which shows expenses actually paid during the Period and the total paid to date. Where appropriate, expenses are shown inclusive of VAT.

	Brought forward balance £'000	Incurred in the Period £'000	Cumulative £'000	Estimated future £'000	Anticipated total £'000
Legal fees	4,560	68	4,628	310	4,938
Payroll and employee costs	1,680	-	1,680	-	1,680
Building and occupancy costs	685	-	685	-	685
Administrators' remuneration	22,996	177	23,173	1,466	24,639
Administrators' disbursements	46	-	46	4	50
Trust asset fees	2,112	-	2,112	-	2,112
Other professional fees	541	1	542	91	633
Total	32,620	246	32,866	1,871	34,737

Appendix C: Remuneration update

Our hours and average rates:

The time cost charges incurred in the six months from 23 March 2020 to 22 September 2020 are £148k (net of VAT).

We set out later in this Appendix details of our work to date, anticipated future work, disbursements, subcontracted work and payments to associates.

Classification of work	Partner		Director		Senior Manager		Manager		Senior Associate		Associate		Total		Average Cost Per Hour (£)
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	
Accounting and Treasury	0.00	0	1.35	1,110	8.80	5,457	6.75	3,541	21.85	8,644	46.85	12,584	85.60	31,335	366
Creditor Claims	0.00	0	1.55	1,340	1.50	908	0.30	164	7.80	3,476	6.75	1,823	17.90	7,709	431
Realisation of Other Assets	0.00	0	0.00	0	4.30	2,602	1.40	735	0.00	0	0.00	0	5.70	3,337	585
Statutory and Compliance	0.50	455	2.60	2,080	21.25	12,806	0.00	0	1.70	662	28.00	7,635	54.05	23,638	437
Strategy and Planning	3.30	3,099	13.70	11,479	4.70	2,844	0.50	263	0.65	283	9.50	2,573	32.35	20,539	635
Tax and VAT	7.70	10,665	0.00	0	2.70	2,413	28.40	20,164	63.60	26,132	6.45	1,686	108.85	61,059	561
Total for six months ended 22 September 2020	11.50	14,219	19.20	16,009	43.25	27,028	37.35	24,866	95.60	39,196	97.55	26,300	304.45	147,616	
Average hourly rate for the six month period		1,236		834		625		666		410		270		485	
Cumulative total to 22 September 2020													46,910	19,492,459	

All figures are net of VAT

Our time charging policy and hourly rates

We and our team charge our time for the work we need to do in the Administration. We delegate tasks to suitable grades of staff, taking into account their experience and any specialist knowledge that is needed and we supervise them properly to maximise the cost effectiveness of the work done. Anything complex or important matters of exceptional responsibility are handled by our senior staff or us.

All of our staff who work on the Administration (including our cashiers) charge time directly to the case and are included in any analysis of time charged. Each grade of staff has an hourly charge out rate which is reviewed from time to time. Work carried out by our support and secretarial staff is charged for separately and is not included in the hourly rates charged by partners or other staff members. Time is charged in six minute units. The minimum time chargeable is three minutes (i.e. 0.05 units). We do not charge general or overhead costs.

We have retrospectively applied the rate cap in operation on certain other PwC controlled Lehman estates (including LBH, LBHI2 and LBIE) to our tax team rates from 1 July 2019 onwards. A credit note will be issued against our next bill.

As of 1 March 2020, we have been charging PwC rates per hour in line with the respective rate cap in operation on certain other PwC controlled Lehman estates, including LBH, LBHI2 and LBIE, across all our teams.

We set out below the maximum charge-out rates per hour for the grades of our staff who already or who are likely to work on the Administration. We call on colleagues in our Tax and VAT departments where we need their expert advice. Their specialist charge-out rates vary but the following are the maximum rates by grade per hour:

Grade	From 1 March 2020		From 1 July 2020	
	£		£	
	Administration	Tax / VAT	Administration	Tax / VAT
Partner	910	1,385	955	1,385
Director	800	1,275	840	1,275
Senior manager	605	975	665	975
Manager	525	710	575	710
Senior associate	435	520	465	520
Associate	270	285	297	285
Support staff	140	180	155	180

Our work in the Period

Earlier in this section we have included an analysis of the time spent by the various grades of staff.

Whilst this is not an exhaustive list, in the following table we provide more detail on the key areas of work:

Area of work	Work undertaken	Why the work was necessary	What, if any, financial benefit the work provided to creditors OR whether it was required by statute
Accounting and treasury	<ul style="list-style-type: none"> Monitoring of funds held Investing surplus cash Preparing and reviewing the receipts and payments report Review of appropriate treasury management strategy in light of COVID-19 	<ul style="list-style-type: none"> To monitor and minimise risk on the funds held within the company 	<ul style="list-style-type: none"> Required by statute Manage risk of loss through credit default
Creditor claims	<ul style="list-style-type: none"> Dealing with ad hoc queries Updates to the Estimated Outcome Statement and monitoring of available funds Distributing twelfth interim dividend 	<ul style="list-style-type: none"> To ensure funds are paid out to creditors where possible 	<ul style="list-style-type: none"> To ensure that maximum possible recoveries are made to enable interim dividend payments to creditors in future periods
Asset realisations	<ul style="list-style-type: none"> Arranging deferred consideration payments in relation to Acenden proceeds Management and processing of dividends received from US affiliates 	<ul style="list-style-type: none"> To realise maximum value for the creditors 	<ul style="list-style-type: none"> Increase value of dividends paid
Statutory and compliance	<ul style="list-style-type: none"> Preparing and issuing fee pack and progress reports Six month review by all joint administrators 	<ul style="list-style-type: none"> To enable reporting to all creditors To ensure that the correct practice was applied to the estate 	<ul style="list-style-type: none"> Required by statute and professional guidelines
Strategy and planning	<ul style="list-style-type: none"> Setting and agreeing the strategy for the estate Preparing and finalising update notes and holding strategy meetings Maintaining budget 	<ul style="list-style-type: none"> To discuss and agree future actions To understand and control costs 	<ul style="list-style-type: none"> Maximise efficiency of work undertaken
Tax and VAT	<ul style="list-style-type: none"> Managing the tax strategy 	<ul style="list-style-type: none"> To remain as tax efficient as possible 	<ul style="list-style-type: none"> Maximising tax recoveries

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| <ul style="list-style-type: none"> • Ongoing management of tax controls • Preparation and submission of the tax computation for the year ended 22 September 2019 • Preparation and submission of the quarterly VAT returns for February 2020 and May 2020. • Ensuring adherence to all relevant tax regulations and compliance standards | <ul style="list-style-type: none"> • Statutory returns • Mitigate tax leakages |
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Our future work

As mentioned earlier in our report, we continue to consider the best strategy for ending the Administration, taking into account asset realisations and tax implications.

We still need to do the following work to achieve the purpose of administration. Should our strategy need to change, following consultation with key stakeholders, this will have an impact on the level of our work and estimated future costs.

Area of work	Work we need to do	Estimated net cost £'000	Whether or not the work will provide a financial benefit to creditors
Accounting and treasury	<ul style="list-style-type: none"> • Monitoring of the funds held • Investing surplus cash, where beneficial to do so • Preparing and reviewing the receipts and payments report 	125	<ul style="list-style-type: none"> • Required by statute • Manage risk of loss through credit default
Creditor claims	<ul style="list-style-type: none"> • Distribution of future available funds to creditors with admitted claims 	180	<ul style="list-style-type: none"> • Further return of creditor funds
Asset realisations	<ul style="list-style-type: none"> • The pursuit and monitoring of all claims Storm has in other Lehman estates 	210	<ul style="list-style-type: none"> • Increase value of dividends paid
Statutory and compliance	<ul style="list-style-type: none"> • Preparing and distributing six monthly progress reports, fee packs and carrying out other statutory and compliance functions 	250	<ul style="list-style-type: none"> • Required by statute and professional guidelines
Strategy and planning	<ul style="list-style-type: none"> • Setting and agreeing the strategy for the estate – regular meetings of the team, liaising with other Lehman teams 	140	<ul style="list-style-type: none"> • Maximise efficiency of work undertaken

- Updating Storm's webpage to inform creditors of the progress made on the estate

Tax and VAT	<ul style="list-style-type: none"> • Tax and VAT compliance including preparing tax computations and returns and seeking final tax clearance prior to closure 	320	<ul style="list-style-type: none"> • Maximising tax efficiency on recoveries for creditors • Statutory returns
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Disbursements

The Administrators are not required to seek approval to draw expenses or disbursements unless they are for shared or allocated services provided by their own Firm, including room hire, document storage, photocopying or communication facilities. These types of expenses are called “Category 2” disbursements and they must be directly incurred on the case, subject to a reasonable method of calculation and allocation and approved by the same parties which approves their fees.

Category 1 disbursements comprise payments to third parties, for example in relation to travel costs, statutory advertising and insolvency office holders’ insurance.

The Administrators’ expenses policy allows for all properly incurred expenses to be recharged to the Administration.

Category 2 disbursements totalling £110 for posting and printing were incurred during the Period.

Our relationships

We have no business or personal relationships with the parties who approve our fees or who provide services to the Administration where the relationship could give rise to a conflict of interest.

Details of subcontracted work

Storm has contracted out tax services to the Lehman finance team whose employer is LBIE. This work has been subcontracted because it is more cost efficient than if the Administrators were to do it themselves.

Legal and other professional firms

The Administrators have instructed Linklaters LLP to act as their legal advisors in the Period because of their prior knowledge of Storm. Linklaters LLP is remunerated on a time-cost basis.

The principle areas of work undertaken by Linklaters LLP in the Period were legal support in relation to the Clawback Proceedings.

During the Period the Administrators also instructed Reed Smith LLP to assist from a US law perspective in relation to the Clawback Proceedings.

All third party professionals are required to submit a detailed time-cost analysis and narrative in support of all invoices rendered. The Administrators have satisfied themselves that the level of legal and professional costs is appropriate

Appendix D: Dividends

All interim dividends paid to unsecured creditors to date are detailed below:

Dividend	Date	Pence in the Pound
First	25-Sep-13	10.400
Second	12-Nov-13	7.000
Third	08-May-14	10.000
Fourth	10-Sep-14	4.600
Fifth	30-Apr-15	2.300
Sixth	12-Aug-15	3.300
Seventh	02-Jun-16	2.000
Eighth	09-Aug-16	1.000
Ninth	15-Aug-17	0.410
Tenth	17-Apr-18	0.125
Eleventh	19-Sep-18	0.530
Twelfth	18-Sep-20	0.300
		41.965

Appendix E: Other information

Court details for the administration:	High Court of Justice, Chancery Division, Companies Court – case 8210 of 2008	
Company's registered name:	Storm Funding Limited	
Trading name:	Storm Funding Limited	
Registered number:	2682306	
Registered address:	7 More London Riverside, London, SE1 2RT	
Date of the joint administrators' appointment:	28 September 2008	
Joint administrators' names, addresses and contact details:	DY Schwarzmann, EJ Macnamara, GE Bruce and R Downs of PricewaterhouseCoopers LLP, 7 More London Riverside, London SE1 2RT. uk_storm_claims@pwc.com +44 20 7583 5000	
Extension(s) to the initial period of appointment:	The Court has granted four successive extensions to the Administration period being to 30 November 2010, 30 November 2011, 30 November 2016 and 30 November 2022.	