

**EUROLIFE ASSURANCE (INTERNATIONAL) LIMITED ('EAI')**  
**(In Liquidation by the Court)**

**REPORT TO THE CREDITORS**

**31 December 2022**

As previously, advised, a Winding Up Order was made against the above company in the Supreme Court of Gibraltar on 14 November 2007 and I was appointed to act as Liquidator.

The purpose of this penultimate report is to provide a summary of the major issues faced during the course of the liquidation and their resolution and the process for conclusion of the liquidation and my release as Liquidator.

**Receipts and Payments Account**

Attached to this report is a copy of my total receipts and payments Account for the period from 14 November 2007 to 31 December 2022. The account has been prepared in £ GBP. Transactions and balances in \$ US or € euro have been converted to £ GBP at the rate prevailing at either the date of the transaction, or at 31 December 2022.

**RECEIPTS**

**Balance from Provisional Liquidator (as at 14 November 2007)**

As at the date of my appointment as Liquidator of the company on 14 November 2007, the balance in the Provisional Liquidation bank account stood at £3,192,533.48. Following appointment, these funds were transferred to the liquidation bank account at the Gibraltar Savings Bank, under my sole control.

**Balance at Jyske Bank, Gibraltar**

A balance of £7,334.04 that was held for the benefit of EAI at Jyske Bank, Gibraltar was transferred to the liquidation account at the Gibraltar Savings Bank after the sale of the Sotogrande property.

**Barclays Bank US \$ Account**

Prior to the appointment of the Joint Provisional Liquidators, EAI held a US Dollar account at Barclays Bank, Gibraltar. Specific sanction of the Supreme Court in Gibraltar was obtained to enable the Joint Provisional Liquidators to take control and retain this US Dollar account at Barclays Bank.

As at the date of appointment, it held a balance equivalent to £471,612. This account was closed, and all funds converted to sterling and transferred to the liquidation account at the Gibraltar Savings Bank.

**Sale of Trinidad & Tobago 12.25% Government Issued Loan Stocks**

As at the date of the Provisional Liquidation, the company held Trinidad & Tobago 12.25% Government Issued Loan Stocks with an estimated value of £579,626. These were sold post appointment for £529,962.58. Advice provided by Charles Stanley at the time indicated that this offer represented the only realistic alternative to holding the stocks to redemption. Dividend payments totalling £30,542.40 (net of charges) were received prior to disposal.

## **Sale of Stocks held by Arc Capital & Income PLC**

As at the date of the Provisional Liquidation the following stocks, with a value at that date of £438,637, were held by Nvesta PLC, a company within the Eurolife group, on behalf of EAI: -

ASIF AAA

Bayerland AAA

Bear Stearns - Momentum Tracker

Morgan Stanley ELN1 - Quad Tracker

Morgan Stanley ELN2 - Super 30

Post appointment these stocks were sold and a total of £501,309.94 was received from their sale.

## **Sale of Shares in OIL Well MFC Production Corp**

A purchaser was found for EAI's shares in MFC Production Corp whose underlying asset consisted of rights to an oil well in the USA. The net proceeds of the sale amounted to £535,899. An independent expert valuation was carried out, previously, to ascertain the market value of the shares.

## **BONY B, P, R Pieces, & I**

Interest received during the liquidation period attached to these financial instruments amounts to £784,238 with interest of approx. £21,683 being received during the period 1 December 2021 to 31 December 2022.

## **Colorado Land Parcel B**

A deposit of US\$ 180,000 before expenses and tax was received by my agents in the US in respect of a land contract sale of the above parcel of land for the sum of \$900,000. In addition, the US agents have received interest payments of \$3,000 per month in respect of the balance of funds due under this contract. Due to uncertainty, because of the Covid pandemic, the contract was extended to April 2022 but completed early in June 2021 and an amount of £446,173 was received in November 2021. The total amount received in respect of this disposal was £567,527.

## **Bank Interest Received**

Interest received over the Liquidation period to 31 December 2022 on interest bearing bank accounts amounted to £311,865.

## **The Wootton Petition and Sotogrande Property**

As detailed in my earlier reports, shortly before the hearing of the Wootton Petition, a Settlement Agreement was reached with the executors of the estate of the late David Wootton and Lynne Green.

Prior to presentation of the Petition, the Joint Provisional Liquidators had identified one particular asset in which the late David Wootton appeared to have been interested jointly with Ms Green before his death, namely the property in Sotogrande, Spain. This property was not an asset of the company and as such was not included in the company's accounts.

Under the terms of the Settlement Agreement, the property was to be sold, with the Liquidator having sole

conduct of the sale. The sale proceeds, net of the various Petition costs, were to be divided between Eurolife Assurance Group Limited (“EAG”) an English company the Liquidator of which purported to have a claim against the estate of the late David Wootton, EAI and Lynne Green. It had been agreed that 75% of the net sale proceeds would be divided between EAI and EAG by reference to the size of their respective claims against the estate of David Wootton. The remaining 25% of the net sale proceeds was to be paid to Lynne Green.

The Sotogrande property was sold in September 2009 for a price of €1,275,000 with net proceeds of £880,934.07 arising from the sale. In accordance with the terms of the Settlement Agreement, all costs, and expenses in relation to the sale were reimbursed from these funds.

To determine the correct allocation of the sale proceeds between EAI and EAG a Protocol was put into place, in accordance with which EAG was given a period of just over three months within which to produce evidence to support its alleged claims against the estate of David Wootton and or Lynne Green.

EAG failed to comply with the terms of the Protocol and was unable to provide evidence of claims, which would entitle it to more than a minor share of the net sale proceeds. The Liquidator of EAG refused to formally relinquish his claim to a share of these funds. On 21<sup>st</sup> April 2010, an Order was obtained from the Supreme Court of Gibraltar permitting a second interim dividend to be paid to the Long-Term Policyholders of EAI and in determining the amount of this second dividend permitted the inclusion of the 75% of the net proceeds of the sale of the Sotogrande property.

In addition to the Sotogrande property, two shares in the Sotogrande golf club formerly held by David Wootton and Lynne Green were transferred to the Liquidator. These were sold and the sale proceeds net of costs and the 25% portion due to Lynne Green amounted to £20,731.75. These proceeds were received on 9 July 2015.

The remainder of receipts are self-explanatory.

## **PAYMENTS**

### **Special Manager’s Fees**

During the period of Provisional Liquidation, as a result of detailed investigations into the company’s trading history and the conduct of the company’s Directors and after taking specific legal advice a petition was presented jointly with Eurolife Assurance Group Limited (‘EAG’), an English company, for the insolvent administration of David Wootton’s estate (“the Wootton Petition”). David Wootton was formerly a Director of both EAG and EAI.

At the time the Petition was presented, an application was made to have the English Official Receiver appointed as interim receiver of the estate, and to have a Special Manager appointed. James Earp of Grant Thornton in London was appointed to act as Special Manager.

A Settlement Agreement was concluded between the Petitioners, the Executors of David Wootton’s estate and Lynne Green meaning that the Wootton Petition was withdrawn. Under the terms of this Agreement, EAI and EAG were to receive a proportion of the net sale proceeds resulting from the sale of the property at 132 Paseo del Parque, Sotogrande, Cadiz, Spain (“the Sotogrande Property”), previously owned by David Wootton and Lynne Green. Details of the disposal of this property and the outcome of the Settlement Agreement are set out above.

The Special Manager received a total payment of £18,306.12 in respect of his time in office.

### **Dividend Payment (Preferential Claims)**

A first and final dividend of 100 pence in the pound on agreed preferential claims amounting to £200.68. This dividend was paid in October 2008.

### **Dividend Payment (Policyholder Claims)**

Between 14 November 2007 and 31 December 2022, an amount of £5,183,443 has been paid out by way of dividends, representing 72.649 pence in the pound to those policyholders whose claims were admitted in the Liquidation. Of the funds held on 31 December 2022, the amount of £436,267.53 is due for payment to the Financial Services Compensation Scheme (“FSCS”) in the United Kingdom as dividends relating to claims assigned by policyholders to the FSCS in return for compensation paid from the scheme.

### **Financial Services Commission**

Although it was in liquidation, EAI continued to be licensed by the Gibraltar Financial Services Commission (“GFSC”), and until 2015 annual licence fees were payable to the FSC, which fell as an expense of the liquidation. The GFSC agreed at the end of 2014 that no further fees would be charged.

### **Counsel’s Fees**

Payments totalling £30,700 in respect of the fees of David Marks, have been made. Mr Marks assisted principally with the preparation and service of the Wootton Petition. EAG and EAI were jointly responsible for the costs incurred in respect of the Wootton Petition.

### **Legal Fees**

Legal fees totalling £291,690 have been paid to date, which in addition includes payment for advice provided during the Provisional Liquidation period. This amount includes payments to Gibraltar lawyers - Hassans, London lawyers Addleshaw Goddard and Counsel, Glen Davis QC, who assisted with the Wootton Petition and provided advice on various technical matters arising in the Liquidation and Provisional Liquidation.

### **Joint Provisional Liquidator’s Fees**

The fees of the Joint Provisional Liquidators have been paid in the sum of £238,476

### **Liquidator’s Fees**

My firm’s agreed fees to 31 December 2022 for acting as Liquidator have been paid in the sum of £659,383.

In accordance with best practice, the above legal fees, the Joint Provisional Liquidator’s fees, and Liquidator’s fees paid to date have been approved by the Registrar of the Supreme Court in Gibraltar following submission of a detailed report in accordance with the Court Practice Statement on the Remuneration of Office Holders.

### **Advertising**

Advertising charges to date of £8,057 have been incurred regarding the advertising of statutory notices and procedures in the liquidation in the Gibraltar Gazette, and local Gibraltar and United Kingdom national newspapers.

### **Actuarial Fees**

As previously, advised, specific sanction of the Supreme Court in Gibraltar was obtained, to instruct Messrs Barnett Waddingham, to assist in the preparation of actuarial information to properly determine the liability to EAI's policyholders. Payments of £64,410 were made to them.

### **Mortgage Payments (Sotogrande Property)**

Mortgage payments totalling £113,792 were made in respect of the mortgage over the property at Paseo del Parque. Under the terms of the Settlement Agreement, all such payments were reimbursed in full upon the sale of the property.

### **Payments to Lynne Green**

A Settlement Agreement was concluded between the Executors of David Wootton's estate and Lynne Green. Under the terms of this Agreement, EAI and EAG received 75% of the net sale proceeds resulting from the sale of the property at 132 Paseo del Parque, Sotogrande, Cadiz, Spain ('the Sotogrande Property'), previously owned by David Wootton and Lynne Green. The remaining 25% of the net sale proceeds, £194,843 was paid to Lynne Green in accordance with the terms of the Settlement Agreement.

Details of the disposal of the Sotogrande property and the outcome of the Settlement Agreement are set out above.

### **Storage Fees**

As Liquidator I took possession of the company's trading records and these were placed in safe storage. Storage costs during the period of the liquidation to date amount to £42,477.

### **Valuation Fees**

The company had a collection of approximately 20 paintings both in their offices at 1 Corral Road and in the penthouse in the Eurolife Building. To establish whether these paintings were of any value, a local agent was instructed who advised that only three of the paintings had a potential resale value. The paintings were sold for £300 attracting sales commission of £75. The remaining pictures were abandoned.

### **Release of the Liquidator**

There are no further assets to be realised and total dividends of 72.649p in the pound have been paid to date, as a result the point has been reached where I may now make application to Court for my release.

It should be noted that under S325 of the Companies Act 1930, which is the relevant legislation for the administration of this liquidation, any monies representing unclaimed or undistributed monies, ie dividends shall be paid over to the Companies Liquidation Account, now known as the Insolvency Surplus Account. Any persons claiming to be entitled to any monies paid in may apply to the court for payment thereof and the court may make an order for the payment to that person.

Should you have any queries on this report or require any further information please do not hesitate to contact me.



**Frederick White**  
**Liquidator**

**Eurolife Assurance (International) Limited**  
**(In Liquidation by the Court)**

**Liquidator's Receipts and Payments Account for the Period**  
**14 November 2007 to 31 December 2022**

	<b>As at 31 December 2022</b>	
	<b>£</b>	<b>£</b>
<b>RECEIPTS</b>		
Balance from Provisional Liquidator (as at 14 November 2007)		3,192,533.48
Funds received from Jyske Bank account		7,334.04
Funds received from Barclays US\$ account		471,612.00
Sale of Trinidad & Tobago 12.25% Government Issued Loan Stocks		529,962.58
Sale of Stocks held by Arc Capital & Income PLC		501,309.94
Cash at Bank / Dividend on T & T Bonds		30,542.40
Cancelled cheque		151.88
Insurance Refund		1,042.99
Sale of paintings		300.00
Sale of interests in US Oil Well		535,899.00
Disposal of US Assets: Bank of New York Bonds interest received plus Colorado land contract		1,230,410.71
Bank Interest received		311,865.21
Proceeds from sale of Sotogrande House, Spain		880,934.07
Sale of golf shares		20,731.75
		7,714,630.05
<b>PAYMENTS</b>		
Special Manager's Fees	18,306.12	
Dividend Payment (Preferential Claims)	200.68	
Dividend Payment (on agreed Policyholder Claims)	5,183,442.71	
Financial Services Commission (Annual Fees)	182,570.00	
Counsel's Fees	30,700.00	
Bank Charges	651.72	
Legal Fees	291,689.72	
Joint Provisional Liquidator's Fees	238,476.44	
Liquidator's Fees	659,382.70	
Property Maintenance	3,870.80	
Advertising charges	8,057.40	
Actuarial Fees	64,410.00	
Mortgage Payments (Paseo del Parque)	113,792.04	
Insurance (Paseo del Parque)	3,202.70	
Payment to Lynne Green	194,843.00	
Agent's Fees (Translation Services)	376.04	
Storage Fees	42,477.08	
Courier Fees	70.00	
Loss on conversion to Sterling	24,387.43	
Commission on sale of artwork	75.00	
Valuation Fees (Artwork valuation)	200.00	
Postage cost	2,143.68	
US costs re asset realisation	0.00	
	7,063,325.26	
<b>BALANCE IN HAND</b>		<b>651,304.79</b>
Represented by :		
Gibraltar Savings Bank		420,572.60
GT Gibraltar client's account		230,732.19
		<b>651,304.79</b>
<b>Note</b>		
<i>Due to FSCS re unpaid dividends</i>		<b>436,267.53</b>
<i>Due in respect of unclaimed dividends</i>		<b>75,979.89</b>
		<b>512,247.42</b>