

QUICK-SURE INSURANCE LIMITED

In Administration

ADMINISTRATORS' PROGRESS REPORT

Pursuant to S87 Insolvency Act 2011

Date 22nd January 2023

Quick-Sure Insurance Limited- In Administration

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Quick-Sure Insurance Limited- In Administration

1. The Administration

The Administration Order was made by the Supreme Court on the 23rd January 2020 and included the specific order that:

“The Joint Administrators shall in addition to the express powers set out in Section 71 and Schedule 1 to the Insolvency Act 2011 (“the Act”) be granted leave pursuant to Section 72 (1) (b) of the Act to make distributions to insurance creditors up to the value of the agreed/admitted insurance claim.”

Section 250 of the Financial Services (Insurance Companies) Regulations 2020 provides that insurance claims take precedence over other claims against an insurance undertaking. The effect of this legislation in respect of an insurance undertaking unable to meet all its insurance liabilities is that assets of the Company are applied to meet the claims of preferential insurance creditors. Only after insurance creditor claims are met would any remaining assets be distributed to non-insurance creditors.

Section 87 (1) of the Insolvency Act 2011 requires the Administrators to prepare an account of the receipts and payments of the Company in administration and a report on the progress of the administration. The accounts and report are to cover the period of six months following our appointment with further accounts and reports prepared each subsequent six months. This is our sixth report of the administration. Section 87 (3) requires a copy of the accounts and report is filed with the Court and with the Registrar. We have also placed a copy on the administration website www.quicksure.gi.

2. Background

Quick-Sure Insurance Limited (the “Company”) was licensed on the 26th February 2003 under the Financial Services (Insurance Companies) Act and was authorised to write Class 1 (Accident), Class 2 (Sickness), Class 3 (Land

vehicles), Class 7 (Goods in transit), Class 8 (Fire and natural forces), Class 9 (Damage to property), Class 10 (Motor vehicle liability), Class 13 (General Liability), Class 16 (Miscellaneous financial loss), Class 17 (Legal expenses) and to carry out services in the United Kingdom, Ireland and Gibraltar with the majority of business written coming from major price comparison websites. The board decided on the 31st March 2017 to cease writing new business and went into run-off.

3. Administration Strategy and Objective

The Administrators have an obligation to perform their duties with the purpose of achieving one of the following objectives:

- a. Rescuing the Company as a going concern
- b. Achieving a better result for the Company's creditors as a whole than would be likely if the Company were to enter into liquidation, without first being in administration or
- c. Realising property in order to make a distribution to one or more secured or preferential creditors.

The rescuing of the Company as a going concern was not a viable objective, given the extent of the insolvency and the deficit of assets in respect of insurance liabilities. The objective set out at (c) did not apply. It is therefore the objective set out at (b) above, of achieving a better result for the creditors as a whole than would be likely if the Company were to enter into liquidation without first being in administration that was considered as the intended purpose and objective of the administration.

An advantage of administration is that the Administrators can continue the run-off of the Company's insurance claims by the management and adjudication of claims in a cost-efficient manner utilizing similar claims management procedures previously operated by the Company.

4. The Proposal

The Administrators' proposal which can be found on the administration website www.quicksure.gi was accepted at a meeting of creditors scheduled for the 24th March 2020.

5. Progress to Date

We attach our receipts and payments accounts for the period to 22nd July 2022 to 22nd January 2023 as Appendix A

We would highlight the following matters:

- We continue to deal with the rump of claims, as legal representatives, despite the moratorium and being advised of the contrary, continue to issue proceedings instead of submitting the claims via the insolvency process. It is our intention to take action against such solicitors including requiring them to submit claims within a specified time.
- We have engaged a UK firm of lawyers, namely Madison Legal to assist in dealing with the largest insurance claim in the insolvency relating to a judgment in favour of a claimant and to require the remaining claimants to submit their claims in the insolvency.
- We have submitted a claim to reinsurers and look forward to receiving monies in due course.
- Whilst claims settlement are generally as projected, given the forthcoming conclusion of the administration the FSCS will be paying 100% of the remaining claims pending finalisation of accounts.

6. Fees

We refer to our previous report concerning fees and further note that on the 12th January 2023, we obtained a variation to the Administration Order by

the Supreme Court which ratified the pre appointment fees, the existing approval of the initial 1st year fees and that going forward the fees could be approved by the majority creditor.

The Estate is incurring considerable legal fees due to legal representatives' apparent wilful refusal to follow insolvency procedure. This is disappointing and it is our intention to claim costs wherever we can to include personally against such solicitors.

7. Estimated Outcome

As previously noted there will be no dividend to unsecured creditors. We hold regular meetings with our main creditor the FSCS.

We consider that the results to date confirm that the objectives of the administration as set out in the proposal to creditors are being met and that the affairs of the Company should continue to be managed in accordance with the administration proposal, utilising the assets of the Company to meet the expenses of the administration and settling agreed and admitted insurance claims.

8. Further information

Creditors have the right under rule 49 of the Insolvency Rules 2020 to within 21 days of receipt of this report request in writing further information about remuneration or expenses, other than pre-administration costs set out in our report.



Grant Jones and James Oton Joint Administrators

A copy of this report can be found on the administration website — www.quicksure.gi

APPENDIX A

QuickSure Insurance Ltd (in Administration by the Court) (the "Company")

Administrators Receipts & Payments Account for the period 22/7/22 to 22/1/23.

Receipts.

	£.	£.
Company bank balances.	1,046,899	
FSCS funding.	1,461,218	
Reinsurance recoveries.	792,192	
Debtors.	50,000	
Shareholder.	50,000	
Reclaims.	85,534	
Bank interest.	908	
Sundry refunds.	3,790	
Total receipts.	3,490,541.	3,490,541.

Payments.

Claims Paid.	2,582,896	
Legal costs.	150,205	
Claims Manager.	125,959	
Pre-Appointment	30,000	
Statutory costs.	391	
IT costs.	17,224	
Sundries.	257	
Bank costs.	240	
Total payments.	2,907,172.	(2,907,172).

BALANCE IN HAND

583,369.

held by the Company.	578,881	
held by the FSCS.	4,488	
total held.	583,369.	<u>583,369.</u>