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Gable Insurance AG in liquidation

Interim Report of the Trustee in Bankruptcy as at 31 December 2018

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1 Introduction

The present interim report of the Trustee in Bankruptcy relates to the 2018 calendar year (reporting period). In the reporting period, the Trustee in Bankruptcy continued the liquidation of the bankrupt company's insurance business with the assistance of the run-off manager Enstar (and additional experts). The claims handling activity has largely become what is called "usual business" or "courant normal" in French: On the one hand, the number of claims decreases steadily. On the other hand, claims management has become a routine and has been running smoothly in most cases. The most important exception continues to be France where the non-cooperative behaviour of one coverholder has prevented the initiation of preparatory measures for the start of the claims handling activities before (but the relevant measures have been initiated now).

The verification of the great number of filed claims has been a distinctive feature of the activity of the Trustee in Bankruptcy in the reporting period. On 1 September 2018, the deadline for the filing of claims against the bankrupt company expired. On 12 December 2018, the General Review Hearing was held. The assessment of the registered claims has shown that the examination process is challenging on the one hand and very time consuming on the other hand. A particular challenge is the fact that the creditors file their claims in a foreign language which has proved to be a contributing factor to the complexity of the verification process due to their great number and the diversity of the insurance products. By the time the General Review Hearing was held, the Trustee in Bankruptcy had succeeded in verifying approximately 5,000 claims of the approximately 14,000 registered claims. To illustrate the scope of the present bankruptcy proceedings, it can be mentioned that the two guarantee schemes from England and Denmark filed one claim each which, however, involves a total of roughly 50,000 individual claims which were settled by the guarantee schemes.

During the above-mentioned General Review Hearing, the Trustee in Bankruptcy made a statement regarding the (approximately 170) bankruptcy claims received to date. Due to the outstanding clarification of the correct treatment, under procedural law, of the privileged insurance claims, the Trustee in Bankruptcy has not yet been able to make a statement on these claims, even though, as mentioned, approximately 5,000 insurance claims have already been reviewed. In the meantime, the Bankruptcy Court has submitted a request for an advisory opinion to the EFTA Court in order to make sure that, with regard to the privileged insurance claims, the bankruptcy proceedings are carried out in conformity with European law provisions.

Fortunately, it was possible to recover a significant number of reinsurance benefits during the reporting period. The cause of this was the correct and professional collaboration with the various reinsurance undertakings.

Despite the costly bankruptcy proceedings and compared to the previous reporting period, the amount of assets could be more or less maintained thanks to inflows of assets. **As of 31 December 2018**, the liquid assets and investments of the bankrupt company are currently as follows:

Class of investment	31/12/2018	31/12/2017	Δ in currency	Δ in %
Liquidity	CHF 10,875,009.89	CHF 7,619,289.38	CHF 3,255,720.50	42.7%
Investments	CHF 77,957,627.82	CHF 83,184,922.88	CHF -5,227,295.06	-6.3%
Total	CHF 88,832,637.71	CHF 90,804,212.26	CHF -1,971,574.56	-2.2%

2 Assets

The assets of the bankrupt company, as described in last year's interim report, are composed of cash at bank, securities and outstanding claims arising from the insurance business. It continues to be an unresolved question as to whether there are also claims against the former corporate bodies in connection with their accountability.

2.1 Cash at bank and securities

The bankrupt company is the holder of accounts and securities accounts in Liechtenstein. The Trustee in Bankruptcy continued to implement the investment strategy as adjusted in 2017 also in the reporting period. It reviews the development of the investments' value on a regular basis. The performance reports drawn up by the banks which manage the assets and the meetings on necessary adjustments (if any) of the investment strategy have not resulted in any need for action to date.

Given the difficult market conditions in the 4th quarter of 2018, the resulting slight value losses on the investments in the accounting currency GBP were acceptable. It should be noted that the value development was partly negatively affected by the price development of the accounting currency GBP compared to larger positions held in other currencies. In the late autumn of 2018, it was decided not to make an investment for the time being of received reinsurance benefits in GBP in order to see how the markets develop.

2.2 Outstanding claims from the insurance business

The outstanding claims arising from the insurance business are composed, on the one hand, of the insurance premiums which have already been received by the coverholders, but have not yet been passed on to the bankrupt company, and, on the other hand, of the claims against reinsurance undertakings.

2.2.1 Claims against coverholders

Despite constant efforts on the part of the run-off manager Enstar, the collection of these claims has not resulted in a significant amount of payments received in the reporting period. Of the claims in the (gross) amount of approximately CHF 85 million mentioned in the interim balance sheet as at 30 June 2016 on a going concern basis and at liquidation values, the mere approximate (net) amount of CHF 4.7 million could be collected to date. Based on what we know now, it must be assumed that the assets which have not yet been recovered do not represent any value. Therefore, only few additional recoveries from the (presumed) claims against the coverholders can be expected. Experience with the recovery of these claims has been sobering to date for various reasons. On the one hand, an in-depth review has shown

that a massive value adjustment on the amount of certain claims must be made. On the other hand, some of the insurance intermediaries against whom large claims exist are in liquidation themselves or have already been deregistered.

2.2.2 Claims against reinsurance undertakings

The claims of the bankrupt company against its reinsurers represent a large and important asset in terms of the amount involved. To date, the bankrupt company has received approximately GBP 10 million in reinsurance benefits. A payment of GBP 6.5 million made in the reporting period due to the termination of a reinsurance contract deserves a special mention in this context. At the moment, additional reinsurance claims in the amount of approximately GBP 59 million have been reserved, with approximately half of it resulting from a large claim in England. The reinsurance undertakings are mostly renowned companies which is why the claims against them are of value.

3 Liabilities

As far as the liabilities are concerned, there have been significant movements compared to 2017. The main reason for this is the fact that the time limit set by the Bankruptcy Court for the filing of claims expired on 1 September 2018. In addition, the General Review Hearing was held on 12 December 2018 (it was extended indefinitely for the time being).

By the time the General Review Hearing was held, approximately 14,000 claims had been filed with the Trustee in Bankruptcy. Out of these, 170 are bankruptcy claims (claims of non-policyholders). All other claim filings relate to privileged insurance claims (*i.e.* claims of policyholders, insured persons, beneficiaries or injured third parties).

All claims filed up until 12 December 2018 represent a total amount of claims of approximately CHF 438 million. Out of this sum, approximately CHF 414 million account for privileged insurance claims and approximately CHF 24 million for bankruptcy claims.

3.1 Policyholders – Privileged insurance claims

3.1.1 Filings of insurance claims

The numbers set out above show that the privileged insurance claims clearly dominate both in terms of number and in terms of value. In this connection, it should be particularly mentioned that the 14,000 insurance claims contain one claim each of the English and the Danish guarantee funds (both national guarantee schemes) which sum up approximately 50,000 claims.

Of the approximately 14,000 filed insurance claims, the Trustee in Bankruptcy has reviewed roughly 5,000 to date. However, the Trustee in Bankruptcy has not yet been able to make a statement on the privileged claims, given that their correct treatment under procedural law needs some clarification.

Roughly 9,000 filed insurance claims have not yet been reviewed. In addition, roughly 5,650 open claims are being processed across all jurisdictions, coverholders and insurance products. At the end of 2017, this number was 12,700.

3.1.2 Filings of claims by national guarantee schemes

To date, the English guarantee scheme (FSCS) has made payments for claims in the amount of approximately GBP 31.5 million and returned premiums in the amount of approximately GBP 11.5 million (most of the premium returns should thus be settled), which means that approximately 46,000 claims could be satisfied. The FSCS has the satisfied English policyholders assign their insurance claims, and will ultimately file one single claim which sums

up the mentioned 46,000 claims. It updates the amount of the filed total claim at regular intervals.

To date, the Danish guarantee scheme (DGF) has made payments for claims in the amount of approximately DKK 111 million (which is approximately CHF 17 million). These payments relate to around 3,200 claims filed with the guarantee scheme. In return for the payment of insurance benefits, the DGF, too, obtains the assignment of the policyholders' insurance claims. It will file one single total claim which sums up the individual claims. Just like the FSCS, the DGF updates the amount of the filed total claim at regular intervals.

The Italian guarantee scheme (CONSAP) made payments for claims in relation to 210 settled cases in the amount of EUR 686,828.00 up until 31 December 2017. The Trustee in Bankruptcy has no up-to-date numbers as of 31 December 2018 yet. Under a European convention in the area of motor vehicle liability insurance, CONSAP will, with regard to the compensation payments made, issue an invoice to the Swiss National Guarantee Fund (NGF) which Liechtenstein is affiliated to. In the end, the NGF will be one of the bankrupt company's creditors.

3.2 Other Creditors – Bankruptcy claims

On the occasion of the General Review Hearing held on 12 December 2018, the Trustee in Bankruptcy made a declaration on the accuracy and order of priority of 165 filed (non-privileged) bankruptcy claims (classes 1 to 4). In total, these bankruptcy claims amount to approximately CHF 24.2 million. In the process, the Trustee in Bankruptcy has admitted 65 claims in a total amount of approximately CHF 13.3 million and denied 100 claims in a total amount of approximately CHF 10.9 million. It must be assumed that only few isolated bankruptcy claims (e.g. from foreign tax authorities) will be received, and the Trustee in Bankruptcy will make a statement on them during the General Review Hearing which will be continued.

4 Current state of the bankruptcy proceedings – Liquidation of the insurance business

The Trustee in Bankruptcy's collaboration with the involved specialists (run-off manager Enstar, its subsidiary Cranmore and the insurance actuary Valucor) has been running smoothly. The bankrupt company itself still has three employees.

4.1 Policyholders

It continues to be one of the main duties of the Trustee in Bankruptcy to settle the registered claims for the protection of the policyholders (thus liquidating the insurance business) and to review the filed (privileged) insurance claims. In the reporting period, the number of inquiries from (previous) policyholders has decreased again. The decrease in inquiries can be explained by the shrinking number of open claims.

The Trustee in Bankruptcy is under an obligation to inform the creditors of the course of the bankruptcy proceedings on a regular basis. In the reporting period, it fulfilled this obligation again mainly by posting information on the bankrupt company's website (which is available in four languages). For example, the Trustee in Bankruptcy published four newsletters in 2018. In addition, an interim report was made available on the website.

4.2 Coverholders and claims handlers

The bankrupt company sold insurances in eleven European countries, including the Netherlands and Sweden. However, they will not be mentioned below, because when the bankruptcy proceedings were opened, there were no active insurance contracts in these countries any more. As a result, no claims which relate to the insurance products sold in the Netherlands or Sweden have been filed.

4.2.1 England

The collaboration with the coverholders with a direct contract with the bankrupt company was, under the leadership of Enstar, again very satisfactory in 2018. In particular, the involvement of the guarantee fund (FSCS) in the handling processes worked really well.

All claims handlers in England were examined by Cranmore in close collaboration with the FSCS at the end of 2018. In the end, the finding was that the examined service providers did a good job and that they safeguarded the interests of the bankrupt company with regard to liability assessment.

4.2.2 France

In France, the bankrupt company worked directly with four coverholders who in turn had concluded direct contracts with various sub-brokers. After the opening of the bankruptcy proceedings, only two of these intermediaries could be made to provide the activities which had effectively been contractually agreed (without any additional compensation). The two other significantly bigger coverholders were not cooperative in this regard.

Following the completion of the takeover of the claims files from one of these coverholders (FAC) as early as in 2017, the new claims handler mandated by the Trustee in Bankruptcy does its job in a satisfactory manner. It was not before the reporting period that an at least partial resolution of the problems with the other coverholder (Acton) could be achieved. The claims management is now carried out or finalised by the original service provider again. At the moment, the Trustee in Bankruptcy is considering measures aimed at asserting damages against the two mentioned intermediaries in court.

4.2.3 Denmark

The bankruptcy proceedings regarding the (only) Danish coverholder (HFAA) were terminated due to a lack of available assets on 4 December 2018. Not one single creditor could be satisfied even in part.

The claims handler mandated by the Danish guarantee fund (DGF) continues its activity and assesses all claims registered with the DGF until 31 March 2017. In the reporting period, Cranmore made two on-site-inspections with this service provider to make sure that the claims management is done in line with the standards. It was possible to assess the quality of the claims management as satisfactory. With regard to the invoiced costs, the Trustee in Bankruptcy is currently in talks with the DGF.

4.2.4 Norway

The agreement which the Trustee in Bankruptcy sought to conclude with the sole coverholder active in Norway (Norwegian Broker; NBAS) regarding the assumption of all rights and duties under the insurance contracts entered into on behalf of the bankrupt company could unfortunately not be finalised due to a negative assessment by the competent courts. In any case, the Trustee in Bankruptcy is satisfied with the claims management in Norway.

4.2.5 Germany

The only intermediary, which is also the claims handler, in Germany (DIAS) has handled around 500 claims in the amount of approximately EUR 1.6 million and registered this amount with the bankrupt company as a claim on behalf of the policyholders concerned. Due to the registration periods having expired now, no additional claims are expected to be registered.

4.2.6 Italy

In Italy, the bankrupt company sold liability insurance for motor vehicles on the one hand and placed security deposit guarantees on the other hand. CONSAP is the guarantee scheme for motor vehicle liability claims in Italy. Apart from the claims paid by CONSAP by 31 December 2017 in the amount of EUR 686,828.00, another 302 claims with an open loss reserve of EUR 605,000.00 were being processed.

In the course of the reporting period, numerous claims resulting from security deposit guarantees were registered with the bankrupt company due to the claims registration period having been extended until 1 September 2018. The Trustee in Bankruptcy knows about a total of 185 claims in the amount of EUR 49.2 million, with recourse claims of EUR 0.9 million. Cranmore supervises the management of the claims cases. It can be assumed that a significant part of these claims were asserted with no basis and that they can therefore probably be denied.

4.2.7 Spain

About 20 open claims are currently being handled in Spain. Cranmore assists the local claims handler in its activity. The Trustee in Bankruptcy is satisfied with the claims management in Spain.

4.2.8 Ireland

In Ireland, where the bankrupt company sold liability insurances, the limitation period of two years (which applies with only few exceptions and, under Irish law, starts to run from the moment the accident occurs) has expired now, which means that no new claims may be registered any more. At the moment, 75 open claims are being handled in Ireland, and 9 cases could be closed and filed with the Irish guarantee fund (ICF).

An on-site inspection at the premises of the mandated claims handler was carried out in January 2018, and the results were satisfactory.

4.2.9 Iceland

The Trustee in Bankruptcy has no data on the number or the amount of claims registered in Iceland. The contracting party active there had continued the claims handling after the opening of bankruptcy proceedings and compensated the policyholders out of its own funds. To date, no claim to this effect has been registered with the bankrupt company.

4.3 Reinsurers

The Trustee in Bankruptcy described the reinsurance portfolio of the bankrupt company in last year's interim report. The run-off manager Enstar continues to successfully take care of communications with the reinsurance undertakings (registration of claims, reporting on claims development, etc.) which, in the event of a reinsurance coverage, are involved in the claims handling at an early stage.

To date, reinsurance benefits under the XOL programmes in the amount of approximately GBP 3.5 million could be received and added to the estate. In addition, after a considerable negotiating effort with the reinsurance undertaking Citadel Re, the Trustee in Bankruptcy agreed on the termination of the 60% QS agreement in August 2018, and, as a result, the amount of GBP 6.5 million could be collected for the benefit of the bankrupt company in September 2018.

The bankrupt company has an existing 20% QS agreement with the reinsurance undertaking Barbican Re for the Danish market. It relates to an insurance product which covers latent defects from the construction period of a building over a maximum period of 10 years. However, the Danish guarantee fund (DGF) sued Barbican Re on the one hand and the bankrupt company on the other hand in Denmark. It asserts a direct claim to the reinsurance benefits under the 20% QS agreement. Both the reinsurance undertaking and the bankrupt company dispute this claim. Litigation is pending in Denmark. The general readiness on the part of the reinsurance undertaking to perform is not in doubt. There are reinsurance claims, depending on the claims finally agreed, between GBP 2.5 million and 3.5 million.

4.4 Guarantee schemes

The different national guarantee schemes will be the most significant creditors of the bankrupt company in terms of amount. In this context, the national guarantee funds in England (FSCS), Denmark (DGF) and Italy (CONSAP) which provide benefits must be mentioned in the first place. In France, Spain, Norway and Germany, however, the (previous) policyholders of the bankrupt company receive no benefits from the respective national guarantee scheme.

The Trustee in Bankruptcy makes sure that the guarantee schemes are involved in the claims handling process of the bankrupt company, provided that they allow this to happen at all. This is the case in England. There, the bankrupt company is in charge of the handling of the claims and the calculation of the premium return claims. The English guarantee fund pays benefits, as soon as the bankrupt company has reviewed the claims (claims and premium returns) and found them to be eligible. In Denmark and Italy, however, the bankrupt company is not involved in the claims handling process. The guarantee schemes there (DGF and CONSAP) organise this process themselves by law.

4.4.1 England

The FSCS covers claims from compulsory insurances at a 100 per cent rate, whereas claims from non-compulsory insurances are paid at a 90 per cent rate, with only few exceptions. The same applies to pro rata premium returns.

4.4.2 Italy

The guarantee scheme for motor vehicle liability claims in Italy is CONSAP. The bankrupt company had, among other things, sold motor vehicle liability policies for commercial fleets of vehicles in Italy. CONSAP covers the claims of the policyholders or injured parties from this insurance product.

4.4.3 Denmark

The DGF covers claims of Danish policyholders who registered a claim by 31 March 2017. There is no coverage for the return of unearned premiums.

4.4.4 Ireland

The Irish guarantee scheme (ICF) provides coverage only for personal injuries, with benefits being limited to 65% of the respective claim. It is managed by the "State Claims Agency" (SCA) there. The Trustee in Bankruptcy has now filed nine fully processed claims in the amount of EUR 305,616.00 with the ICF. A decision is pending.

4.5 Regulators

The collaboration with the Liechtenstein regulator (Liechtenstein Financial Market Authority; FMA) continues to be close and is very good. The year 2018 saw a continuation of the legally required reporting to the FMA at regular intervals both in oral form during meetings which were generally held every two weeks and in written form. This does not include special-purpose activities such as assisting the FMA in connection with the administrative criminal proceedings it has initiated against three former corporate bodies of the bankrupt company. There was no direct contact with foreign regulators in the reporting period.

4.6 Pending legal disputes

In Liechtenstein, the Trustee in Bankruptcy is currently involved in two pending legal disputes before the competent courts. One of these two legal disputes concerns a claim by a policyholder for separation of assets.

Outside of Liechtenstein, the Trustee in Bankruptcy is currently involved in more than 600 court proceedings the majority of which relate to cases in France resulting from constructor's liability insurances. The court proceedings initiated by the Danish guarantee fund (DGF) in Copenhagen in December 2017 are particularly notable in this regard. They are directed (inter alia) against the bankrupt company and the reinsurance undertaking Barbican Re. The DGF is seeking a declaration to the effect that the DGF is entitled to the revenues under the reinsurance contract between the bankrupt company and Barbican Re. The intention is therefore to achieve that Barbican Re is ordered to make the payments directly to the DGF, while the bankrupt company shall be obliged to instruct Barbican Re to make direct payments to the DGF. The guarantee fund bases its claim on the reinsurance contract between the bankrupt company and Barbican Re. The DGF alleges that the contract provides for a cut through, hence a direct right of the policyholder to a reinsurance claim. The bankrupt company and the reinsurance undertaking dispute both the jurisdiction of the Danish courts and the asserted claim. No decision on the question of jurisdiction has been rendered to date.

For the sake of completeness, it can be mentioned that following the General Review Hearing held on 12 December 2018, no action upon order of the court has been filed so far.

4.7 Legal challenges

In the reporting period, the Trustee in Bankruptcy was again faced with various legal challenges some of which were set out in last year's interim report. In 2018, new legal issues have arisen and the answer to them will be of great importance to the further course of the bankruptcy proceedings.

- In last year's interim report, the Trustee in Bankruptcy referred to the search for pragmatic solutions in connection with the insurance products sold by the bankrupt company and the resulting consequences for the present bankruptcy proceedings (long-tail business, i.e. partly very long or effectively even unlimited contractual effects due to the structure of the insurance policies similar to that of a warranty or guarantee, which is why there is a danger of bankruptcy proceedings dragging on and on with no end in sight). One possible solution might be the transfer of the still existing risks associated with a larger group of policyholders (and thus the elimination of thousands of policyholders and thousands of possible claim registrations). There has been and

there is a concrete readiness for such a solution with regard to the Norwegian group of policyholders (this would affect around 21,000 insurance policies). There might be an interest in comparable solutions for other countries as well.

Unfortunately, both the Bankruptcy Court and the Court of Appeal rejected the application filed by the Trustee in Bankruptcy, thus denying the necessary consent to the intended transfer of the Norwegian group of policyholders against payment of a transfer amount. The grounds given by the Courts for their negative decisions were that the planned course of action could not be sufficiently put in conformity with the directions given by the Bankruptcy Act. This would represent a violation of the fundamental principles of bankruptcy law/bankruptcy proceedings (equal treatment of creditors; generally no satisfaction until after the General Review Hearing). However, the Court of Appeal did not render a decision on whether a consent to the submitted draft agreement would be possible in case of an adjustment. Taking into account the Courts' considerations in their decisions, the Trustee in Bankruptcy is currently reviewing the option of a contractual adjustment with regard to a new submission of the agreement for approval.

- With regard to, and in preparation of, the General Review Hearing held on 12 December 2018, the Bankruptcy Court brought up procedural questions in connection with the treatment of the privileged insurance claims. The particular question which arises is as to whether the privileged insurance claims must be treated as rights of secured creditors to preferential treatment as defined by art. 45 of the Bankruptcy Act. The result of this would be that the enforcement law provisions of the Enforcement Act would be applicable to the determination of the order of priority of the privileged insurance claims. In this context, it must be clarified whether and, if applicable, to what extent the enforcement provisions set out in the Enforcement Act supersede the bankruptcy provisions set out in the Bankruptcy Act and in the Insurance Supervision Act, and what role the European law provisions (EEA Directive 2009/138/EC) play in this regard. The answer to these questions has a material effect on the further course of the bankruptcy proceedings.

The Bankruptcy Court has in the meantime filed an application with the EFTA Court for an opinion on the interpretation of the Directive mentioned above. This has been done to make sure that the Liechtenstein bankruptcy provisions (Bankruptcy Act and Insurance Supervision Act) are interpreted in conformity with the provisions of EEA law. Due to the unresolved procedural issues, the Trustee in Bankruptcy has not yet been

able to make a statement during the General Review Hearing on the privileged insurance claims which have been reviewed to date.

- On 1 September 2018, the time limit for the registration of claims against the bankrupt company expired. In the course of the reporting period, a great number of claim registrations were received. Therefore, the Trustee in Bankruptcy had to review as many claims as possible with regard to the General Review Hearing of 12 December 2018. As reported above, around 14,000 claims were registered with the Trustee in Bankruptcy of which around 5,000 could be reviewed. The approximately 50,000 claims which were settled by the national guarantee schemes have also been processed and reviewed and it will be possible for the Trustee in Bankruptcy to admit them.

In the present bankruptcy proceedings, the Trustee in Bankruptcy's experience is that the review of the registered claims is a challenging and complex matter. In particular, the assessment of the content of the claims is complex. The bankrupt company sold its products in eleven countries. The claims are registered in different languages which is permissible under the Insurance Supervision Act. What's more, some of them were registered in languages that no person working for the Trustee in Bankruptcy has any proficiency in (e.g. around 1,000 claim registrations were received from Denmark, most of them in Danish). The claim registrations often contain a great number of documents, e.g. the insurance contracts or extensive general insurance terms and conditions which are also worded in a foreign language. In addition, in most cases, the bankrupt company offered more than just one insurance product in the respective countries. In total, the bankrupt company sold more than 50 insurance products, which means that there are as many different insurance terms. The insurance contracts are also governed by foreign law and, as a result, the assessment as to whether a registered claim is rightful and must be admitted must be examined on the basis of the respective foreign law.

Due to the enormous number of registered claims, the processes must also be automated as far as possible and as far as reasonable. For example, the creditors may register their claims at the bankrupt company's website. However, a lot of claims are also registered physically, which results in a lot of manual work. Ultimately, the automation of individual review steps is in any case limited. The Trustee in Bankruptcy has to make a statement on each single registered claim, and the outcome of the review also has to be recorded in a document. In particular the review of claims some of which include only small amounts is not reasonable for economic reasons. However, each (potential) creditor has the right that his/her claim, provided that it has been filed in a

formally correct manner, is reviewed and that the Trustee in Bankruptcy makes a statement thereon.

4.8 Miscellaneous

4.8.1 Data protection

The application of the General Data Protection Regulation (GDPR) in Liechtenstein also extends to the activity of the bankrupt company. Even though it is in bankruptcy, numerous data, mainly data relating to creditors, are processed.

In the reporting period, the bankrupt company implemented the GDPR provisions appropriately. On the basis of a record of processing activities, the required steps were examined and their implementation was initiated. The obligations of the bankrupt company to provide information were fulfilled in a separate newsletter, and the bankrupt company's website was adjusted to comply with the GDPR rules.

4.8.2 Change of the statutory auditor

Due to a possible conflict of interest, the Trustee in Bankruptcy replaced the previous statutory auditor of the bankrupt company (Ernst & Young AG, Zurich) with KPMG (Liechtenstein) AG, Schaan. The Bankruptcy Court has given its approval to the new auditor.

Vaduz, 8 April 2019

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