

Financing UK Insolvency Litigation

www.manolete-partners.com



Hi. We are

Manolete



The Manolete investment team



Steven Cooklin
Chief Executive



Mena Halton
Managing Director



Dr Stephen Baister
Board Director



Listed on London Stock Exchange and backed by HSBC

Our network

Manolete has built up a strong national network of in-house lawyers who review case enquiries. All our regional heads are solicitors expert in insolvency law at or around partner level.

Check 'contact us' page on the Manolete website for the Associate Director in your area.

www.manolete-partners.com



The Manolete way



Large up-front cash
payments paid immediately

Manolete is different from other litigation funders. We are specialists in funding and purchasing insolvency claims. We take on the full risk on every case and work in a three-way partnership with IPs and their chosen lawyers to ensure that rightful claims are pursued and resolved.

- Large initial consideration paid
- IP paid for ongoing litigation support work
- Up to 90% of net returns go to the Creditor Estate
- The IP chooses the legal team
- Case values range from £20k to over £70m
- Lawyers are paid as cases progress
- No ATE requirement
- Full indemnities provided

Every IP who has ever worked with us has returned with further cases. We have won the Turnaround, Restructuring and Insolvency (TRI) award for Insolvency Litigation Funder of the Year five times.

Chambers and Partners have introduced a new table for Insolvency Litigation Funding to assist IPs and insolvency lawyers when researching funders. Manolete is the only funder ranked in Band 1 (twice) for insolvency, confirming our position as the leading UK provider of finance for insolvency litigation.



Our track record



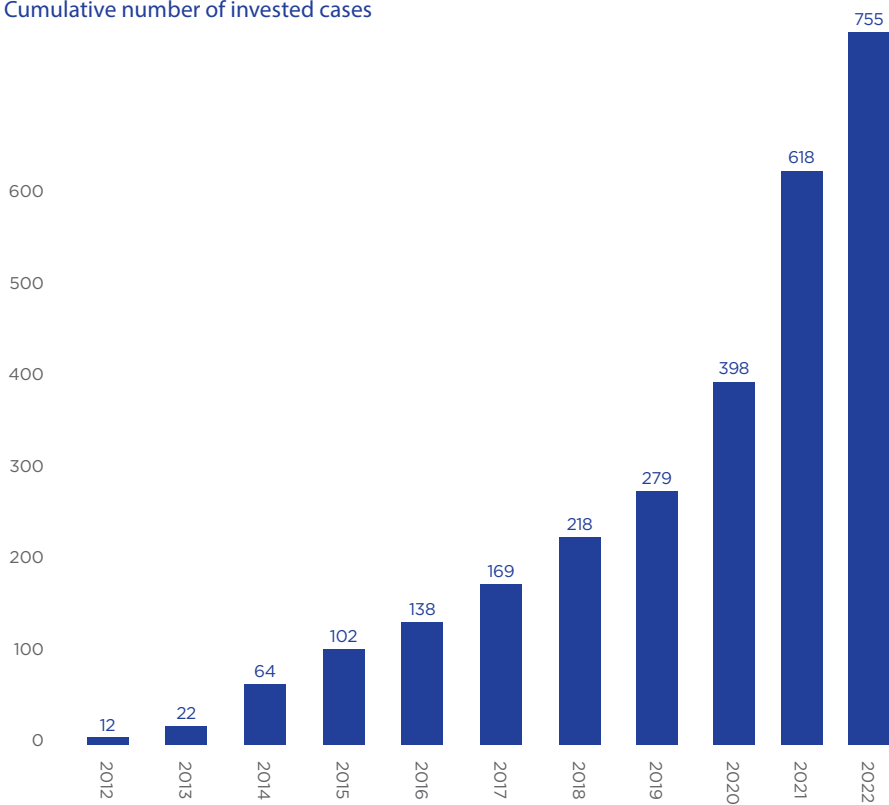
“We believe the combination of great IPs, together with their brilliant external lawyers and supported by our financing, delivers simply unbeatable returns to creditor estates”

Steven Cooklin, Chief Executive

We have invested in 755 cases, 505 have been completed (end March 2022), returning millions of pounds to Insolvent Estates.

The large majority of cases have been assigned to us, which defeats security for costs applications and gives the IP maximum protection from adverse costs.

Cumulative number of invested cases



All figures to 31 March

Working with IPs and their choice of lawyers



Our close connection to Insolvency Practitioners and their lawyers is at the very heart of our daily business. Since 2009, Manolete has engaged with hundreds of IPs and their chosen external legal advisers. Each member of our investment team has an excellent knowledge of the insolvency law and the sector - so we get up to speed with your case fast.

On all invested cases, we are there to financially support the work of the IP and lawyers to make recoveries for the Creditor Estates. Manolete always assumes the entire risk. As soon as your case is signed up, you receive a large up-front cash payment to go towards historic WIP or further crucial investigation work. Creditor Estates also receive between 50% and 90% of final net returns. Whether funding or purchased, the IP stays involved and is paid for critical litigation support work.

We work with the leading insolvency solicitors' firms and barristers' chambers in the UK insolvency market.

Lawyers and other professionals working on our cases are remunerated as and when the work is done - they are never asked to act contingently. We pay normal charge-out rates, on a timely basis, according to the budget that we have agreed with you.

- Case values range from £20k to over £70m.
- Case appraisals usually take 1-5 days and are all free of charge.
- No IP is ever asked to pay for anything and there are no hidden consultancy fees.
- There is no solicitor or barrister panel.
- As a large listed company we have access to all the necessary capital - no case is too big.
- In the rare event a case is lost or aborted, we simply write off the costs. You retain all up-front payments and fees are settled in full.



How Manolete works

The Manolete approach is to either buy claims outright or fund Insolvency Practitioners to pursue claims.

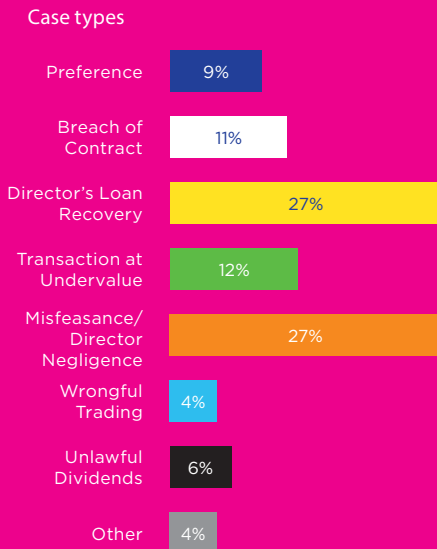
- We don't use ATE - we simply self-insure the adverse cost risk for free from our own balance sheet.
- We don't use brokers. Coming to us direct saves large middle-man costs.
- We also cover the IP's ongoing case-related costs.

Purchasing insolvent company claims

Where the legal action is owned by the insolvent entity, we can take full ownership of the case and transfer all risks and costs to ourselves.

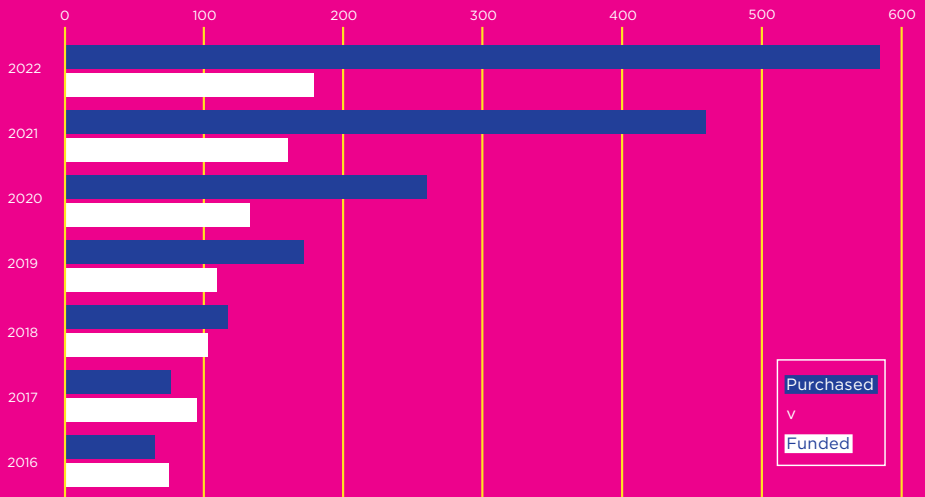
We pay a significant initial amount, in cash, up-front and then;

- a 50% - 90% share of the net proceeds goes back to the Insolvent Estate.
- alternatively, we can make a single one-off cash payment for 100% ownership of the case, a useful option if there is pressure on the Office Holder to close a liquidation.

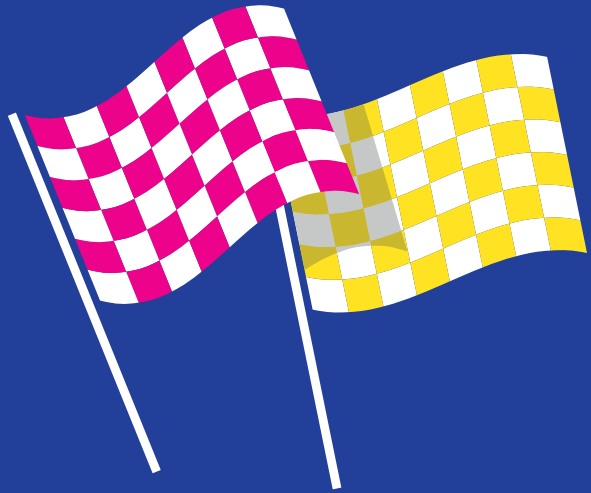


Funding office holder claims

Where the case must be in the Insolvency Practitioner's name, we supply a comprehensive funding package. We provide up-front cash payments for cases enabling immediate and certain initial returns to Insolvent Estates. All costs are for our account and we provide full adverse cost protection for free via our strong indemnity. Where the Office Holder has been appointed on or after 1 October 2015, Manolete can take an assignment of Office Holder claims (e.g. Wrongful Trading, Transactions at Undervalue, Preference claims etc).



Let's get



Whether you have an on-going case or it is brand new, we are happy to give it a full and rapid assessment.

There are no long forms to tackle, just send us the evidence you have and a brief case summary. A quick call or email sets the ball rolling. We aim to give you a decision within a week.

started

*“They deal their cards very openly,
offering a fair deal and sticking to it”*

We first consider a case's commercial merits internally by carrying out a thorough net-worth test. On occasion we may refer it to an expert barrister - these costs always fall to Manolete. If we do not proceed, we will share the reasons with you, so you can explain our reasoning to creditors and regulators.

On signed cases, we use a simple standard purchase or funding agreement. There is no requirement for ATE. Instead all costs (including adverse costs) are covered by our full indemnity. The IP stays as closely involved in the case as he or she wishes.

You can read further details about the Manolete approach at our website www.manolete-partners.com

Or contact the relevant regional Director, if you wish to have a face-to-face discussion.

Case studies

Case 1

We funded a London based Trustee in Bankruptcy (“TiB”) where the bankrupt claimed her main London residential property had been transferred pre-bankruptcy to a charity. In fact, the property had been transferred to the bankrupt’s son for nil consideration. Manolete funded the TiB to recover the asset for the benefit of the creditors and a Court Order was successfully obtained. However, difficulties arose when the TiB tried to sell the property because it did not have clean title. Manolete simply paid off all of the existing charges, at no cost to the Estate. Total cost to Manolete around £70k.

The TiB was naturally keen to realise value for the creditors, so Manolete obtained a third-party valuation of the property and in just four weeks we purchased it for re-sale.

This case serves to highlight the flexible and commercial approach we take to financing Office Holders.

Case 2

Following on from funding the successful liquidator in Ball (PV Solar Solutions Ltd) v Hughes & Anor [2017] EWHC 3228 (Ch), Manolete took assignment of a multi-million pound director breach of duty claim in relation to tax avoidance claim from a company in liquidation. Working with the IPs existing external solicitors, the claim was advanced through normal pre-action protocol.

After just seven months, the parties and the key stakeholders (including HMRC) agreed to a mediation. The claim was settled for over £2 million with HMRC receiving £1.5m through the liquidation process. All IP and lawyer fees incurred both before and after the assignment to Manolete were recovered in full. This was a great example of the fast and effective way our model works supporting large, meritorious claims.

Case 3

Liquidators identified several claims in relation to a situation which will be all too familiar to IPs and insolvency lawyers, namely the sale of valuable company assets to connected parties at an undervalue in the months prior to liquidation. The parties had obtained professional valuations, but nevertheless proceeded to sell for much lower sums.

Over a period of 18 months, solicitors for the liquidators had advanced the claims in pre-action correspondence and had served proceedings in draft. This resulted in a 'without prejudice' meeting, but the other side failed to make any commercially sensible proposals. As there were no monies in the estate to finance issue of proceedings, the liquidators assigned the claims to Manolete.

The other side immediately agreed to mediate and the claims were settled against 5 out of 6 targets, after only four months.

The assignment to Manolete resulted in the targets rapidly settling claims which they and those advising them had previously dismissed.

I congratulate Manolete for enabling cases that otherwise would not see the light of day to be taken forward to a successful outcome. It would not happen without them.

Bernard Weatherill QC, London

Testimo

I would like to thank you for enabling me to turn a case with remote prospects of recovery... to one where there will now be a significant dividend for the creditors and good fees for our own firm. I baulked at the potential costs exposure with ATE and this outcome would not have been possible without Manolete's support of the case.

Insolvency Practitioner, South West

We're using Manolete on a couple of cases at Deloitte and I've found them to be excellent. Highly professional, straightforward to deal with responsive, commercially astute and insightful. Can't recommend them highly enough.

Deloitte Partner

imonials

We had a tremendous amount of difficulty with this case. It wasn't until Steven came along that we were able to bring it to fruition. We got a great result for the creditors.

Senior Partner Solicitors,
London

Thank you



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