

6 February 2009

Dear Member

**Re: The Presbyterian Mutual Society Limited (In Administration) (the "Society")**

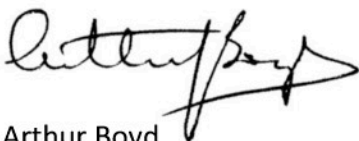
I am pleased to advise you that all of the Administrator's proposals have been passed by the required majority of votes. I attach a copy of the formal notice of the result in a Form 2.23B and a summary of the voting by each resolution. I indicated at paragraph 5.8 of my proposals that whilst the law did not require me to consider the votes of members in respect of their share capital in the Society, I intended to look at the votes cast by the members as a whole. The attached summary outlines the votes cast by members in respect of their shares and/or loans. I would like to thank you for your positive response.

I will now be proceeding to consider and prepare a proposal for an arrangement to enable an orderly run down over time. I will be continuing the ongoing work of collecting in outstanding monies and progressing my report to the Department of Trade and Industry concerning the conduct of the Society's directors.

Some members have written to me raising questions concerning the management of the Society. Whilst I am constrained from dealing with these matters directly, I will be taking them into account in the course of my investigations.

I anticipate reporting to you further by the end of May 2009. At that stage, it would be my intention to put a detailed proposal for an arrangement to you and ask you to vote on it. I would then hope to be in a position (subject to approval of the arrangement), to pay a first small distribution/dividend in the late summer.

Yours faithfully



Arthur Boyd  
Administrator

*The affairs, business & property of the Presbyterian Mutual Society Limited are being managed by Mr Arthur Boyd FCA, as Administrator. Mr Boyd is a licensed Insolvency Practitioner authorised by the Institute of Chartered Accountants in Ireland, and acts as agent of the Society without personal liability.*

The Insolvency (Northern Ireland) Order 1989

**2.23B**

## Notice of result of meeting of creditors

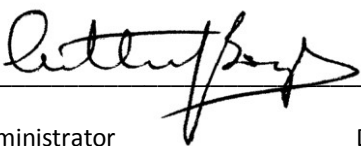
|  |                              |
|--|------------------------------|
| Name of Company<br>The Presbyterian Mutual Society Limited – in Administration             | Company number<br>IP00275    |
| In the High Court of Justice in Northern Ireland<br>Chancery Division (Company Insolvency) | Court case number<br>09/1140 |

\*Delete as applicable

**I, ARTHUR BOYD, OF ARTHUR BOYD & CO, FRANKLIN HOUSE, 12 BRUNSWICK STREET, BELFAST BT2 7GE, ADMINISTRATOR OF THE PRESBYTERIAN MUTUAL SOCIETY LIMITED,** hereby report that a meeting of the creditors of the above company was held by correspondence on 30<sup>th</sup> January 2009, at which the Administrator's proposals as set out overleaf were approved.

The revised date for automatic end to administration is 16<sup>th</sup> May 2010

A creditors' committee was not formed.

Signed   
Administrator

Dated 30 January 2008

A copy of the original proposals is attached overleaf for those who did not receive such documents prior to the meeting.

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record

Arthur Boyd, Arthur Boyd & Co, Franklin House, 12 Brunswick Street,  
Belfast BT2 7GE  
Tel: 02890329255

When you have completed and signed this form please send it to the Registrar of Companies at the Companies Registry for Northern Ireland

## THE PRESBYTERIAN MUTUAL SOCIETY - RESULT OF POSTAL VOTE

|  | Members' shareholdings |            |                  | Creditors/members' loan holdings |             |                  |
|--|------------------------|------------|------------------|----------------------------------|-------------|------------------|
|  | Yes                    | No         | No vote recorded | Yes                              | No          | No vote recorded |
| <b>Resolution 1</b><br><i>That the Administrator continues to manage the affairs and property of the Society and finance this from the income received by the Society in such manner as he considers expedient with a view to achieving a better result for the Society's members as a whole than would be if the Society were wound up</i>  | £94,438,700            | £446,200   | £362,700         | £189,112,603                     | £883,869    | £3,591,637       |
|  | 99.1%                  | 0.5%       | 0.4%             | 97.7%                            | 0.4%        | 1.9%             |
| <b>Resolution 2</b><br><i>That the Administrator shall do all such other things and generally exercise all his powers as Administrator as he, in his discretion, considers cost effective and desirable in order to achieve the purpose of the Administration, to protect and preserve the assets of the Society, to maximize their realisations or for any other purpose incidental to these proposals.</i>   | £92,538,900            | £609,900   | £2,098,800       | £185,816,400                     | £1,568,540  | £6,153,168       |
|  | 97.2%                  | 0.6%       | 2.2%             | 96.0%                            | 0.8%        | 3.2%             |
| <b>Resolution 3</b><br><i>That the Administrator's remuneration be agreed on a time cost basis by reference to the time properly given by the Administrator and his staff in attending to matters arising in the Administration.</i>   | £88,118,900            | £2,079,800 | £5,048,900       | £179,369,444                     | £3,305,195  | £10,863,469      |
|  | 92.5%                  | 2.2%       | 5.3%             | 92.7%                            | 1.7%        | 5.6%             |
| <b>Resolution 4</b><br><i>That the members agree to a six month extension of the Administration, if deemed necessary by the Administrator.</i>   | £88,862,000            | £1,956,300 | £4,429,300       | £180,293,427                     | £3,046,261  | £10,198,420      |
|  | 93.3%                  | 2.0%       | 4.7%             | 93.1%                            | 1.6%        | 5.3%             |
| <b>Resolution 5</b><br><i>That the Administrator puts forward a formal arrangement for the members to consider pursuant to either Part 1 of the Insolvency (Northern Ireland) Order 1989 or Part 26 of the Companies Act 2006, that such arrangement shall incorporate the existing rules of the Society and/or such other terms as the members may approve and that the arrangement shall make provision for a distribution to be made as soon as is practicable. Failing the approval of such an arrangement by the members/creditors, the Administrator may proceed to put the company into a Creditors Voluntary Liquidation with Mr Arthur Boyd being proposed as Liquidator.</i> | £86,167,900            | £5,506,400 | £3,573,300       | £171,537,785                     | £12,645,394 | £9,354,929       |
|  | 90.5%                  | 5.8%       | 3.7%             | 88.6%                            | 6.5%        | 4.9%             |
| <b>Note</b>  |                        |            |                  |                                  |             |                  |
| <b>Total value of members shareholdings</b>  | <b>£101,522,000</b>    |            |                  |                                  |             |                  |
| <b>Total value of creditors/members loan holdings</b>  |                        |            |                  | <b>£204,643,249</b>              |             |                  |

The total of voting forms returned by 12 noon 30 January 2009 was 90.9% of the total originally sent out. 1.4% of the returned voting forms, (being members' shareholdings of £1 Million and creditors/members' loan holdings of £1.9 million) were invalid, not having been properly signed/completed. A further 2% of voting forms were received late, after the closing date.