

Danish report of 16 October 2020 – translation made on 28 October 2020

Report under section 125(4) of the Danish Bankruptcy Act

Qudos Insurance A/S in bankruptcy, CVR no 33956967

The Bankruptcy Division of the Danish Maritime and Commercial High Court - K 4368/18-A

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As the trustee of the above bankruptcy estate I hereby present my report under section 125(4) of the Danish Bankruptcy Act regarding the affairs of the estate.

Firstly, I refer to my previous report under section 125(1) of the Bankruptcy Act of 17 January 2019, the report under section 125(2) of the Bankruptcy Act of 16 April 2019 and the reports under section 125(4) of the Bankruptcy Act of 16 October 2019 and 16 April 2020.

The estate's assets at this point in time are as follows:

1. ASSETS

1.1 Accounts

When the bankruptcy order was issued on 20 December 2018 Qudos Insurance A/S (now in bankruptcy) had a total of 27 open bank accounts with Nordea Bank Danmark.

Because the trustee has decided to continue the operations in the company in collaboration with the Guarantee Fund for Non-life Insurers for the purpose of winding up the insurance activities, the trustee has decided to keep a number of the company's bank accounts as payments are still being made to and from the company's accounts in connection with the day-to-day operations.

Since the issue of the bankruptcy order the trustee has closed ten bank accounts that the trustee found were not relevant to the winding up of the insurance activities. The company consequently has a total of 17 open bank accounts with Nordea Bank Danmark.

The trustee is assessing on an ongoing basis whether there is any need to keep the individual bank accounts in connection with winding up the insurance activities in the bankruptcy estate.

1.2 Registered assets

The registered assets have been provided as security for the insurance obligations, see section 167(4) of the then current Danish Financial Business Act. It primarily means the claimants' claims for compensation and the policyholders' claims for return of premiums under the insurance contract, see paragraph 2.1 below. The assets also cover the necessary costs relating to winding up the insurance company as described.

The registered assets as at 31 August 2020 were booked at the following values:

1. Government bonds

The bankrupt company's government bonds as at 31 August 2020 amounted to DKK 6,784,811, which is why the asset has been included at this value.

	DKK	6,784,811
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2. Corporate bonds

The bankrupt company's corporate bonds as at 31 August 2020 amounted to DKK 19,751,052. The difference in the securities portfolio compared to the most recent report is called bonds of approximately DKK 3,549,325 in total as well as price adjustment and interest. The proceeds from the called bonds are included in the company's deposit in paragraph 1.2, item 4, below. The asset is included at market value.

	DKK	19,751,052
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3. Shares in subsidiary

The bankrupt company has a booked asset consisting of shares in the subsidiary ASG Forsikringsagentur A/S in bankruptcy. The shares as at 31 August 2020 were booked at DKK 0. The shares are still included at the book value.

	DKK	0
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4. Deposit

The bankrupt company's deposit as at 31 August 2020 was booked at DKK 395,482,401.

The increase in the deposit of DKK 99,989,452 compared to the most recent report is a result of payments received from the company's reinsurers of DKK 103,591,999 as well as called bonds of DKK 3,549,325. Payments from agents and payments of recourse in the amount of DKK 9,802,808 have been received. In the period since the most recent report periodical costs including price adjustments have been paid by using the cash and cash equivalents in connection with continuing the operations of the bankruptcy estate. The asset has been included at the book value.

DKK 395,485,401

5. The share of the reinsurance of the provision for unearned premiums and the provision for claims outstanding

The bankrupt company has a booked asset consisting of current and future claims against its reinsurers. The amount is only a calculation for the purpose of the bookkeeping as the amount of the final asset is not yet known. This is why the receivable is included at the book value as at 31 August 2020 of DKK 1,209,815,582.

The primary reason for the reduction in the company's share of the reinsurance of DKK 65,896,580 since the most recent report is that the Guarantee Fund for Non-life Insurers has started to make some payouts, which results in a reduction in the expected claims for compensation and thus also the share of the reinsurance of such amount. The reduction will be counterbalanced by a corresponding increase in the receivables regarding reinsurance (paragraph 1.2, item 6). The asset has been included at the book value.

DKK 1,209,815,582

6. Receivable, share of the reinsurance (reinsurance)

The receivable regarding the share of the reinsurance as at 31 August 2020 has been booked at DKK 145,745,553. The reduction of DKK 10,693,414 compared to the most recent report can be attributed to payments received from

reinsurers of DKK 103,591,999 (paragraph 1.2, item 4) and an increase relating to the share of the reinsurance of payouts from the Guarantee Fund for Non-life Insurers of DKK 92,898,585. The receivable has been included at the book value.

DKK 145,745,553

7. Receivable from insurance brokers/agents

When the company went bankrupt it had a booked asset with the company's insurance brokers/agents of DKK 84,251,990. The receivable consists of outstanding premiums and deposits in accounts with claims examiners for the payment of losses. The trustee included the booked asset in the unencumbered assets in previous reports as the asset had been booked this way in the company's bookkeeping before it went bankrupt. The trustee has subsequently examined whether the asset is to be qualified as a registered asset or as an unencumbered asset. Receivables from insurance brokers and agents may, in respect of the bookkeeping, be included by half of the book value as a deduction from the insurance provisions according to section 5, para (4), of the then current Statutory Order on Registration of Assets in Insurance Companies and Company Pension Funds. It means that the receivable may only be included as an asset at DKK 0 as long as the funds are still with the insurance brokers and agents. As the bankruptcy estate's payable premiums are paid to the bankruptcy estate the funds will, however, be added to the deposits under the registered assets (paragraph 1.2, item 4). The trustee notes for the avoidance of doubt that the existence and value of these receivables are subject to great uncertainty.

DKK 0

Registered assets etc in total (provisionally calculated)

DKK 1,777,582,399

It is noted that in the period from the most recent report of 16 April 2020 under section 125(4) of the Bankruptcy Act the registered assets have increased by DKK 19,506,056, which is primarily because of the payments received from the company's reinsurers (paragraph 1.2, item 4) and a reduction in the receivables from the company's reinsurers (paragraph 1.2, item 6).

At the same time costs relating to running the bankruptcy estate have been paid, including various operating expenses and payments to external claims examiners and attorneys to secure the collection of the company's assets, ie the assets that are to be included in the registered assets in the trustee's opinion.

This does not only extend to reinsurance but for example also expenses relating to collecting incorrect payments under a policy because of a claims examiner's repeated breach of contractual obligations regarding an insurance portfolio (so-called claims leakage). There has also been work relating to calculating and limiting the liabilities. Finally, the trustee has invoiced an interim fee, see paragraph 9 below. These costs have been deducted from the calculation of the registered assets.

The share of the reinsurance of the provision for unearned premiums and the provision for claims outstanding has been discounted in the above calculation (paragraph 1.2, item 5) and the receivables regarding reinsurance (paragraph 1.2, item 6) as at 31 December 2019.

1.3 Unencumbered assets

The unencumbered assets are to be used to pay all the bankruptcy estate's other creditors, including the part of the insurance obligations not covered by the registered assets. This includes the ordinary creditors, see paragraph 2.2 below.

The unencumbered assets as at 31 August 2020 were booked at:

8. Tools and equipment, etc

The bankruptcy estate's tools and equipment consist of various office furniture, computers, monitors and other office supplies. The tools and equipment as at 31 August 2020 were booked at DKK 50,000. The book value of the assets when the company went bankrupt has been extraordinarily written down because of the commencement of bankruptcy proceedings against the company. For the time being the tools and equipment have been included at the book value.

DKK 50,000

9. Receivable from consolidated companies

The bankrupt company has a booked asset consisting of receivables from consolidated companies that were booked at DKK 20,773,896 as at 31 August 2020. The asset has been included, for the time being, at the book value.

DKK 20,773,896

10. Rent deposit - Kongevejen 371

The receivable relating to the rent deposit is no longer deemed to be of any value to the estate as stated in the trustee's most recent report of 16 April 2020.

DKK 0

11. Rent deposit - Købmagergade

When the bankruptcy order was issued, one of the bankrupt company's trading addresses was leased premises at Købmagergade 22, 3, 1150 Copenhagen K, Denmark. The rent deposit regarding the leased premises as at 31 August 2020 was booked at DKK 1,652,299. The trustee has been in contact with the landlord and has raised a claim for repayment of the rent deposit which the landlord has rejected, see paragraph 6.3 for details. For the time being the rent deposit has been included at a reminder value.

DKK 1

12. Rent deposit - London

When the bankruptcy order was issued, one of the bankrupt company's trading addresses was leased premises in London. The rent deposit regarding the leased premises as at 31 August 2020 was booked at DKK 1,114,898. The bankruptcy estate has abandoned the claim for repayment of the rent deposit. The trustee also has a receivable regarding the tools and equipment and the layout and fitting out of the leased premises which still has not been repaid. For the time being the receivable regarding the tools and equipment is included at a reminder value. Reference is made to paragraph 6.3 below.

DKK 1

13. Intangible assets

The intangible assets are software equipment used in the operation of the bankruptcy estate and goodwill. The asset as at 31 August 2020 was booked at DKK 0 as, compared to the book value when the company went bankrupt, an extraordinary writedown of DKK 14,404,947.56 was made as a result of the commencement of bankruptcy proceedings against the company. The asset has been included at the book value.

DKK 0

14. Deposit in client account

The deposit in the client account currently amounts to DKK 3,378,522.68. The trustee notes that on 31 July 2020 the bankruptcy court approved an interim fee regarding the unencumbered assets of DKK 8,100,000 exclusive of VAT. There is currently not enough unencumbered assets for the trustee to pay the approved interim fee from the unencumbered assets. The Guarantee Fund for Non-life Insurers has provided security for the payment of the trustee's fee if, contrary to expectations, the bankruptcy estate does not receive enough unencumbered funds. The deposit as at 1 October 2020 is

DKK 3,378,522.68

15. Repaid duties from Motor Insurance Bureau of Ireland

The bankruptcy estate has received a repayment of tax previously paid on account from Motor Insurance Bureau of Ireland of DKK 2,557,287. The amount is included in the deposit in the client account (paragraph 1.2, item 14).

Unencumbered assets in total (provisionally calculated following an estimated total writedown)

DKK	5,000,000
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2. LIABILITIES**2.1 Liabilities relating to the registered assets**

The liabilities that have a priority right to receive cover from the registered assets are listed below, see paragraph 1.2 above.

1. Expected claims for return of premiums

The expected claim for return of premiums as at 31 August 2020 was booked at DKK 349,795,790. The claim has been calculated according to the same principles used in connection with the calculation of the company's provisions for unearned premiums. The amount is the company's estimate of the claims for return of premiums and it is expected that it will be offset by claims for return of premiums raised by policyholders. The reason for the reduction of DKK 77,404,352 compared to the most recent report is the payouts from guarantee funds. The payouts from the guarantee funds and thus the decline in the expected claim for return of premiums are expected to be counterbalanced by a corresponding claim against the estate from the Danish Guarantee Fund for Non-life Insurers and other national funds. The liability is included at the book value.

DKK	349,795,790
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2. Expected claims for compensation

The expected claims for compensation are a calculation for the purpose of the bookkeeping of the amount put aside to cover the policyholders'/the insureds' claims for compensation. The expected claim for compensation has been calculated according to principles corresponding to the previous provisions for claims outstanding. The claim is thus an estimate of the future payouts relating to claims for compensation and may deviate from the actual claims for compensation. The expected claim for

compensation as at 31 August 2020 was booked at DKK 1,744,886,258.

The amount has been reduced by approximately DKK 136,308,514 compared to the most recent report. The expected claim for compensation has been reduced because the Guarantee Fund for Non-life Insurers and other national funds regularly pay out claims for compensation. The payouts from the Guarantee Fund for Non-life Insurers and thus the decline in the expected claim for compensation are expected to be counter-balanced by a corresponding claim against the estate from the Danish Guarantee Fund for Non-life Insurers.

DKK 1,744,886,258

3. Deduction of half of the outstanding payable premiums

Under section 5, para (4), of the then current Statutory Order on Registration of Assets in Insurance Companies and Company Pension Funds the bankruptcy estate is entitled to deduct up to half of the outstanding payable premiums from the insurance provisions. The deduction is half of the booked value as at 31 August 2020.

DKK -42,125,995

4. Claims proved so far in respect of the registered assets

As at 31 August 2020, claims proved in respect of the registered assets amounted to DKK 636,715,160 in total. It is noted that this is only a provisional calculation of the proved claims as the various guarantee fund schemes are still making payouts, and the trustee therefore expects to receive further claims.

DKK 636,715,160

Expected liabilities in total

DKK 2,689,271,213

It is noted in respect of the above calculation of the liabilities connected to the registered assets that the expected claims for the return of premiums and the claims for compensation later on in the estate administration will be replaced by actual claims (as stated in paragraph 2.1, item 4) as the claims for repayment of premiums and the claim for compensation are calculated and the claims are finalised, including from the Guarantee Fund for Non-life Insurers and other national guarantee fund schemes that are subrogated to the policyholder's and the claimant's claims against the bankruptcy estate under the registered assets, see paragraph 6.1.3.5 below for details. The various guarantee fund schemes are still making payouts.

As at 31 August 2020, the Guarantee Fund for Non-life Insurers had paid a total of DKK 732,897,032 to cover both accepted claims for compensation and claims for return of premiums. The trustee therefore

expects that the claims notified so far of DKK 636,715,160 under the registered assets will increase in line with the current payouts.

It must generally be expected as a consequence of Qudos Insurance A/S's bankruptcy that the number of notified claims and the relating payouts will increase significantly. The trustee's most important task is consequently still to ensure that the notified claims are handled correctly. In cooperation with the Danish Guarantee Fund for Non-life Insurers the trustee has consequently decided that the existing claims examiners are to continue to process the claims, see paragraph 6.1.3.1 for details.

2.2 Other liabilities relating to the unencumbered assets

Claims under section 94 of the Bankruptcy Act (secondary administration expenses)	DKK	1,255,939.68
Claims under section 95 of the Bankruptcy Act (preferential employee claims)	DKK	967,914.74
Claims under section 97 of the Bankruptcy Act (general creditor claims)	DKK	138,103,391.09
Liabilities in total	DKK	140,327,245.51

It is noted in respect of the notified claims that several claims could potentially be included in both the expected claims for compensation and the claims for return of premiums under the registered assets, see paragraph 2.1 above, and at the same time have been separately proved against the bankruptcy estate under the unencumbered assets, see paragraph 2.2 above. It means that the same claim could be included twice in the above calculations. At this point in time the scope of any claims that have been filed twice is not yet clear as the notified claims have not yet been examined.

3. INVESTIGATIONS RELATING TO AVOIDANCE

As stated in the trustee's report of 16 April 2020, the bankruptcy estate has brought five legal actions relating to avoidance or recovery of a number of transactions of approximately DKK 38.5 million in total plus interest.

The individual matters are described in detail in paragraph **Fejl! Henvisningskilde ikke fundet.** below.

4. CRIMINAL OFFENCES

It is regularly investigated in connection with the estate administration whether there is any basis for filing a police report under section 110(4) of the Bankruptcy Act.

The trustee's investigations in this regard are still being conducted.

5. BANKRUPTCY-RELATED DISQUALIFICATION

The Maritime and Commercial High Court was separately notified in connection with the bankruptcy estate's report of 16 October 2019 under section 125(4) of the Bankruptcy Act of the trustee's investigation and assessment of whether there was any basis for instituting bankruptcy-related disqualification proceedings against the former management of Qudos Insurance A/S in bankruptcy under section 157(1), first sentence, of the Bankruptcy Act, cf section 160(1), first sentence.

6. THE ESTATE ADMINISTRATION AND THE TIME SPENT IN THE PAST PERIOD

6.1 The time spent on the registered assets

The trustee's work relating to the registered assets in the period since 1 March 2020 and up to 31 August 2020 has focused on the following tasks:

6.1.1 Securities

The bankruptcy estate's securities portfolio primarily still consists of government bonds and corporate bonds which were booked at DKK 6,784,811 and DKK 19,751,052 respectively on 31 August 2020, see the list of assets in paragraph 1.2, items 1 and 2.

In the past period the trustee has managed the bankruptcy estate's securities portfolio and assessed the bankruptcy estate's securities investment policy and considered the need for having funds to pay the day-to-day operations in the bankruptcy estate.

Since the most recent report DKK 3,549,325.57 has been withdrawn from the company's custody account which has been added to the deposit.

Approximately 5 hours have been spent by lawyers on such work since the most recent report.

6.1.2 *Reinsurance*

As stated in the trustee's previous reports, the bankruptcy estate's most important asset among the registered assets is the receivables relating to the concluded reinsurance contracts, including the share of the reinsurance of the provisions for unearned premiums and the provisions for claims outstanding (paragraph 1.2, item 5) and the receivable from the reinsurers (paragraph 1.2, item 6).

The work involving the bankruptcy estate's reinsurance in the past period has been and still is very complicated and time-consuming as the reinsurance is governed by the individual reinsurance contracts entered into between Qudos Insurance A/S (now in bankruptcy) and the various reinsurers. The contracts are also subject to insurance law norms and customs.

The trustee's handling of the bankruptcy estate's reinsurance in the past period still focused on calculating and collecting the bankruptcy estate's reinsurance receivables. The handling of the reinsurance still involves complicated issues which the trustee is assessing and making decisions about on an ongoing basis. In that connection the trustee has had discussions with reinsurers and insurance brokers on a daily basis regarding reconciliation and payment to the bankruptcy estate as well as other operational matters.

For example, in the past period the trustee has intensified the discussions with two insurance brokers in England and Singapore that are the intermediaries between the bankruptcy estate and the biggest European and Asian reinsurers as part of the collection of receivables.

The trustee has intensified the direct discussions with the biggest European reinsurer regarding the part of the business not handled through an insurance broker. The reconciliation and payment of the receivable have made slow progress but based on a number of measures taken by the trustee the reinsurer has paid a significant receivable in the preceding period and it is expected that the last remaining issues will be solved soon.

Before the bankruptcy Qudos Insurance A/S had a German legacy specialist reinsure a selected part of the English motor portfolio so that this portfolio is reinsured 100%. The reconciliation and payment have involved special issues on which the trustee has had to make decisions.

In another body of contracts the trustee has been in contact with the insurance broker and the reinsurer, but they have stopped responding to the trustee's communication and it cannot therefore be ruled out that legal action must be taken against these parties to secure the asset that the reinsurance is.

Some reinsurance contracts have also given rise to questions of interpretation which the trustee has also dealt with in the preceding period.

The trustee has also started on the first phase of commutation of the reinsurance contracts, ie the final calculation, elimination and termination of the contractual relationship with the reinsurers. The trustee focuses on commutating the small reinsurance contracts where the run-off can be determined with a high degree of probability.

It has been necessary in respect of the reconciliation and collection of reinsurance payments to prepare a number of descriptions of procedures to make sure that critical and important procedures and knowhow in this connection are not lost.

The trustee has also drafted a procedure for reporting substantial claims to ensure quick and correct follow-up in respect of the reinsurers that have obligations to the bankruptcy estate in connection with substantial claims. In the period leading up to the bankruptcy the substantial claims in the individual business areas were not dealt with appropriately, but the trustee has now put this right, and the insurers now receive regular information, including also in compliance with the contracts with the reinsurers to which the trustee has become a party.

The trustee has also been in regular contact with the consultant hired by the bankruptcy estate that handles the English and Irish substantial claims and reporting to the reinsurers.

The work regarding the English part of the reinsurance, particularly regarding personal injury, has been made difficult by COVID-19 as the reporting regarding a number of claims bordereaux has been less frequent than usual, one of the reasons being the difficulty of obtaining medical reports in England due to the current situation.

Finally, in April 2020 the trustee sent a semi-annual update to the reinsurers containing information about the handling of the reinsurance and the general status in the bankruptcy estate. It is expected that the next letter will be sent during the month of October 2020.

DKK 103,591,999 in respect of reinsurance has been paid since the most recent report and until 31 August 2020.

It means that a total of DKK 259,825,991 has been paid to the bankruptcy estate by the reinsurers since the company went bankrupt and until 31 August 2020.

Approximately 679 hours have been spent by lawyers regarding the reinsurance since the most recent report.

6.1.3 *The operations*

Firstly, it is noted that the trustee's work in the past period of dealing with and adapting various operational matters because of the COVID-19 pandemic that resulted in a general shutdown of many activities in Denmark and other countries during March 2020 has been extensive.

The work has been described in detail below, see paragraphs 6.1.3.1-6.1.3.10.

6.1.3.1 *Claims handling*

As previously stated, the trustee decided together with the Guarantee Fund for Non-life Insurers to continue the operations of the bankruptcy estate after the issue of the bankruptcy order to minimise the bankruptcy estate's liabilities and secure the funds from the reinsurance, see paragraph 6.1.2 for details.

It was decided in that connection to continue the claims handling by the existing claims examiners so that the ongoing claims handling in compliance with the existing claims handling agreements continued to the widest extent possible.

In the past period the trustee's claims handling still took up a lot of time. The purpose of the work is to ensure that the claims are still being properly handled so that the notification to the bankruptcy estate's reinsurers is also correct. The trustee has had to adjust and follow up on the claims handling by the claims examiners attached to the bankruptcy estate because of the COVID-19 pandemic.

Several of the claims examiners have been forced to work from home, which is why it has not been possible for the claims examiners to process the claims at the same speed as previously. As a consequence, the trustee has focused on following up on the issues and trying to maintain the progress of the claims handling.

In that connection the trustee has had discussions and correspondence with the attached claims examiners to ensure that despite the development in the pandemic, proper and efficient claims handling was carried out so that the bankruptcy estate was still able to calculate the claims correctly and make correct reporting to the reinsurers which means that the bankruptcy estate's asset consisting of the receivables from the reinsurers was secured.

The trustee's talks and correspondence with the claims examiners in the past period have continued to be about the general claims handling, including the procedure for rejecting claims notified after the termination of the policies, the procedure for notifying the bankruptcy estate of accepted claims, the Guarantee Fund for Non-life Insurers and/or other national guarantee fund schemes as well as the claims

handling of specific claims. Several of the open claims are of such an amount and complexity that they still require the trustee's continuous involvement in the handling of the specific claims, including also in respect of the determination of the reserves.

The actual procedure for the claims examiners' reporting of accepted claims to the bankruptcy estate started in the preceding period, see paragraph 6.1.4 for details, and the trustee has corresponded extensively with the claims examiners about the practical part of the reporting of the accepted claims.

In the past period the trustee has also continued the work of finding a new claims examiner in Italy as the claims examiner attached to the company before the bankruptcy did not want to continue the claims handling. As stated in the trustee's most recent report of 16 April 2020, the trustee has had contract negotiations of long duration with a potential new claims examiner about handling the loss portfolio in future, including negotiating the fee and the terms for taking over the claims handling of the portfolio. At the time the trustee expected to be able to enter into a contract on claims handling in April/May 2020, but because of the situation in Italy caused by COVID-19 and a number of other factors relating to the contract negotiations the trustee was only able to enter into a contract with a claims examiner in Italy in September 2020 which will be responsible for the claims handling in the Italian claims portfolio.

In the past period the trustee has also dealt with correspondence with a claims examiner in England regarding the terms of a claims handling agreement and a data processing agreement. There have been several long conference calls in that connection where the terms of the agreements were discussed. The parties still disagree about one single term and a number of follow-up matters relating to the data processing agreement.

It is expected that the claims examination agreement and the data processing agreement will be in place at the end of October 2020.

The ongoing claims handling is still taking place.

Approximately 1,450 hours have been spent by lawyers on such work since the most recent report.

6.1.3.2 Portfolio transfers

Portfolios have still not been transferred from the bankruptcy estate as the trustee has only transferred some loss portfolios to new claims examiners, see paragraph 6.1.3.1.

As for Qudos Insurance A/S's (now in bankruptcy) loss portfolio in Norway, the trustee previously assisted with the conclusion of a reinsurance contract where a new insurer offered the portfolio's policyholders

new insurance cover on corresponding terms as the policyholders' original insurance policy with Qudos Insurance A/S (now in bankruptcy). In situations where the policyholder has accepted the offer of new insurance, the new insurer has taken over the entire risk in respect of Qudos Insurance A/S's (now in bankruptcy) previously issued policies and thus also the insurance liability. In the past period the trustee has continued to handle all the subsequent practical matters relating to the contract.

Approximately 8 hours have been spent by lawyers on such work since the most recent report.

6.1.3.3 Bilateral agreements and contracts

In the past period the trustee has continued to spend time on administering and approving payments regarding the agreements and contracts to which the bankruptcy estate has become a party, including the payment of various operating expenses such as rent, IT solutions, telephony, utilities, insurance covering the bankruptcy estate's employees, staff canteen, etc.

Approximately 40 hours have been spent by lawyers on such work since the most recent report.

6.1.3.4 The bankruptcy estate's employees

In the past period the trustee spent a significant amount of time on dealing with the bankruptcy estate's employees, particularly because of the COVID-19 pandemic.

Because the Danish Government urged all Danish businesses in March 2020 to make sure that as many employees as possible worked from home, the trustee decided in accordance with the Government's advice that the bankruptcy estate's employees were to work from home to the widest extent possible. However, some of the trustee's employees and the key employees in the bankruptcy estate were physically present in the company to keep the business operating and secure the bankruptcy estate's significant reinsurance receivables etc. In that connection the trustee made sure that the health authorities' guidelines for dealing with COVID-19 were observed.

The trustee has consequently spent time on dealing with the employees in respect of COVID-19, including drafting COVID-19 guidelines for the bankruptcy estate's employees reflecting the ongoing development in the pandemic. The trustee has also participated in daily conference calls and video conferences with the bankruptcy estate's employees to ensure the continued operations and progress of the claims handling and to ensure the wellbeing of the employees in this new and unusual situation.

The trustee still has to deal with employee matters and resource planning regarding the bankruptcy estate's employees working at the office due to the Danish Government's announcements and updated

guidelines because of COVID-19. The trustee expects that this will continue at least until the end of 2020 and probably also at the beginning of 2021.

The trustee has also dealt with usual employee matters as in any other operating business, including regarding illness, pregnancy, resignations, etc. It is noted in this connection that in the past period the trustee has taken on a new bookkeeper to replace a former employee in the bankruptcy estate's finance department. The trustee has taken on an office assistant for fixed-term employment to replace two employees on maternity leave.

The trustee has also entered into a consultancy agreement with an actuary to replace a former employee in the bankruptcy estate's actuary team.

The trustee is regularly assessing the bankruptcy estate's staff, including whether there is any need for adding more resources to the bankruptcy estate.

Approximately 150 hours have been spent by lawyers on such work since the most recent report.

6.1.3.5 Talks with guarantee funds

In the past period the trustee has held regular meetings with the Guarantee Fund for Non-life Insurers and its administration company, Topdanmark Forsikring A/S, about the claims handling and the scope of cover by the Guarantee Fund for Non-life Insurers, including about the calculation of returns of premiums in respect of the various types of insurance as well as the procedure for notifying the bankruptcy estate of claims.

There have also been talks on a regular basis with other guarantee funds and public authorities in other European countries.

The trustee's talks and coordination with the various guarantee funds and authorities are still taking place.

Approximately 135 hours have been spent by lawyers on such work since the most recent report.

6.1.3.6 Correspondence with the policyholders and the claimants

In the past period the trustee has continued to have regular correspondence with policyholders in different countries about their insurance products from Qudos Insurance A/S in bankruptcy, including their claims for return of premiums and claims for compensation against the bankruptcy estate.

Since the issue of the bankruptcy order and up to the time of preparing this report the trustee has been contacted approximately 8,150 times by policyholders and claimants, including approximately 350 times since the most recent report. The trustee are dealing with these inquiries on an ongoing basis.

In the past period the inquiries were primarily questions about when the policyholders can expect to receive the payouts from their claims for return of premiums from the guarantee funds and/or the bankruptcy estate and questions from policyholders and claimants about specific claims handled by the claims examiners or attorneys.

It is noted in this connection that the Guarantee Fund for Non-life Insurers and the English compensation scheme FSCS (Financial Services Compensation Scheme) repay premiums on a regular basis. The Guarantee Fund for Non-life Insurers and FSCS also make regular payouts regarding accepted claims for compensation to claimants.

In order to provide information about the bankruptcy and its legal effects to the affected parties, the trustee is regularly updating the bankruptcy estate's website with relevant information which the policyholders and claimants could need in connection with the handling of their possible claims against the bankruptcy estate.

Approximately 120 hours have been spent by lawyers on such work since the most recent report.

6.1.3.7 Legal actions to which the bankruptcy estate has become a party or which have been brought by the bankruptcy estate

As written in the trustee's most recent report of 16 April 2020, the trustee decided to become a party to a number of legal actions that primarily were about rejected claims and which were already handled by external lawyers on behalf of Qudos Insurance A/S.

The legal actions in which the bankruptcy estate has become a party are still primarily handled by external lawyers according to the agreements previously entered into between the respective claims examiners/agents and Qudos Insurance A/S (now in bankruptcy), which is why the affected claims examiners/agents and the lawyers have received the trustee's permission to continue the legal actions brought against Qudos Insurance A/S (now in bankruptcy) before the issue of the bankruptcy order.

The trustee has corresponded and has had conversations with the attorneys about the cases.

The legal actions that Qudos Insurance A/S (now in bankruptcy) previously handled directly are now being handled by the trustee. The same predominantly applies to actions brought after the bankruptcy. The trustee has spent time on drafting pleadings and participating in case management conferences and trial hearings in the legal actions.

The legal actions to which the bankruptcy estate has become a party or which have been brought by the bankruptcy estate are described in general below.

Legal actions brought against agents:

As written in the trustee's most recent report of 16 April 2020 the trustee together with a co-insurer have brought a legal action in England against a former agent, a claims examiner appointed by the agent, a sub-supplier of the previously mentioned claims examiner as well as the agent's insurer that issued the professional indemnity insurance which became involved when the agent went into administration (liquidation). The subject-matter is payment of approximately GBP 8.9 million. The claim is about insufficient claims handling in connection with an insurance portfolio that was transferred to another claims examiner before the bankruptcy and where the quality of the preceding claims handling did not meet the expected requirements and resulted in incorrect and in certain instances too big insurance payouts (claims leakage). The legal action is handled by solicitors in England.

A case management conference has been held since the most recent report. In this connection the trustee has spent time on looking into a number of facts to be used by the external solicitors in their preparation of the case management conference and the drafting of pleadings. The trustee has also spent time on participating in the case management conference. It was agreed between the parties in that connection that an independent expert opinion about the size of the claim (the quantum) is to be obtained following a statistical analysis based on a claims bordereau. The parties have also agreed on the appointment of the expert, and this expert has been given the opportunity to ask questions about the composition of the claims and the information in the bordereau and the questions were answered. The trustee's work has also consisted of fulfilling the extensive English disclosure requirements, settlement discussions with the agent's insurer as the agent has gone into administration which is why any claims could potentially be raised directly against the agent's insurer that has issued the professional indemnity insurance. It subsequently turned out that in the specific situation claims could not be raised under the professional indemnity insurance which is why the case against the insurer that had issued the professional indemnity insurance was settled without the parties exchanging any payments. Finally, the trustee has drafted a submission to the court in connection with a request for provision of security for legal costs. The work relating to the legal action has thus been extensive.

The bankruptcy estate has also lodged a writ of summons against an insurance agent by which the bankruptcy estate has raised a claim for payment of DKK 1,868,578.49. The claim arises out of an agreement

on prepaid profit sharing between the agent and Qudos Insurance A/S (now in bankruptcy) which entailed that the agent received prepaid profit sharing of DKK 2,756,511.39 in total until 2015. It had been agreed between Qudos Insurance A/S (now in bankruptcy) and the agent that the agent was subsequently to repay the prepaid profit sharing to Qudos Insurance A/S (now in bankruptcy). The claim raised corresponds to the amount that the agent had not repaid to Qudos Insurance A/S when the company went bankrupt and which is still outstanding.

The writ of summons, defence, reply and rejoinder have been filed in the case. The bankruptcy estate has also filed a pleading 1 and the case has been set down for trial on 12 April 2021.

It means that approximately 100 hours in total have been spent by lawyers on litigation against former agents since the most recent report.

Legal actions about subrogation etc:

In the past period the trustee has brought another three legal actions about subrogation on behalf of the bankruptcy estate which is why there are now 13 legal actions in total pending about subrogation that have been brought by the bankruptcy estate. The subrogation relates to home warranty insurance, builders warranties and houseowner's insurance/project insurance.

The legal actions about subrogation vary in terms of scope and complexity and they are at different preparation stages. In some of the cases the trustee has spent time on drafting the writs of summons, going through the other party's defences, participating in trial hearings in part, participating in surveys and appraisals and pre-trial reviews.

Five of the legal actions have been set down for trial. The five legal actions have been set down for trial before the end of 2020, and the bankruptcy estate consequently expects the delivery of the judgments by the court of first instance in the five cases during the month of January 2021.

Approximately 345 hours have been spent by lawyers so far on the 13 cases relating to subrogation since the most recent report.

As previously stated in the trustee's report of 16 April 2020, the trustee has also issued a number of writs of summons relating to claims for avoidance and recovery on behalf of the bankruptcy estate against a number of related parties and third parties in addition to the legal actions mentioned in this paragraph. These legal actions and the work in this regard relate to the unencumbered assets and are dealt with separately in paragraph **Fejl! Henvisningskilde ikke fundet.** below.

It means that since the most recent report approximately 445 hours have been spent by lawyers on the legal actions brought by the bankruptcy estate or to which the bankruptcy estate has become a party and which relate to the registered assets and where the proceeds will also be part of the registered assets.

6.1.3.8 Legal actions brought against the bankruptcy estate

In the past period the trustee has spent time on the legal actions brought against Qudos Insurance A/S in bankruptcy after the issue of the bankruptcy order. The legal actions are primarily being handled by external attorneys in compliance with the agreements entered into with the relevant claims examiners and the bankruptcy estate. The trustee has had many conversations with the external attorneys about the cases and has instructed them to make a plea of no case to answer in the cases in compliance with section 141 of the Bankruptcy Act.

Since the issue of the bankruptcy order several legal actions have been brought against the bankruptcy estate by policyholders/claimants that have not received the expected insurance cover. Legal actions have been brought both in Denmark and abroad.

As written in the trustee's report of 16 April 2020 the trustee has asked all claims examiners and attorneys for an annual overview of the claims handling as well as of any legal actions brought against the bankruptcy estate after the bankruptcy order to get an overview of the cases in which the bankruptcy estate is involved outside of Denmark.

The trustee has received replies from about half of the recipients and is still working on obtaining information about the claims handling and the legal actions.

The Spanish claims examiner has informed the trustee of seven legal actions brought against the bankruptcy estate after the bankruptcy order was issued. The trustee discovered in that connection that the claims examiner had not dealt with the legal actions as instructed by the trustee which is why a plea of no case to answer was not made in all legal actions.

Since the most recent report the trustee has been forced to take on external assistance in Spain to deal with these legal actions.

A number of the legal actions have still not been clarified.

The trustee is also assisting with the drafting of various pleadings on an ongoing basis.

As stated in the trustee's most recent report of 16 April 2020, a legal action about an insurance claim that a policyholder believed to have against the bankruptcy estate was brought against the bankruptcy estate after the issue of the bankruptcy order before the District Court of Aarhus.

The trial hearing was held on 6 May 2020 and the District Court delivered its judgment on 4 June 2020 by which it dismissed to hear the case on its merits. The judgment has not been appealed against.

The trustee drafted the case summary and prepared for and participated in the trial hearing before the District Court of Aarhus.

Approximately 100 hours have been spent by lawyers on the legal actions against the bankruptcy estate since the most recent report.

6.1.3.9 Compliance, GDPR and audits

As part of continuing the activities in the bankruptcy estate the trustee has continued the process of identifying the agreements with the company's business partners including the agents and claims examiners requiring a data processing agreement. The work of making sure that Qudos Insurance A/S in bankruptcy is wound up in compliance with the GDPR to the widest extent possible is very extensive.

It is the trustee's assessment that it must be expected that the winding up of Qudos Insurance A/S in bankruptcy will take more than ten years. This is why the trustee decided to carry out a compliance project in Qudos Insurance A/S in bankruptcy at the beginning of the estate administration to ensure that the bankruptcy estate complies with the GDPR.

The work has included identifying the data flow in the bankruptcy estate, a GAP analysis as well as making a project implementation plan.

Qudos Insurance A/S in bankruptcy has a large number of agents and claims examiners that had entered into agreements before the bankruptcy with policyholders and/or handled notifications of claims on behalf of Qudos Insurance A/S (now in bankruptcy). The claims examiners continue to handle the notifications of claims after the bankruptcy which means that to a certain extent they process personal data on behalf of Qudos Insurance A/S in bankruptcy. As a consequence, there was a need to enter into data processing agreements with a large number of agents and claims examiners to ensure that Qudos Insurance A/S in bankruptcy complies with its GDPR obligations to the widest possible.

The continued work of carrying out risk assessments and drawing up data processing agreements with the individual agents and claims examiners and negotiating with the agents and claims examiners after they had received the draft data processing agreements has been extensive.

The trustee has also designed a compliance tool to make sure that the future operations are planned in compliance with the GDPR.

As stated in the most recent report of 16 April 2020, the trustee has prepared procedures for the payment of the claims handling expenses and other expenses relating to the operations, and the trustee ensures on an ongoing basis that the procedures are adequate.

Moreover, the trustee's work in relation to planning and coordinating the ongoing claims audits of the claims examiners to make sure that the claims handling continues to be carried out properly has been significant.

Approximately 635 hours have been spent by lawyers on such work since the most recent report.

6.1.3.10 Audit and bookkeeping

As stated in the trustee's report of 16 April 2020, the trustee has taken on external accounting assistance to assist the bankruptcy estate.

It is also noted in respect of the bookkeeping and the declaration of direct and indirect taxes that the trustee's own employees are assisting with the bookkeeping of the day-to-day running of the bankruptcy estate, approving all payments by the bank and declaring direct and indirect taxes on a regular basis. The consequence is that the trustee's employees are also at the company every day.

Approximately 297 hours have been spent on such work since the most recent report of which 147 hours have been spent by the trustee's employee skilled in accounts.

6.1.4 General work regarding planning the notification process

In the past period the trustee has spent time on planning the notification process in the estate, including establishing the procedures for handling the claims for return of premiums, accepted claims for compensation and complaints regarding rejected claims for compensation, see paragraphs 6.1.4.1 to 6.1.4.3 below for details.

The trustee has continued to spend time on developing and maintaining the new register of debts and claims for the purpose of registering the claims under the registered assets, including the policyholders' claims for return of premiums and the claimants' claims for compensation. In that connection the trustee has continued to hire external consultancy assistance.

In addition, the trustee registers the received notifications of claims in the bankruptcy estate's register of debts and claims for registered assets on an ongoing basis.

Approximately 100 hours have been spent by lawyers on such work since the most recent report.

6.1.4.1 Web form, repayments (claims for return of premium)

Together with the Guarantee Fund for Non-life Insurers the trustee has designed a web form for filing claims for return of premium against the bankruptcy estate and the Guarantee Fund for Non-life Insurers.

As at 31 August 2020, 25,707 claims for return of premiums had been filed by using the form. The trustee has also spent time on handling the claims for return of premiums through bulk reporting of claims for return of premiums as mentioned in the trustee's most recent report of 16 April 2020.

In the past period the trustee has continued to have regular conversations with the Guarantee Fund for Non-life Insurers and FSCS about the calculation of return of premiums regarding the various insurance products, see paragraph 6.1.3.5 for details, as the guarantee funds subrogate to the policyholders' claims against the bankruptcy estate when the payments are made to the policyholders.

It is noted that both the Guarantee Fund for Non-life Insurers and FSCS made payouts regarding claims for return of premium to the policyholders in the past period.

Approximately 45 hours have been spent by lawyers on such work since the most recent report.

6.1.4.2 Notification of claims from claims examiners

In the past period the trustee has spent time on planning a procedure for the claims examiners notifying the bankruptcy estate of the accepted claims. Since the most recent report of 16 April 2020 the trustee has finished and distributed a specific notification format that the claims examiners are to use for each approved and final claim. The trustee has also established a procedure for notifying the bankruptcy estate of the claims. The notification procedure has been established with assistance from the trustee's IT experts as well as external IT consultants.

The procedure has been planned in such a way that the admitted and final claims will be registered through a semi-automatic process in the bankruptcy estate's register of debts and claims for claims filed under the registered assets.

As part of the planning of the notification procedure the trustee, with assistance from internal IT consultants, has drafted a technical guide for the file management for the purpose of recording the individual claims in the register of debts and claims.

Since the most recent report of 16 April 2020 the trustee has started the procedure regarding the claims examiners' notification of accepted claims to the bankruptcy estate, see paragraph 6.1.3.1 for details.

Approximately 85 hours have been spent by lawyers on such work since the most recent report.

6.1.4.3 Web form for complaints

As stated in the previous reports the trustee has designed a web form to handle complaints. The claimant can give notice of a claim for compensation by using the form if the claims examiner has refused to process the claim if, for example, it is a claim under a terminated insurance policy (loss made after 28 March 2019) and/or the claimant disagrees with the claims examiner about the amount of the claim that has been awarded.

When the bankruptcy estate receives a complaint through the complaint form, the claim is registered in the bankruptcy estate's register of debts and claims.

As at 31 August 2020, a total of 47 complaints had been made against the bankruptcy estate by using the complaint form. In the report of 16 April 2020 the trustee wrote that the trustee had received 65 complaints. The reason for the reduction in the number of claims to 47 is that a part of the claims made relates to claims for repayment of premium and is therefore not claims for compensation.

In the past period the trustee has dealt with the complaints opened through the complaint form with assistance from the bankruptcy estate's employees. In that connection the trustee has drafted internal procedures for the bankruptcy estate's employees about obtaining input from the various claims examiners about the relevant complaint.

Approximately 45 hours have been spent by lawyers on such work since the most recent report.

It means that 4,339 hours in total have been spent on work relating to the registered assets of which 125 hours have been spent by the trustee's employees skilled in accounts.

6.2 Time spent on the unencumbered assets

The trustee's work relating to the unencumbered assets in the period since 1 March 2020 and up to 31 August 2020 has focused on the following tasks:

6.3 The previously leased premises

When the bankruptcy order was issued, the trading address of Qudos Insurance A/S (now in bankruptcy) was leased premises at Købmagergade 22, 3, 1150 Copenhagen K, Denmark.

As stated in the most recent report the trustee has had talks with Qudos Insurance A/S's (now in bankruptcy) former landlord about the company's previous leased premises at Købmagergade 22 as the landlord has refused to pay back a deposit of DKK 2,103,006.88. The issue with the former landlord has still not been settled, and the ad-hoc trustee is still negotiating the claim with the former landlord.

When Qudos Insurance A/S went bankrupt, it also had trading addresses at Kongevejen 371, 2840 Holte, Denmark, and 40-44 Newman Street, London, Great Britain.

It is noted in respect of the leased premises at Kongevejen 371, 2840 Holte, Denmark, that Qudos Insurance A/S (now in bankruptcy) terminated the lease with effect from 1 July 2018.

As stated in the trustee's report of 16 April 2020, there is no longer any claim for repayment of deposit regarding the leased premises at Kongevejen 371, DK-2840 Holte.

As for the leased premises at 40-44 Newman Street, London, Great Britain, it is the trustee's opinion that the bankruptcy estate has a claim against the consolidated company New Nordic Capital LLP (now NNAM LLP, now in liquidation) of approximately GBP 322,000 because of prepayments made partially on behalf of New Nordic Capital LLP.

The claim relates to a rent deposit of GBP 122,383.80 paid by Qudos Insurance A/S.

The claim also relates to the purchase of various furniture and equipment and an interior designer fee regarding the leased premises of GBP 199,435.60.

New Nordic Capital LLP has rejected the claim and has raised a number of counterclaims that are unjustified in the trustee's opinion.

Since the most recent report of 16 April 2020 the trustee has looked into the possibilities of collecting/recovering the claim.

It is the trustee's opinion that the English courts have jurisdiction regarding the recovery of the part of the claim of GBP 122,383.80 relating to the rent deposit. The trustee has decided to abandon the claim because of its size, the usual litigation risk and the very significant litigation costs in England.

The trustee has urged New Nordic Capital LLP to try to sell the furniture and equipment and pay the proceeds to the bankruptcy estate which has not happened yet.

Approximately 30 hours have been spent by lawyers on such work since the most recent report.

6.4 Investigations relating to claims for avoidance and repayment and legal actions

The trustee has concluded his investigations of any possible voidable transactions. The trustee has identified a number of possible issues that have given rise to raising claims for avoidance and recovery.

The individual cases are described below.

6.4.1 *Claims for avoidance and recovery against a foreign company*

The trustee has established a claim for avoidance and/or a claim for recovery against a foreign company.

The trustee has lodged a writ of summons against the company in Guernsey.

The case preparation has not been concluded yet and still awaits a decision regarding the formalities regarding jurisdiction and applicable law.

6.4.2 *Claims for avoidance, repayment and damages against a person attached to Qudos Insurance A/S and this person's company*

The trustee has established a number of claims against a person associated with Qudos Insurance A/S (now in bankruptcy) and this person's company.

The bankruptcy estate issued a writ of summons against both parties on 20 December 2019 and the case is currently pending before the district court.

Since the most recent report the trustee has drafted the reply, drafted questions to the expert, corresponded about the other party's appeal against the court's decision to carry out an expert survey, etc. The trial hearing has been scheduled for 27, 28 and 29 January 2021.

6.4.3 *Claims for avoidance and recovery against a related party*

The trustee has established that shortly before Qudos Insurance A/S (now in bankruptcy) went bankrupt a number of writedowns/eliminations were made in an intercompany account with a consolidated company.

As previously stated, it was the trustee's opinion that the eliminations were voidable, and the bankruptcy estate therefore lodged a writ of summons against the company when the claim was rejected.

The trustee has drafted the reply, reviewed the rejoinder and participated in the case management conference. The trial hearing has been scheduled for 28-29 April 2021 and 12 May 2021.

6.4.4 *Claims for avoidance and recovery against a third party and a consolidated company*

The trustee has established a claim for avoidance and/or a claim for recovery against a third party and a consolidated company.

The bankruptcy estate has consequently raised a claim against the parties, but they have both rejected the claim. The bankruptcy estate therefore lodged a writ of summons against the parties on 20 December 2019, and on 13 March 2020 the trustee received the defence. The case is currently pending before the district court.

The trustee's work has included participating in a hearing over the telephone.

6.4.5 *Claims for avoidance and recovery against a related party*

The trustee has established that shortly before Qudos Insurance A/S (now in bankruptcy) went bankrupt a number of writedowns/eliminations were made in an intercompany account with a consolidated company.

It is the trustee's opinion that the eliminations are voidable, and the bankruptcy estate has therefore raised a claim against the company which was rejected by the related party. The bankruptcy estate therefore lodged a writ of summons against the company. The case has been set down for trial on 16, 17, 22 and 23 March 2021.

The trustee's work has included going through the comprehensive defence including its exhibits, participating in a hearing over the telephone and drafting the reply.

6.4.6 *Claims for recovery against a related party*

The trustee has established that Qudos Insurance A/S (now in bankruptcy) had booked a balance with a related party in the intercompany account.

It is the trustee's opinion that there was a claim against the related party which was in the process of being liquidated at the time. The trustee therefore filed the claim with the liquidator at the time, but the liquidator rejected the claim. The bankruptcy estate therefore issued a writ of summons against the related party on 21 November 2019.

Bankruptcy proceedings were commenced against the related party on 6 March 2020, and it was decided that the bankruptcy estate was not to exercise its rights as a party. The court delivered a judgment by default on 15 September 2020 which meant that Qudos Insurance A/S in bankruptcy was successful.

Approximately 663 hours in total have been spent by lawyers since the most recent report on the legal actions relating to the unencumbered assets.

6.5 **Investigations relating to management liability**

In the past period the trustee has conducted further investigations into whether the former management's actions have been actionable.

In connection with the estate administration the trustee has identified a number of issues that give reason for further investigations. The trustee has spent time on clarifying and describing relevant facts to assess whether the identified issues could give rise to raise a claim for damages against the former management of the company. The investigations are very complex and extensive and they include a large number of complicated transactions over a long period of time.

The trustee has also taken on external auditing assistance with a view to assess whether there is any basis for raising a claim for damages against the former management.

The scope of the work and the conclusions are aligned with the biggest creditor against the bankruptcy estate.

The trustee's investigations have not yet been completed, but completion is expected before the end of 2020.

Approximately 1,412 hours have been spent by lawyers on such work since the most recent report.

6.6 Other estate administration

Approximately 423 hours have been spent by lawyers on the general estate administration, including corresponding with the creditors and the bankruptcy court, registering the proofs of claim in the register of debts and claims of the bankruptcy estate and on preparing this report under section 125(4) of the Bankruptcy Act.

Finally, the trustee's employees skilled in accounts have spent approximately 8 hours on reconciling the account of receipts and payments and on quality assurance of the bankruptcy estate's bookkeeping.

It means that 2,528 hours in total have been spent on the unencumbered assets of which 8 hours have been spent by the trustee's employees skilled in accounts.

7. SUMMARY OF THE TIME SPENT

It means that approximately 6,968 hours in total have been spent on the estate administration, including approximately 4,339 hours on work relating to the registered assets, see paragraph 6.1, and approximately 2,528 hours relating to the unencumbered assets, see paragraph 6.2, in the period from 1 March 2020 and up to 31 August 2020.

8. FUTURE ESTATE ADMINISTRATION AND THE WINDING-UP OF THE ESTATE

The estate administration in the next period will still focus on the operations of the bankruptcy estate as the continuation of the operations is necessary to secure the bankruptcy estate's assets and limit its liabilities.

As a consequence of the many estimates relating to both the calculation of the assets and the liabilities, it is still not yet possible to estimate the expected dividend in the bankruptcy estate, including the cover from the registered assets and the unencumbered assets. It is also not possible to estimate when it can be expected that the bankruptcy estate will be wound up.

9. INTERIM FEE

Since the most recent report the trustee has asked the bankruptcy court to pay the trustee an interim fee.

On 31 July 2020, the Bankruptcy Division of the Danish Maritime and Commercial High Court approved an interim fee of DKK 33,000,000 plus VAT. The bankruptcy court approved the interim fee subject to the usual final approval of the fee when the bankruptcy estate has been wound up. The fee was paid proportionately from the bankruptcy estate's funds under the registered assets and the unencumbered assets.

10. OTHER INFORMATION

The estate is being administered by Attorney Boris Frederiksen (bor@poulschmith.dk), Attorney Jesper Saugmandsgaard Øe (iso@poulschmith.dk), Attorney Mathias Juul Holter (mho@poulschmith.dk), Attorney Trine Irene Brodersen (trbr@poulschmith.dk), Attorney Christian Bo Kolding-Krøger (cbk@poulschmith.dk), Attorney Frederik Simmelholt (fsi@poulschmith.dk), Attorney Camilla Wiemer (cawi@poulschmith.dk), Attorney Sarah Willatzen (sawi@poulschmith.dk), Assistant Attorney Sara Lysemose Sørensen (saso@poulschmith.dk), Assistant Attorney Mie Bloch Gundersen (migu@poulschmith.dk), Junior Commercial Law Consultant Louise Irene Pedersen (lped@poulschmith.dk), Assistant Attorney Jacob Sauerbrey Pers (jasp@poulschmith.dk), Assistant Attorney Ida Nørgaard Hansen (idnh@poulschmith.dk) and Assistant Attorney Majbritt Ahm Jungdal (mjun@poulschmith.dk).

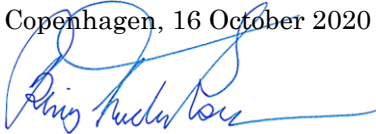
You can find additional contact information on the website www.qudosinsurance.dk which is regularly updated with relevant information about the estate administration.

If you know of any other assets than the assets specified above or if you have any information that could be relevant to the estate administration, please contact one of the above individuals.

11. NEXT CREDITOR INFORMATION

The next creditor information with a report under section 125(4) of the Bankruptcy Act will be sent on 16 April 2021 at the latest to the bankruptcy court and the creditors.

Copenhagen, 16 October 2020



Boris Frederiksen

Partner, Attorney