

THE SOUTH TEES DEVELOPMENT CORPORATION
(LAND AT THE FORMER REDCAR STEELWORKS, REDCAR)
COMPULSORY PURCHASE ORDER 2019

Witness Statement of Simon Melhuish-Hancock

Appendix 2: **DWF letter to the D&O Group dated
8th March 2019.**

Brown Rudnick LLP
8 Clifford Street
London
W1S 2LQd

Your Ref:

Our Ref: JUA/LXB/2016250/1

Please quote this when replying

For the attention of Martha Baselga

Date: 8 March 2019

Please ask for: Julie Agnew

Ext: 844990

Direct Dial: +44 161 603 4990

E-mail: Julie.Agnew@dwf.law

Direct Fax:

Dear Sirs

Sahaviriya Steel Industries UK Limited (in liquidation)

I act for the Official Receiver ("**OR**"), Mr Ken Beasley and further to the conference call on 19 December 2018 in relation to SAHAVIRIYA STEEL INDUSTRIES UK LIMITED ("**SSI**") I can confirm the following in respect of:

- (a) Mr Win Viriyaprapaikit
- (b) Mr Rudolf Hans Mathis
- (c) Mr Vittorio Renato Conti
- (d) Mr Somsak Sivapaiboon
- (e) Mr Kittisak Mapanao
- (f) Mr Simon Melhuish-Hancock
- (g) Mr Peter Rowson

(the "**Directors or Officers**):

1. no recommendation was made to the secretary of state for the disqualification of any of the Directors or Officers;
2. the Insolvency Service is not contemplating any proceedings against any of the Directors or Officers;
3. there will be no recoveries sought by the Insolvency Service against any of the Directors or Officers;
4. the OR is not aware of any other investigation into this matter;

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5. SSI will not be dissolved and will remain on the Register at Companies House for a period of at least 45 years; and
6. there will be no final accounts prepared while the liquidation remains with the OR.

D Reports were phased out for ORs several years ago and the procedure now is that an internal report is done. The OR is not able to release this report but considered the following before deciding not to make a recommendation for disqualification:

- trading with knowledge of insolvency – SSI traded insolvently for most of its life but with the support of its parent and banks;
- the connection to the server in Thailand was terminated on the making of the winding up order, however, this was dealt with by way of a back up being provided on production of a court order;
- a global agreement was entered into with Vanomet which included that no action would be brought against Mr Ruedi Mathis and Mr Vittorio Conti in relation to those matters settled pursuant to a settlement agreement dated 15 April 2016 between Vanomet AG, Vanomet International AG, SSI, the Liquidator, Mr Ruedi Mathis and Mr Vittorio Conti;
- there was a lack of evidential trails for how key decisions were made, which appears to be because some directors and senior managers appeared to communicate other than by email; and
- deductions were made for pensions but not paid across for the last 4 months of trading.

Yours faithfully



DWF LLP