

Our ref: GXE.NJL.180711.B&R
Ask for: George Edmond
Your ref: KBF.109291.00001

BY EMAIL ONLY: kfarmer@trowers.com

Trowers & Hamlins
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BUSINESS RECOVERY & INSOLVENCY DEPARTMENT
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17 May 2024

Dear Sirs

Bishop & Rook UK Ltd - In Liquidation (the "Company")
Your Client : Bishop & Rook LLC ("LLC")

- 1 We are instructed on behalf the Company and its Liquidator, Ruth Duncan. Our client has furnished us with a copy of your letter dated 2 May 2024 with instructions to reply.
- 2 As liquidator, our client has a duty to creditors generally to investigate, protect and realise the Company's interest in the assets in its possession. Equally, the Company's directors (one of whom, Michael Kraabel, is the sole director and shareholder of your client) have a duty to co-operate and assist our client. Michael Kraabel's interests as a director of both companies clearly conflict and he has not fully co-operated with our client in her efforts to establish the Company's legal position.
- 3 Our client's position in respect of the vehicles referred to in your letter is as follows:
 - 3.1 Our client's agent and Andrew Fox have identified 15 vehicles remaining on site. We understand some of these are just chassis. A number of these vehicles/chassis have been matched to specific projects and specific US customers. We attach a copy of our working spreadsheet detailing the vehicles/chassis identified to date. As you will see, there remain some vehicles that cannot be identified to a specific project based upon available records.
 - 3.2 Our client has always acknowledged that those vehicles/chassis purchased by the LLC do not belong to the Company. However, those vehicles originally purchased by the Company, from funds in its UK bank account, belong to the Company until the Company has been paid in full for work done and goods supplied and installed. These are marked on the attached spreadsheet.
 - 3.3 The Company is also entitled to exercise a common law repairer's lien over other vehicles/chassis in its possession until it has been paid in full for all work done and goods supplied and installed on those vehicles. Our client's efforts

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to establish the inter-company position have been hampered by the lack of proper books and records regarding the individual projects and the failure to deliver up all books and records in a timely manner or at all. Therefore, until the directors have fully co-operated with our client in providing all necessary information requested and delivered up all necessary books and records our client reserves the Company's position in relation to the exercise of any lien.

- 3.4 On the information currently available to our client, the Company is not indebted to your client and therefore any right of set-off does not arise. Our client notes the amounts shown as owed to the LLC in the directors' statements of affairs. However, our client has not been provided with any evidence to substantiate these or any other sums due. The evidence our client does have is inconsistent with any indebtedness to the LLC. Firstly, we refer to your client's proof of debt (copy enclosed). This refers to a round sum estimate of £95000+ described as "Customer Deposits to the UK", It is accepted that substantial funds were transferred from the LLC to the Company to fund the work carried out by the Company. However, our client has seen invoices raised by the Company to the LLC which total in excess of £1m. Secondly, the filed accounts for the years ended 30 November 2021 and 2022 do not disclose any liability to the LLC.
- 4 Finally, your client may be aware that the owners of the premises from which the Company traded and on which the vehicles/chassis and other assets are situate, has now blocked access pending payment of all sums owing to them.
- 5 Entirely without prejudice, our client does not believe it is in anyone's interest to become embroiled in costly and protracted correspondence or legal proceedings. Our client has previously suggested a mechanism for resolving the situation and enabling the US customers to collect the vehicles and for the other assets to be sold. This necessarily involves reaching agreement with the owner of the premises, to allow access. Clearly the proposals put forward by our client were not acceptable to your client. However, our client remains willing to engage in further dialogue to try and resolve the situation as soon as possible.

We look forward to hearing from you.

Yours faithfully

Lupton Fawcett LLP.

Lupton Fawcett LLP

BISHOP & ROOK VEHICLE CONTRACTS

NAME	PROJECT NAME	VEHICLE	UK or US Paid for Vehicle	Registration Plate	VIN Number	Loc
Alexi Rouhani	Rouhani	Defender 110			SALLDHM67WA139143	In unit
Chris Hills	Hills	Defender 90	UK	P818 VHU		Yard
Chris Summers	Summers	Defender 110		L 4158 V	SALLDHMF8JA913071	In unit
Client Muench	Muench	Heritage 110			SALLDHMF7MA943159	In unit
Howard Gerwin	Guinevere	Defender 90	UK	P422 SFE	SALLDVAF7TA988906	In unit
Jeremy Mielman	Bokke	Defender 90			SALLDVA68VA128948	In unit
Jonathan Vanica	Italian Job	Defender 90			SALLDVAF8VA127444	In unit
Michael Arnold	Arnold	Defender 90			SALLDVAF8MA960024	In unit
Rob Binkley	Binkley	Defender 130			SALLDKHF7TA981079	In unit
Rondell Wilson	Wilson	Defender 110		SE3967 DJ	SALLDHM88XA172074	Yard
Mitchell Chaney	Baku	Defender 110		R817 ORU	SALLTHMF8TA4995060	In unit
Townsend					SALLDVB68WA152868	In unit
Shatz			UK		SALLDHM68TA993481	In unit
Stripes - Stickers	Not known			2960 BCG	SALLDHM68TA985692	In unit
Not allocated	Demonstration model	LR Discovery		SA58 ZPF		Not on site
Not known	Not known (seller/ Radda)		UK	L787 MJO		Not known

Proof of Debt

BISHOP & ROOK UK LIMITED (PROPOSED CREDITORS' VOLUNTARY LIQUIDATION)

Company Number: 12988510

Trading Address: Unit 2, Down Barn Farm, Cholderton, Salisbury SP4 0EQ

DATE OF PROPOSED LIQUIDATION: 28 MARCH 2024

1.	Name of Creditor	BISHOP+ROOK, LLC
2.	Address of Creditor	6407 PENN AVE SOUTH, MINNEAPOLIS, MN 55423
3.	Telephone Number of Creditor	612-424-1642
4.	Email address	
5.	Total amount of claim, including any Value Added Tax, as at the date of winding-up, less any payments made after this date in relation to the claim, any deduction under R14.20 of the Insolvency (England & Wales) Rules 2016 and any adjustment by way of set-off in accordance with R14.24 and R14.25 (a) amount of Value Added Tax (b) amount of claim NET of Value Added Tax	£ 950000+ £ £
6.	If the total amount above includes outstanding uncapitalised interest, please state	YES (£) / NO
7.	Particulars of how and when debt incurred	CUSTOMER DEPOSITS TO UK
8.	Details of any documents by reference to which the debt can be substantiated. [Note: the duly Insolvency Practitioner may call for any document or evidence to substantiate the claim at his/her discretion]	PROJECT TRACKER AND BANK STATEMENTS
9.	If total amount above includes outstanding un-capitalised interest, please state amount	£
10.	Particulars of any security held, the value of the security, and the date it was given	
11.	Details of any reservation of title claimed. Including the details of goods supplied, their value and when supplied	OWNERSHIP OF UK STOCK
12.	Give details of whether the whole or any	Category

	part of the debt falls within any (and if so which) of the categories of preferential debts under section 386 of, and schedule 6 to the Insolvency Act 1986	Amount(s) claimed as preferential £
AUTHENTICATION		
Signature of creditor or person authorised to act on his behalf		
Name in BLOCK LETTERS	MICHAEL KRAABEL	
Date	03/27/2024	
If signed by someone other than the Creditor, state your postal address and authority for signing on behalf of the Creditor		
Are you the sole shareholder of the Company	YES YES/ NO	
<p>PLEASE ATTACH A DETAILED STATEMENT OF ACCOUNT</p> <p>Or other particulars of how the debt arose</p>		
<p>Note: Creditors may claim VAT Bad Debt Relief from H.M. Customs & Excise six months after the date the debt became due for payment providing that the debt has been written-off in their accounts.</p>		