



Glengall Exchange  
3 Glengall Street  
Belfast  
BT12 5AB

1<sup>st</sup> May 2009

Dear Member,

**Re. The Presbyterian Mutual Society Limited (In Administration) (the “Society”)**

I refer to my previous correspondence in connection with the above matter.

You will recall from my letter dated 6<sup>th</sup> February 2009 that the members voted in favour of my proposals and authorised me to put together a formal arrangement to effect the orderly wind down of the Society and its assets. I am conscious that almost three months have passed since my last letter and that members are concerned about their investments in the Society. At this stage I am writing to confirm the current position of the Administration process.

My review of the Society’s loan book is continuing. This review is a more complex and time consuming exercise than was first anticipated but it is now well advanced. I am also in the process of finalising my investigation into the conduct of the directors of the Society prior to its administration and my findings will be submitted to the Department of Enterprise, Trade and Investment shortly. As I have previously stated, I am required to keep my findings confidential.

I indicated in my letter dated 6<sup>th</sup> February 2009 that it was my intention to put a detailed proposal to you for an arrangement by the end of May 2009. A key part of such an arrangement will be an indication of the amounts of money that can be returned to savers over a period of time.

A number of matters have arisen since my last letter to you which make it difficult to put an arrangement to you by that date. These include the complexity of the loan book and the matter of any assistance to savers from the government. I am aware of the lobbying that is continuing on the matter of government assistance. It is my view that before members are asked to vote on an arrangement for an orderly wind down of the Society it would be beneficial, if at all possible, to know whether the government is prepared to offer some form of assistance to savers. While it is not the Administrator’s role to actively lobby government for assistance, I am doing everything I can to assist those who are making representations to them and will continue to monitor progress.

I am required to provide a statutory progress report to members on or before 16<sup>th</sup> June 2009 for the six month period after my appointment, so you will hear from me again by that date. Taking account of the matters referred to above, I have concluded that it would not be in the best interests of members/savers to move to a formal arrangement in May 2009 and I therefore hope at this stage to be in a position to put that arrangement to you in September.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Arthur Boyd', with a stylized, sweeping flourish at the end.

**Arthur Boyd**  
**Administrator of Presbyterian Mutual Society Limited**

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