

On behalf of the Proposed Administrators  
A J Manson  
Second witness statement  
19 July 2022

**Claim No. CR-2022-002121**

**Company Registered No. 04343841**

**IN THE HIGH COURT OF JUSTICE**  
**BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES**  
**INSOLVENCY AND COMPANIES LIST (ChD)**

**IN THE MATTER OF PETROPAVLOVSK PLC**  
**AND IN THE MATTER OF THE INSOLVENCY ACT 1986**

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**SECOND WITNESS STATEMENT OF ALLISTER JONATHAN MANSON**

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I, **ALLISTER JONATHAN MANSON** of Opus LLP, Fourth Floor, Euston House, 24 Eversholt Street, London NW1 1DB, **WILL SAY AS FOLLOWS:**

**Introduction**

- 1 I am the same Allister Manson who made a witness statement in these proceedings on 11 July 2022 (“**Manson 1**”). Terms not defined in this witness statement have the meanings given to them in Manson 1.
- 2 I was appointed a joint administrator of the Company pursuant to the Order of HHJ Jarman QC sitting as a Judge of the High Court made at the hearing of the Administration Application on 18 July 2022. The other joint administrators are my partners Mr Trevor Binyon and Ms Joanne Rolls (together with me, the “**Administrators**”).
- 3 I make this witness statement on behalf of the Administrators to confirm certain facts which were set out in submissions made at the hearing by our leading counsel, and pursuant to the undertaking given by the Administrators through him to the Court in

this regard.

4 The facts and matters stated herein are either within my own knowledge, in which case they are true, or based on documents and information supplied to me by others, in which case they are true to the best of my knowledge, information and belief.

5 As required by paragraph 18.1(5) of CPR Practice Direction 32, I can confirm that this witness statement has been prepared with assistance from the Company's solicitors, JHA and from leading and junior insolvency counsel. This assistance was provided via email, telephone and in-person.

### **Update in relation to the Administrators' banking arrangements**

6 In Manson 1, I explained that Opus had approached HSBC to discuss the opening of a bank account for the Administrators if we were appointed (which included discussion of banking arrangements in respect of the proceeds of any sale of the Company's business).

7 HSBC is one of two commercial banks that provide operational banking services to Opus as a firm, and which regularly provide segregated accounts for insolvency practitioners at Opus in relation to specific appointments. The other is Metro Bank Plc.

8 Following our approach to HSBC in relation to our proposed appointment in this matter, on 14 July 2022 HSBC confirmed that it had opened five bank accounts for use by the Administrators if appointed (three GBP and two USD).

9 On 15 July 2022 (the Friday before the Monday on which the Administration Application was heard), Opus was informed by HSBC that, due to perceived reputational concerns arising from the Company's ownership of Russian gold-mining assets:

9.1 It was no longer willing to provide banking services to the Administrators if appointed; and

9.2 Further, if Opus agreed to accept the proposed appointment, HSBC would terminate its commercial relationship with the firm.

10 This was the first indication we had received from the bank that it had any concerns at

all regarding our proposed appointment.

11 Between 15 July 2022 and the morning of the hearing on 18 July 2022, Opus' board of directors discussed HSBC's position with the bank, our legal advisers, and amongst themselves.

12 Opus wrote to HSBC on 16 July to register our disappointment with their stance and to seek to persuade the bank to reconsider. We said that we did not understand the suggestion that there could be any reputational risk to HSBC in assisting officers of the Court.

13 On the morning of 18 July 2022, Opus was informed by its relationship manager at HSBC that the bank would not change its position. Later that morning, the Opus board decided that the Administrators should accept the proposed appointment despite HSBC's objections, in large part because we considered there was a significant risk to the creditors of the Company if we did not do so.

14 The present position is therefore that the Administrators do not have a bank account for use in the administration (in particular, an account into which we could receive the proceeds of any sale).

15 We now intend to approach other commercial banks to provide banking facilities to the Administrators. If we are unable to find a bank willing to do so, then we had intended to seek permission from the Insolvency Service to use the Insolvency Services Account ("ISA") for operational banking in the administration of the Company, noting that the Insolvency Service recently provided use of the ISA in similar circumstances to the administrators of Sberbank.

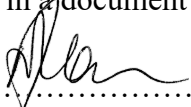
16 By an email to our solicitors received at 12:42 BST on 18 July 2022, the Insolvency Service (with whom our solicitors had been discussing potential use of the ISA) stated that: *"We are unable to provide this faculty as legislation does not provide for the ISA to be used for this purpose. I understand that due to the sanctions regime no other banking facilities were available to the administrator of Sberbank. In this matter the company does not appear to be subject to sanctions. You should also note that the ISA account facility is provided by Natwest and there is a risk that they could adopt a similar approach to HSBC. You may decide that this is a matter for the court to consider if all*

*other banking options have been exhausted.”*

17 We will of inform the Court of any material developments and will, if appropriate, return for specific directions in this regard.

**STATEMENT OF TRUTH**

I believe that the facts stated in this witness statement are true. I understand that proceedings for contempt of court may be brought against anyone who makes, or causes to be made, a false statement in a document verified by a statement of truth without an honest belief in its truth.

Signed:  .....

**ALLISTER JONATHAN MANSON**

Date: 19 July 2022