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Lehman liquidators obtain court approval for interim payment of costs

KPMG's Paul Brough, Edward Middleton and Patrick Cowley, the Liquidators of the eight Hong Kong based Lehman Brothers entities, have obtained an order from the High Court allowing them an interim payment of 75% of the professional costs incurred during the period when they acted as Provisional Liquidators between September 2008 and March 2009.

Total costs of the Provisional liquidators and their advisers in the 'provisional liquidation' period amounted to HK\$291 million, and realisations to date are in excess of HK\$4 billion. The costs will also be subject to a Court supervised assessment process in due course.

Liquidator Patrick Cowley said: "The collapse of Lehman is now generally accepted as the most complex global insolvency in corporate history and the costs incurred reflect the scale and complexity of a business with over HK\$350 billion of assets and liabilities, operating across the whole of Asia, in a wide array of investment banking activities, and as part of a truly global enterprise."

The Liquidators have recently signed an International Protocol with a number of insolvency administrators appointed around the world. This should create a cooperative framework for them to continue realising assets and addressing the many intra-group issues that will arise in the course of this insolvency process.

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About KPMG

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