

**PALMER CLAIMANTS' GROUP
MAY 2005 BULLETIN**

As you may be aware from press reports, John Palmer was made bankrupt at our request on Friday 6 May 2005.

This is positive news for the group. It is something we have been pressing the court to do for some time. It now represents the best chance of recovering the money he owes to you.

What happens next?

We are arranging for a Trustee in Bankruptcy to be appointed. All of Palmer's assets will now automatically be owned by the Trustee. That means he can sell them to pay off Palmer's creditors, including the money owed to the group - which totals around £6m with the legal costs.

Has Palmer got the money to pay?

We have seen nothing to show that Palmer is worth anything like the £300m he is reputed to have. However we do know a lot about his timeshare assets and how much they are worth. We also know about a number of offers that have already been made to purchase them by reputable companies. We are confident that the sale of those assets will be enough to pay the amount owed to the group.

How long will it be before I get paid?

We are hopeful that the timeshare resorts can be sold quickly by the Trustee. However there may be some complications such as who else will claim money from Palmer – which include the Spanish tax authorities.

We will do all we can to get the money within the next 6 to 9 months, although there can be no guarantees of that.

If Palmer is let out on parole will that cause problems?

We have been told that the parole board will decide about letting Palmer out of prison on 27th May. The indications are that he is likely be released, subject to certain conditions including restrictions on travelling abroad.

His release should not affect the work of the Trustee who we expect will visit him in prison before 27th May anyway.

Keeping up to date

We will continue to write to you on a monthly basis to keep you informed about the work of the Trustee. We will be working very closely with him from this point forward.

Yours sincerely



**PETER WYLDE
PARTNER**

