

COMMONWEALTH OF THE BAHAMAS

2019

IN THE SUPREME COURT

COM/bnk/00077

Commercial Division

**IN THE MATTER of the Companies Act, 1992, CH 308, and
The Companies (Winding Up Amendment) Act, 2011**

AND

**IN THE MATTER of Pacifico Global Advisors Ltd.
(In Liquidation under the Supervision of the Supreme Court of The Bahamas)**

**First Report
Of the Joint Official Liquidators
For the period 31 July 2021 to 30 April 2022**

To

**The Supreme Court of The Commonwealth of The Bahamas,
Securities Commission of The Bahamas, Fiduciary Clients, Creditors, and the
Shareholders**

**Respectively Submitted by
Mr. Mark E. Munnings and Ms. Tiphane C. Russell
As Joint Official Liquidators for
Pacifico Global Advisors Ltd.
(In Liquidation under the Supervision of the Supreme Court of The Bahamas)**

First Report of the Joint Official Liquidators for Pacifico Global Advisors Ltd.
(In Liquidation under the Supervision of the Supreme Court of The Bahamas)
For the period 31 July 2021 to 30 April 2022

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1. Introduction

- 1.1.1. We, Mark E. Munnings and Tiphane C. Russell, appointed successor Joint Official Liquidators ("**Liquidators**" or "**JOLs**") for Pacifico Global Advisors Ltd. (In Official Liquidation) ("**the Company**" or "**PGA**"), pursuant to an Order of The Supreme Court of The Bahamas ("**the Court**") pronounced by the Honourable Mr. Justice Ian Winder on 21 July 2021 ("**the Order**"), hereby submit our First Report ("**the Report**") for the period 31 July 2021 to 30 April 2022 ("**the Reporting Period**") to the Court, Securities Commission of The Bahamas ("**the Commission**" or "**SCB**"), the Company's fiduciary clients ("**Clients**"), creditors, and shareholders (collectively referred to as "**the Stakeholders**").
- 1.2.1. On 02 October 2019 ("**the Liquidation Date**"), a resolution was passed by the shareholders of Pacifico Global Advisors Ltd. ("**the Company**") to wind up the Company and appoint Mr. Edmund L. Rahming of Intelisys Ltd. as the Company's Voluntary Liquidator. The voluntary liquidation of the Company was continued under the supervision of the Court and Mr. Rahming was appointed as Official Liquidator ("**OL**") of the Company on 28 October 2019, by Order of the Court and pronounced by the Honourable Mr. Justice Ian Winder ("**Justice Winder**").
- 1.2.2. Mr. Rahming's application to demit office was granted on 14 July 2021 and was effected at 11:59 p.m. on 30 July 2021.

- 1.2.3. On 21 July 2021, by an Order of the Court pronounced by Justice Winder, we, Mark E. Munnings and Tiphany C. Russell, both of Deloitte & Touche Bahamas (“**Deloitte**”), were appointed as the Company’s JOLs, effective 31 July 2021, to continue the Company’s supervised winding up proceedings (“**the JOLs’ Appointment**”).
- 1.2.4. The former OL provided further details on the Company’s winding up proceedings in three (3) Reports filed prior to the JOLs’ Appointment.
- 1.3.1. Specific details of the sources of information used and relied upon are given where referred to in the Report.
- 1.4.1. During the Reporting Period, we have relied on the integrity of the information and documents received from the former OL, Finamic Services – ATRIUM financial reporting system and financial institutions. Although we have sought to cross check information from different sources to confirm its accuracy, we have not independently verified all of the information and documentation upon which we have relied on during the course of the Reporting Period.
- 1.4.2. We report solely on factual matters as the financial information in the Report has not been subject to an audit and reserve the right to amend the Report should additional information come to our attention or the underlying data or records, we relied upon prove to be inaccurate or materially change after the date of the Report.
- 1.4.3. Neither the JOLs, Deloitte, Callenders & Co., nor any other liquidation team member advising the Liquidators during the Company’s winding up proceedings will be responsible for any losses, damages, liabilities, or claims arising from the use and/or reliance on the Report.

- 1.5.1. The Company's financial activities are stated in United States Dollars ("USD") and therefore all references to currency are in USD unless otherwise stated.
- 1.6.1. The purpose of the Report is to apprise the Court and Stakeholders of developments in the Company's winding up proceedings for the Reporting Period and provide the next steps to be taken in the Company's liquidation, which includes our intention to obtain orders from the Court on various matters.

2. Steps Taken By the JOLs

- 2.1.1. Since the JOLs' Appointment, the tasks listed below were performed and/or taken by us and our agents in the execution of our duties as Liquidators.
- (a) Retained Deloitte as our Agents ("**Agents**") to provide back-office support services to the JOLs and the Company, as per the Order.
 - (b) Met with our Agents and instructed them on various matters and tasks to be performed by them. This included discussing tasks performed and preparing action plans to facilitate the execution of liquidation duties.
 - (c) Engaged Callenders & Co. as attorneys for the JOLs, obtained legal advice from them to facilitate the Company's winding up proceedings, and instructed them on various matters.
 - (d) Met and liaised with the Company's former OL, to facilitate the process of gaining control of the Company's records and assets, and to discuss other matters pertaining to the Company's winding up proceedings.
 - (e) Reviewed and analyzed the Company's records and assets, to facilitate the Company's winding up proceedings. During this process it was determined that assets held in the Company's name mainly consisted of fiduciary assets held on behalf of Clients.
 - (f) Took possession of the Company's records.
 - (g) Identified and took possession of assets held in the Company's name, as detailed in the Company's records, and noted its liabilities and existing obligations.

- (h) Liaised with financial institutions that provided banking and custodial services to the Company ("**Financial Institutions**"), to gain control of the accounts holding assets in the Company's name. This included:
 - i. Reviewing and executing documents to gain control of the Company's assets; and
 - ii. issuing letters of instructions to them to facilitate the Company's winding up proceedings.
- (i) Maintained the Company's assets and assets under management ("**AUM**") for ninety-eight (98) fiduciary clients ("**Clients**"), which included performing the tasks listed below.
 - i. Reconciling assets held in the Company's name, to ascertain the Company's financial position and AUM.
 - ii. Allocating corporate actions and other transactions to the Clients. It was determined that thirty-eight (38) of the Clients (39%) held forty-four (44) securities at the date of the JOLs' Appointment.
 - iii. Preparing statements for ninety-eight (98) Clients as of 31 January 2022 and 30 April 2022.
- (j) Met with members of the Liquidation Committee and their attorney, to discuss matters relating to the Company's winding up proceedings. This included returning eighty percent (80%) of Clients assets to them as a first interim fiduciary asset distribution ("**First Distribution**").
- (k) Prepared and filed a Summons and affidavit with the Court, to obtain an order to make the First Distribution to Clients.
- (l) Attended Court and obtained a consent order on 07 October 2021 approving the First Distribution ("**Distribution Order**").

- (m) Liaised with Clients and their attorneys, via telephone and email, to discuss the Company's winding up proceedings, their fiduciary assets, and to address their questions. This included issuing emails to eight-nine (89) Clients explaining documents required to be submitted in accordance with the Distribution Order, in order for the Clients to receive the First Distribution and communicating with them after reviewing their submitted documents.
- (n) Conducted generally acceptable Know Your Customer procedures concerning Clients, to facilitate the First Distribution.
- (o) Reviewed documents submitted by Clients to receive the First Distribution.
- (p) Issued letters of instructions to transfer Clients' assets, in compliance with the Distribution Order.
- (q) Liaised with interested parties, including Clients, Regulators, and the Company's unsecured creditors, vendors, and service providers, to inform them of the status of the liquidation, address their questions and execute tasks to facilitate the Company's winding up proceedings.
- (r) Distributed assets to Clients.
- (s) Reconciled the accounts for the (10) trust clients ("**Sub Funds**") that were in receivership, whose assets had been transferred from the Company prior to our appointment.
- (t) Issued payment requests to clients with overdrawn balances as of the Liquidation Date.
- (u) Received a 17 January 2022 Ruling from Justice Winder ("**the January 2022 Ruling**") ordering as listed below.
 - i. The fees and expenses submitted to the Court by the former OL and his Agents are fixed at a 35% reduction of sums charged thereon ("**General Liquidation Expenses**").

- ii. The Payment Application was approved and the former OL and his Agents are to receive a payment on account of 80% of the sum referred to 2.1.1. (u) i.
- iii. Eleven percent (11%) of the General Liquidation Expenses are to be paid by Clients' fiduciary assets/Trust Assets ("**11% Allocation**") as reimbursement to the Company.
- iv. The 11% Allocation is to be distributed amongst the Trust Assets in proportion to the value of each Trust Asset to the total value of the Trust Assets.
- v. Global Opportunities EUR NX Sub Fund ("**NX Sub Fund**") shall not be required to contribute to the General Liquidation Expenses. The contribution of the NX Sub Fund shall be limited only to the costs associated with the return of NX Sub Fund's assets.
- vi. Eighty-nine percent (89%) of the costs incurred by all parties in the Fees Application, Payment Application and Allocation Application that resulted in the January 2022 Ruling ("Costs") are to be paid by the Company, to be taxed if not agreed with the JOLs.
- vii. Trust Assets are to pay 11% of the Costs.
- (v) Liaised with and issued correspondence to regulators, which included the Commission, the Compliance Commission, the Financial Intelligence Unit, Ministry of Finance, and other relevant authorities.
- (w) Prepared the JOLs' First Report.
- (x) Performed other tasks as deemed necessary in the Company's winding up proceedings.

3. The Liquidators' Findings

- 3.1.1. On the JOLs' Appointment, the Company's assets principally consisted of cash and securities. The cash was held in twelve (12) currencies at eight (8) financial institutions and the securities were held in three (3) currencies at three (3) financial institutions ("the Assets"). The Assets were held on behalf of the Company and its Clients and amounted to USD 13,464,892, as listed below.

Cash	\$ 9,058,047
Securities	<u>4,406,845</u>
Total	<u>\$ 13,464,892</u>

- 3.1.2. The values for the Assets were obtained from statements received from Financial Institutions, except for the balance listed in one (1) currency at one (1) of the Financial Institutions. This aforementioned balance was obtained from the Company's records and amounted to USD 34,888. In the former OL's Second Report, he stated that "after correspondence with North International Bank in Antigua and the Antigua regulators it was determined that the amount outstanding was disputed by NIB and that there likely was not an amount owing to the Company. Given the immaterial balance of approximately \$30,000 we will attend to the discontinuation of recovery process". Accordingly, this balance may not be recoverable.
- 3.1.3. The process of taking control and custody of Assets held in the Company's name was arduous. On 17 November 2021, one (1) of the Financial Institutions that held Assets of approximately USD 2,820,000 in the Company's name, notified us that the Company's account at that Financial Institution had to be closed. The documents required to close and gain custody and control of the Assets held at that Financial Institution were completed and sent by courier to the Financial Institution.

- 3.1.4. Notwithstanding this, it took eight (8) months to gain control of the cash of approximately USD 2,820,000 and have the Assets held at that Financial Institution transferred to one of the Company's other accounts. The transfer, which consisted of cash in three (3) currencies, was completed in March 2022.
- 3.1.5. From a review of the Company's records, as of 31 July 2021, the cash held in the Company's name on behalf of Clients was less than the amount owed to Clients. The total cash held at the Financial Institutions in eleven (11) currencies, which was listed as fiduciary assets amounted to USD 6,775,390. However, the Company's records stated that the Company held cash in five (5) currencies on behalf of Clients, in the amount of USD 6,947,328, which resulted in a shortfall of USD 171,938. The Company did not have sufficient Euros ("EUR") to pay the total amount listed as owed to Clients in Euros. Below is an analysis of the cash held at the Financial Institutions on the date of the JOLs' Appointment and the cash owed to Clients.

	CHF	EUR	GBP	JPY	USD	Total USD
Total cash held	216,736 CHF	€ 4,222,582	£ 8,075	¥ 1,054,425	\$ 1,455,547	\$ 6,775,390
Cash owed to Clients	(117,858)	(5,021,776)	(594)	(42,342)	(858,938)	
Overage (Shortage)	98,878 CHF	€ (799,194)	£ 7,481	¥ 1,012,083	\$ 596,609	
Cash owed to Clients (USD)	\$ 130,079	\$ 5,957,099	\$ 826	\$ 386	\$ 858,938	\$ 6,947,328
Overage (Shortage)						\$ (171,938)

- 3.1.6. Forty-four (44) securities were held in the Company's name valued at USD 4,406,845. The securities were listed as being held on behalf of thirty-eight (38) Clients and one (1) security, valued at USD 4, was unallocated.
- 3.1.7. During the Reporting Period it was noted that quantities and values listed for some of the securities at the Financial Institutions differed from the quantities and values recorded in the Company's records. It was also noted that a security that was said to have been sold was listed in the Company's account at a Financial Institution.

3.1.8. During the Reporting Period, we experienced challenges with transferring three (3) securities to the Clients, on whose behalf the securities were being held. The challenges related to restrictions on the quantity of securities that could be transferred from the Company's account on behalf of Clients, changes in the securities' names, and external matters at a Financial Institution that delayed the transfer of securities. We liaised with the Clients' representatives and the relevant custodians in an attempt to have these matters resolved.

3.2.1. On the JOLs' Appointment, the Company's records stated that one hundred and seventeen (117) Clients held accounts with the Company. Ninety-seven (97) of the Clients held positive cash balances and twenty (20) Clients held overdrawn balances. Ninety-eight (98) of the Clients held positive account balances, as one (1) of the Clients who held an overdrawn cash balance, held a security with a positive balance. The total amount due to the ninety-eight (98) Clients amounted to USD 11,354,173, as listed below.

Cash	\$ 6,947,328
Securities	<u>4,406,845</u>
Total	<u>\$ 11,354,173</u>

3.2.2. Thirty-seven (37) of the ninety-seven (97) Clients who held positive cash balances held securities and sixty (60) Clients' assets consisted of only positive cash balances. The ninety-seven (97) Clients held cash in five (5) currencies as listed below.

Currency	Number of Clients
GBP	1
JPY	1
CHF	7
USD	29
EUR	93

- 3.2.3. One (1) Client's cash was held solely in CHF, one (1) Client's cash was held solely in JPY, two (2) Clients' cash was held solely in USD and ninety-three (93) Clients' cash was held in EUR or in a combination of EUR and the other currencies. Accordingly, most of the Clients' cash, ninety-three (93) Clients, was held in EUR as shown in 3.1.5.
- 3.2.4. Twenty-seven (27) of the Clients held overdrawn cash balances, in three (3) currencies, which amounted to USD 111,868.13 when all currencies were converted to USD.
- 3.2.5. During the Reporting Period, seven (7) of the Clients' overdrawn balances in three (3) currencies were paid off. When converted to USD, the overdrawn balances amounted of USD 12,496.
- 3.2.6. As stated in Section 3.2.1. herein, one (1) of the Clients with an overdrawn cash balance held a security valued at approximately USD 71,000. Accordingly, thirty-eight (38) of the one hundred and seventeen (117) Clients held securities and twenty (20) of the Clients held a net overdrawn cash balance.
- 3.2.7. As of the Report date, the converted overdrawn balances of the twenty (20) Clients amounted to USD 92,552. This is owed in three (3) currencies – namely CHF 145 (USD 149), EUR 57,630 (USD 60,759) and USD 31,644. During the Reporting Period we liaised with Clients who held overdrawn accounts in an effort to collect the overdrawn balances. This process is ongoing.
- 3.2.8. To facilitate the distribution of fiduciary assets to Clients, we reviewed the Company's records, which included, but was not limited to statements prepared for and or issued to Clients as of 30 September 2019 and 30 September 2020, the statements for the Company's accounts held at Financial Institutions and notices of admission, partial rejection, and rejection of proof of debts issued by the former OL to Clients. This information was used to ascertain Clients' assets as of the Liquidation Date and to prepare Clients' statements as of 31 January 2022 and 30 April 2022.

- 3.2.9. This process entailed identifying Clients' assets at the Liquidation Date and allocating and or ensuring that transactions relating to Clients were allocated to their accounts. The transactions included corporate actions (dividend and interest payments, redemption of sales proceeds, changes in quantities and names of securities , etc.) and bank charges.
- 3.2.10. Having reconciled Clients' assets, the value of the Assets listed as due to Clients as of 30 April 2022 amounted to USD 9,421,198. The Assets consists of cash of USD 5,903,131 and Securities of USD 3,518,067. A reconciliation of Clients' assets is presented below.

	31-Jul-2021	30-Apr-2022
Cash	\$ 6,947,328	\$ 5,903,131
Securities	4,406,845	3,518,067
Total	<u>\$ 11,354,173</u>	<u>\$ 9,421,198</u>

Reconciliation of Clients' Assets

Total assets due to Clients as of 31 July 2021	\$ 11,354,173
Dividend/interest payments	39,154
Net forex and other movements (Cash)	(616,850)
Net unrealized foreign exchange loss (Securities)	(605,050)
Cash transferred to Clients - First Interim Distribution	(564,863)
Securities transferred to Clients - First Interim Distribution	(150,367)
Bank charges	(26,981)
Realized loss on redemption of securities	(8,018)
Total assets due to Clients as of 30 April 2022	<u>\$ 9,421,198</u>

- 3.2.11. AUM mainly decreased due to foreign exchange losses, changes in security prices (market fluctuations) and the transfer of Clients' assets to them. Most of the Clients' assets are held in currencies other than USD as shown below.

	CHF	EUR	GBP	JPY	Total	USD	Total USD
Cash owed to Clients	118,495 CHF	€ 4,523,911	£ 594	¥ 42,342		\$ 1,010,413	
Cash owed to Clients (USD)	<u>\$ 122,091</u>	<u>\$ 4,769,559</u>	<u>\$ 743</u>	<u>\$ 325</u>	<u>\$ 4,892,718</u>	<u>\$ 1,010,413</u>	<u>\$ 5,903,131</u>

- 3.2.12. Assets valued at USD 715,230 were transferred to Clients, USD 564,863 in cash and USD 150,367 in securities. The assets were transferred to eleven (11) of the ninety-eight (98) Clients, upon receipt of documents in compliance with the Distribution Order.
- 3.2.13. During the Reporting Period, letters of instructions (“**LOIs**”) were issued to Financial Institutions to transfer twelve (12) Clients’ assets to them. Eight (8) Clients’ assets were successfully transferred to them.
- 3.2.14. Cash for three (3) of the twelve (12) Clients was returned to the Company’s account, due to a change in the wire instructions for the Clients’ correspondence bank and securities held on behalf of one (1) Client has not been transferred due to challenges experienced at the Financial Institution. We were advised that the Financial Institution attempted to transfer the security, however, the receiving custodian has not been able to receive the security.
- 3.2.15. Twenty (20) Clients submitted documents to receive their assets. Of the remaining eight (8) Clients, further investigation was required for some of the accounts and some of the Clients did not submit complete documents. We are liaising with the eight (8) Clients, their representative or persons who have contacted us on the Clients’ behalf.
- 3.2.16. We have liaised with approximately seventy (70) of the Company’s remaining Clients and or their representatives, who advised that they will be submitting documents in compliance with the Distribution Order, to receive the First Distribution.
- 3.2.17. One (1) of the Financial Institutions advised us of challenges or restrictions with transferring nine (9) of the remaining thirty-six (36) securities. The challenges are listed below.
- (a) There is a minimum quantity of securities required to transfer six (6) of the securities valued at USD 132,739.
 - i. The securities are held on behalf of ten (10) Clients and the owner of one (1) of the securities, valued at USD 4, is unknown.

- ii. We are liaising with one (1) of the Clients, to facilitate the transfer of one (1) of the six (6) securities, valued at USD 51,766.
 - iii. The Company does not hold the minimum quantity to transfer the remaining five (5) securities valued at USD 80,973, held on behalf of nine (9) of the Clients.
- (b) One (1) security is held on behalf of four (4) Clients, however, only two (2) of the four (4) Clients hold the minimum quantity of the security required to transfer the security to the Clients.
 - (c) There are two (2) securities, valued at USD 40,500, that are labelled as "sanctioned".

3.2.18. We are liaising with the Financial Institution to address the matters relating to these securities. Notwithstanding this, in order to facilitate the transfer of Clients' assets to them and the Company's winding up proceedings, we intend to file an application with the Court to obtain an order to sell securities held on behalf of Clients, if the Company does not hold the minimum quantity of a security required to transfer the security to the Clients or if we do not receive valid instructions from the Client, in compliance with the Distribution Order, to transfer the Clients' assets to them.

3.3.1. In Paragraph 3.3.2. of the former OL's Second Report, he stated that "On November 22, 2019, the notice was advertised for all creditors having debts and claims against the Company to submit completed proof of debt forms by December 23, 2019. We received a total of 129 completed proof of debt forms. During October 2020 we completed the adjudication of all the proof of debts forms submitted." As a result of the adjudication, the OL accepted one hundred and nineteen (119) claims valued at USD 8,584,495. Below is a copy of Table 2 from the OL's Second Report.

Type of Claims	Claims Submitted		Claims Accepted	
	No.	Total Amount (USD)	No.	Total Amount (USD)
Employee	5	496,253.68	4	300,633.75
Service Provider	36	1,973,432.92	33	919,603.09
Clients (Trust)	88	10,017,398.83	82	7,364,258.32
Total	129	12,487,085.43	119	8,584,495.16

- 3.3.2. From a review of Table 2, unsecured claims from thirty-seven (37) creditors were accepted, in the amount of USD 1,220,236.84. Four (4) of the claims were listed from the Company's former employees and thirty-three (33) claims were from service providers, in the amounts of USD 300,633.75 and USD 919,603.09, respectively. Accordingly, as of the date of the JOLs' Appointment, unsecured creditors have a claim against the Company in the amount of USD 1,220,236.84.
- 3.3.3. Table 2 states that claims were accepted from eighty-two (82) Clients, in the amount of USD 7,364,258.32. Notwithstanding this, from a review of the Company's records ninety-eight (98) Clients were listed as holding fiduciary assets with the Company as of the Liquidation Date. From a review of the Company's records, the eighty-two (82) Clients' claims were accepted based on the Assets held with the Company as of 30 September 2020, converted to USD.
- 3.3.4. The January 2022 Ruling approved the payment of the former OL and his Agents fees, "fixed at a 35% reduction of sums charged thereon". This amounts to USD 1,202,239.09. USD 952,270 of the former OL and his Agents fees were paid. USD 249,669.09 remains to be paid, pending clarification on the January 2022 Ruling.
- 3.3.5. The January 2022 Ruling stated, "contribution of the NX Sub Fund shall be limited only to the costs associated with the return of its assets". In Paragraph 15.c of the former OL's Fifteenth Affidavit, he stated that he incurred costs in the amount of USD 97,431.80, which was directly related to Clients other than the ten (10) Clients that were in receivership ("Sub Funds").
- 3.3.6. The former OL explained that "these costs related directly to these customer assets and include the identification, review, realization, and management of these assets".

Paragraphs 16 and 39 of the former OL's Fifteenth Report listed the costs. A copy of Paragraph 39 is set out below.

Cost Description	Asset Allocation			Total
	Trust Assets		Company Assets	
	NX	Other Trust Assets		
General Liquidation Costs	109,628.57	267,966.47	1,338,746.05	1,716,341.08
Sub Fund Liquidation Costs	-	-	-	-
Non Sub Fund Liquidation Costs	28,287.73	69,144.06	-	97,431.79
NX Sub Fund Liquidation Costs	33,485.76	-	-	33,485.76
Total Costs	171,402.06	337,110.53	1,338,746.05	1,847,258.64
% borne by assets	9%	18%	73%	100%
Remaining assets	3,350,606.99	8,271,780.15	951,178.63	

- 3.3.7. Accordingly, USD 249,669.09 is a claim against the Assets, which has been approved for payment by the Court. Based on the January 2022 Ruling and payments made for the former OL and his Agents fees, Clients will either pay USD 218,960.60 or USD 132,246.30.

65% of OL's Bills Allowed by Court	NX Fund	Other Trust Assets 11% of Costs	Proprietary Assets
\$ 1,104,807.29		\$ 121,528.80	\$ 983,278.49
97,431.80	28,287.73	69,144.07	-
<u>\$ 1,202,239.09</u>	<u>\$ 28,287.73</u>	<u>\$ 190,672.87</u>	<u>\$ 983,278.49</u>

65% of OL's Bills Allowed by Court	Other Trust Assets 11% of Costs	Proprietary Assets
\$ 1,202,239.09	\$ 132,246.30	\$ 1,069,992.79

- 3.3.8. The former OL, one (1) of his Agents and his attorneys submitted fees, that have not been taxed and approved, in the amount of USD 255,797.54. Fees were submitted by the attorneys for the Liquidation Committee and NX, in the amounts of USD 150,634.17 and USD 44,253.00, respectively.
- 3.3.9. A list of claims against the Assets is presented below.

Claims Against Assets Held in the Company's Name

Total Cash owed to Clients (excluding the shortfall of USD 103,641)	\$5,903,131
Unsecured creditors claims adjudicated (Not approved for payment)	1,220,237
The Joint Official Liquidators' and their Agents' fees (Not approved for payment)	958,305
Estimated costs to complete the Company's liquidation (With no litigation or unexpected costs)	360,000
The Company's former Official Liquidator's fees (Not approved for payment)	255,798
The Company's former Official Liquidator's fees (Approved to be paid)	249,669
The Liquidation Committee's attorneys' fees (To be taxed if not agreed)	150,634
The Joint Official Liquidators' attorneys' fees (Not approved for payment)	58,038
Global Opportunities EUR NX Sub Fund's attorneys' fees (To be taxed if not agreed)	44,253
Total	<u>\$9,200,065</u>

- 3.4.1. During the Reporting Period we have executed duties to facilitate the Company's winding up proceedings. The major categories of tasks performed were detailed in Section 2 herein. As a result of the tasks performed, the JOLs' and their Agents' fees ("Fees") amounted to USD 1,145,387.50, which was discounted by twenty-five (25%) before VAT, disbursements, and other professional fees, for a discounted fee of USD 958,305. USD 855,262.83 is the discounted Fees for the Reporting Period and USD 113,346.75 is the Fees for the period 01 May 2022 to 31 May 2022. Our attorneys' fees were discounted and amounts to USD 58,038, for the Reporting Period and for the period 01 May 2022 to 31 May 2022. We will discuss our fees with the Liquidation Committee and file an application with the Court for the approval of the hourly rates of the Liquidators and our Agents and our Attorneys and to have the Company's liquidation costs approved and paid from Company's and Trust's assets ("the Application"). The Application will provide a fee allocation and distribution formula for the Company's assets and Trust's assets.

4. Receipts and Payments Account

4.1.1. As of 31 July 2021, cash of USD 9,058,047 was listed as held in the Company's name at Financial Institutions. Cash increased by USD 164,497, due to corporate actions received on behalf of Clients. USD 125,343 was received from the redemption of securities and USD 39,154 was received as dividend and interest income. The cash was used to pay a portion of the former OL's bills, transfer Clients' assets to them as a First Distribution, and pay for IT costs, bank charges and storage. As previously explained, there was a foreign exchange loss, as most of the cash is held in currencies other than USD. Below is an analysis of the cash held as of 31 July 2021 and 30 April 2022 and the Receipts and Payments Account.

Financial Institution	31-Jul-21	30-Apr-22
1 Financial Institution 1	3,546,545	2,660,286
2 Financial Institution 2	2,822,271	-
3 Financial Institution 3	2,241,227	1,289,558
4 Financial Institution 4	232,717	2,981,602
5 Financial Institution 5	81,555	74,375
6 Financial Institution 6	76,895	72,672
7 Financial Institution 7	34,888	30,035
8 Financial Institution 8	21,949	15,703
Total	9,058,047	7,124,231

Pacifico Global Advisors Ltd.
(In Official Liquidation)
Receipts and Payments Account
For the period 31 July 2021 to 30 April 2022

OPENING CASH BALANCE	\$ 9,058,047
RECEIPTS	
Proceeds from redemption of securities	125,343
Dividend/interest income	<u>39,154</u>
TOTAL RECEIPTS	<u>164,497</u>
PAYMENTS	
Former Official Liquidator's Bills	952,570
Cash transferred to Clients - First Interim Distribution	564,863
Net foreign exchange loss	496,445
IT Costs	46,386
Bank and other charges	35,320
Storage costs	<u>2,729</u>
TOTAL PAYMENTS	<u>2,098,313</u>
ENDING BALANCE	<u>\$ 7,124,231</u>

- 4.1.2. Having reviewed fees that have been approved for payment, outstanding liquidation costs and legal fees allowed and to be determined, a request for an order to use additional Clients' assets to cover liquidation costs appears reasonable for Clients' who comply with the Distribution Order on or before 07 October 2022. Clients who require additional time and attention will be requested to pay the cost for the additional services required to return their assets to them.
- 4.1.3. The cost allocated to NX Sub Fund, has been calculated as the cost incurred to return the Client's assets to NX Sub Fund.

5. Next Steps

5.1.1. We intend to file an application with the Court, with the relevant supporting documents, to obtain the orders listed below.

- (a) To discontinue recovery efforts for assets that are cost prohibitive to realize.
- (b) To sell or convert into cash securities held in the Company's name, due to restrictions or challenges with the securities, to facilitate the transfer of Clients' assets to them or if the Clients have not complied with the Order to obtain their assets before 07 October 2022.
- (c) To apply assets held on behalf of Clients, whose balance is less than USD 1,500 to cover liquidation costs. There are six (6) Clients in this category, their assets amount to USD 3,942 and range between USD 17 to USD 1,362, as listed below.

Client A	17
Client B	366
Client C	413
Client D	798
Client E	986
Client F	<u>1,362</u>
Total	<u>\$ 3,942</u>

The Company's records reflect that Clients were charged USD 1,500 to transfer their assets and the Financial Institutions charge a fee to remit distributions to Clients. Accordingly, based on a cost benefit analysis, it appears prudent to exclude the six (6) Clients from any distribution, as some Clients' balances are unable to reasonably support a distribution.

- (d) To recover the cost associated with locating the remaining Clients to transfer their assets to them.
- (e) To utilize additional Clients' assets, except NX Sub Fund, to cover liquidation cost and transfer ninety percent (90%) of their assets to them. Costs applied to NX Sub Fund will comply with the January 2022 Ruling and as ordered by the Court as detailed in our application.
- (f) To pay Clients' their assets, in USD, after deducting amounts allowed by the January 2022 Ruling and other orders of the Court, if the Company does not have sufficient cash in the currency owed to the Client but has sufficient cash remaining in the accounts holding fiduciary assets.

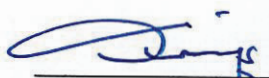
- 5.2.1. Distribute assets to Clients.
- 5.2.2. Attend Court to obtain orders on the applications listed in 4.1 above.
- 5.2.3. Realize the Company's remaining assets, to satisfy Company and liquidation costs. USD 33,554.20 has been identified as a receivable.
- 5.2.4. Convert cash held in currencies, other than EUR, to USD or EUR.
- 5.2.5. Update Clients' accounts, as required for corporate actions and other transactions.
- 5.2.6. Try to locate Clients who have not claimed their assets, in an effort to transfer their assets to them.
- 5.2.7. Pay fees ordered to be paid by Court.
- 5.2.8. Ascertain the Company's financial position to address other liquidation matters, which includes attending to creditors and completion matters.
- 5.2.9. Perform other tasks as deemed necessary in the Company's winding up proceedings, to conclude the Company's liquidation .

6. Conclusion

6.1. Summary

- 6.1.1. We, Mr. Mark E. Munnings and Ms. Tiphane C. Russell, present this our first report as the Company's JOLs. This Report covers the period 31 July 2021, to 30 April 2022. We will provide additional reports that will detail the events of subsequent periods.

Respectfully submitted this day of June 2022.


Mark E. Munnings
Tiphane C. Russell