



Deponent: Mark E. Munnings
No. of Affidavit: 07
Date Sworn: 6th June 2022

~~IN THE SUPREME COURT OF THE BAHAMAS~~

COMMERCIAL DIVISION

CAUSE NO. COM/bnk/00077 OF 2019

IN THE MATTER OF THE COMPANIES ACT. 1992, CH. 308

AND IN THE MATTER OF PACIFICO GLOBAL ADVISORS LTD.

SEVENTH AFFIDAVIT OF MARK E. MUNNINGS

I, **MARK E. MUNNINGS**, Managing Partner of Deloitte & Touche Bahamas, Chartered Accountant of 2nd Terrace West Centreville, in the Central District of New Providence, one of the Islands of the Commonwealth of The Bahamas, make **OATH** and **SAY** as follows:

1. That I am one of the Joint Official Liquidators ("**JOLs**") of Pacifico Global Advisors Ltd. (In Official Liquidation) ("**PGA**") together with Ms. Tiphany C. Russell and I am duly authorized to swear this Affidavit on our behalf.
2. Unless otherwise stated the facts and matters deposed hereto are within my knowledge obtained by me in my capacity as one of the JOLs of PGA. Where the matters deposed hereto are not within my knowledge, they are derived from the sources which I identify and are true to the best of my information and belief.
3. There is now produced and shown to me a paginated bundle of true copies of documents to which I will refer in this affidavit marked "**Exhibit MEM-1**".

References to page numbers are to those contained in that Exhibit. Where necessary, redactions have been made to the Exhibit to preserve client confidentiality.

4. By an Order dated 28th October 2019 and filed herein on 8th November 2019 (“**the Supervision Order**”) the voluntary liquidation of PGA, which commenced on 2nd October 2019, was put under the supervision of this Honourable Court and Mr. Edmund Rahming was appointed the Official Liquidator of PGA (“**OL**”). Mr. Rahming demitted office as OL on the 30th July 2021. By Order of this Honourable Court pronounced 21st July 2021 and filed on the 28th July 2021, Ms. Tiphaney Russell and I were appointed as the JOLs as of 31st July 2021 (“**JOL Order**”). There is now produced and shown to me true copies of the Supervision Order and JOL Order at pages 1 to 8 of **Exhibit MEM-1**.
5. This Affidavit is sworn in opposition to the Summons filed by Petal Rose Holdings Ltd. (“**Petal Rose**”) on 15th March, 2022 (“**Summons**”), by which Petal Rose has inter alia applied for an Order that the JOLs of PGA pay the balance of the Petal Rose’s trust monies held with PGA.
6. By Summons dated and filed the 5th October, A.D., 2021 (“**the 80% Distribution Summons**”) on behalf of the JOLs of PGA, the JOLs applied to this Honourable Court for sanction of an interim distribution by which 80% of the assets of the individual Trust Clients would be returned to the individual PGA clients who are beneficial owners (“**Trust Clients**”) of trust accounts/assets that are held or controlled by PGA and/or in PGA’s name (“**Trust Assets**”).
7. The JOLs Summons was heard on the 7th October 2021 before Justice Winder (“**October 2021 Hearing**”) and the PGA Liquidation Committee and the JOLs agreed

a Consent Order regarding an 80% interim distribution of Trust Assets to Trust Clients (**“Consent Order”**).

8. Petal Rose had filed a first Summons on 23rd March 2021 (**“First Petal Rose Summons”**), *inter alia* seeking to receive all of its assets held by PGA. This Honourable Court stated that the 80% Distribution Summons was to be heard first and if the LC and JOLs came to an agreement regarding distribution of the assets of the individual Trust clients then there would be no need to hear the First Petal Rose Summons. Since the JOLs and the LC did agree the Consent Order there was no need to hear the First Petal Rose Summons, it was not heard and there is no ruling thereon.
9. The Consent Order resulted in Petal Rose being sent 80% of its trust assets that were held on account with PGA. Instructions were issued in December 2021 and the cash due to Petal Rose was deducted from PGA’s account on 7th January 2022. Petal Rose held one security, valued at zero dollars, which was transferred out of PGA’s control per Petal Rose’s request.
10. This Honourable Court issued a ruling herein on the 17th January 2022 (**“January 2022 Ruling”**) wherein it *inter alia* held that the Trust Assets, including Petal Rose’s assets held by PGA, were to pay 11% of the general liquidation costs and expenses. So, the 20% of Trust Assets held for Petal Rose has been reduced by its portion of the 11% allocation.
11. Further, the Consent Order states that “the balance of the Trust Assets will be subject to any sums allocated by the Court for the costs of the liquidation. Since the liquidation is not complete, there will be another application to the court for Trust Assets to contribute to the liquidation expenses post the 15th June, 2021 expenses that were before the court when it issued the January 2022 Ruling. The Summons is premature.

12. Having considered the composition of assets held under management by PGA and pending legal matters, the JOLs are in the process of drafting an application to retain the balance of the 20% of the Trust Assets, after the 11% allocation is deducted, for the purpose of paying for Court allowed deductions concerning the costs of the liquidation.
13. As stated at paragraph 10 of my Third Affidavit, dated and filed herein 8th October, 2021, (“**Third Munnings Affidavit**”) Counsel for the JOLs had communicated with Counsel for Petal Rose prior to the October 2021 Hearing and informed him of the pending Consent Order regarding an 80% interim distribution since that impacted his client’s claim. Despite such communication, Counsel for Petal Rose proceeded with his attempts to have the First Petal Rose Summons heard, albeit he was unsuccessful.
14. I am informed by Counsel for the JOLs that they tried to speak with Counsel for Petal Rose regarding the Summons, but they were told by Petal Rose’s Counsel that he was not interested in discussions and wanted to pursue the hearing of the Summons regardless.
15. Considering that the January 2022 Ruling, which also allows directly attributable costs to be deducted from Trust Assets, it is unreasonable for Petal Rose to demand full repayment of all its assets at this stage in the liquidation. As stated at paragraphs 11 to 13 of the Third Munnings Affidavit, it remains the JOLs’ position that Petal Rose should not be given its assets in full, nor should it be treated differently from any other of the Trust Clients.
16. Consequent to the Consent Order, 20 Trust Clients have submitted documents. Eleven of those Trust Clients have received their 80% distribution. We are liaising with the remaining 9 Trust Clients regarding them receiving their 80% distribution. In some

cases, the JOLs discovered that certain corporate Trust Clients had to be restored to the Company Registry and were therefore unable to receive their 80% interim distribution until after such restoration had been effected. In other cases, the JOLs were unable to make the 80% distribution because: incomplete documents were submitted; further investigation was required and/or the security could not be transferred because the amount of the security was less than the minimum amount required by third party custodians to effect transfers of such security.

17. Most of the assets held by PGA in PGA's name are held on a fiduciary basis as Trust Assets. PGA holds minimal proprietary assets and even less assets since the January 2022 Ruling.
18. The JOLs verily believe that the current assets held on behalf of the Company are insufficient to cover the fees incurred in the liquidation to date and the fees that are expected to be incurred in order to complete the liquidation. The JOLs will make an application to the Court to return the balance of the 20% after the 11% allocation per the January 2022 Ruling is deducted and any further deductions are made as allowed by the Court for the costs of the liquidation. Prior to the date of this affidavit, this liquidation was not yet at the stage to make a decision regarding distributing any of the 20% of the Trust Assets being held by PGA. Significant time and effort have been made to reconcile the Company's and Trust' assets, in an effort to distribute Trust Assets to Trust Clients.
19. In the circumstances of this PGA liquidation, the JOLs form the view that Petal Rose should not be given its assets in full so as to avoid unfairly overburdening other Trust Assets with the reasonable liquidation expenses. The Summons is premature and it is

not in the best interest of PGA to have this Honourable Court grant the relief sought therein.

20. The content of this Affidavit are true and correct to the best of my knowledge, information and belief.


SWORN TO at the City of Nassau)

New Providence, this 6th day of)

June, A.D., 2022)



BEFORE ME,


NOTARY PUBLIC

IN THE SUPREME COURT OF THE BAHAMAS

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C E R T I F I C A T E

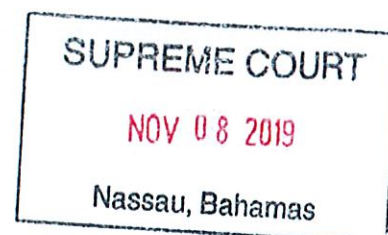
This is the **Exhibit** marked "**MEM-1**" referred to in the Affidavit of **MARK E. MUNNINGS** sworn to the 6th day of June, A.D., 2022.

DATED the 6th day of June, A.D., 2022.



NOTARY PUBLIC

**IN THE SUPREME COURT OF THE BAHAMAS
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CAUSE NO. COM/bnk/00077 OF 2019

IN THE MATTER OF THE COMPANIES ACT, 1992, CH. 308

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SUPERVISION ORDER

BEFORE the Honourable Mr. Justice Ian Winder, Judge of the Supreme Court,
in Chambers.

UPON HEARING Mrs. Simone Morgan-Gomez, Mrs. Courtney Pearce-Hanna
and Ms. Philisea Bethel Counsel for Mr. Edmund Rahming of INTELISYS, 2 Caves
Professional Center, Caves Village, West Bay Street & Blake Road, Nassau, The Bahamas
("Voluntary Liquidator") upon his petition for an order that the liquidation of Pacifico
Global Advisors Ltd. ("the Company") continue under the supervision of the Court and
Messrs. Gawaine Ward and Gladstone Brown of the Securities Commission of The
Bahamas.

AND UPON READING the following documents: Winding Up Petition dated 23rd
October 2019 and filed herein on 24th October 2019; Summons for Directions dated 23rd
October 2019 and filed herein on 4th October 2019; First Affidavit of Edmund Rahming:
in Support of Winding Up Petition sworn 23rd October 2019 and filed herein on 24th
October 2019; Second Affidavit of Edmund Rahming: Regarding Acceptance of

Appointment as Official Liquidator sworn 23rd October 2019 and filed herein on 24th October 2019 and Certificate of Urgency dated 24th October 2019 and filed herein on 25th October 2019.

AND UPON THE COURT BEING SATISFIED that the Voluntary Liquidator is a qualified insolvency practitioner.

IT IS HEREBY ORDERED THAT:

1. The liquidation of the Company be continued under the supervision of the Court.
2. The commencement date of the liquidation herein is 2nd October 2019.
3. Mr. Edmund Rahming, Chartered Accountant and Managing Director in the accountancy and asset recovery services company of Intelisys Ltd., situate at 2 Caves Professional Center, Caves Village, West Bay Street & Blake Road, Nassau, The Bahamas be appointed as the Official Liquidator of the Company.
4. The company INTELISYS of 2 Caves Professional Center, Caves Village, West Bay Street & Blake Road, Nassau, The Bahamas be appointed to provide back office support services to the Company.
5. The law firm of Callenders & Co. of No.1 Millars Court, Nassau, The Bahamas be appointed to provide which will provide general counsel legal services.
6. All costs incurred by Mr. Rahming and his advisors to date shall be costs in the liquidation.

7. The Official Liquidator of the Company has liberty to apply.

DATED the 28th day of October, A.D., 2019.

FILED the 8th day of November, A.D., 2019.

BY ORDER OF THE COURT

REGISTRAR

This Order was filed by **CALLENDERS & CO.**, of No. 1 Millars Court, Nassau, N.P.
Attorneys for the Official Liquidator.

**IN THE SUPREME COURT OF THE
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COMMERCIAL DIVISION


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CALLENDERS & CO.
Chambers
One Millars Court
Nassau, N.P., The Bahamas

Attorneys for the Official Liquidator

SAM-G/PB/25078.0001

IN THE SUPREME COURT OF THE BAHAMAS
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Handwritten signature and date: 28 July 21

ORDER

BEFORE HIS LORDSHIP, the Honourable Mr. Justice Ian Winder, Justice of The Supreme Court of the Commonwealth of The Bahamas, in Chambers, Supreme Court, Ansbacher Building Bank Lane, in the City of Nassau, The Bahamas.

DATED THIS 21st day of July, A.D., 2021.

UPON APPLICATION by Summons filed the 19 July, 2021 ("**the Summons**") by the Securities Commission of The Bahamas ("**the Commission**"), asking the court to appoint Mr. Mark Munnings and Ms. Tiphane Russell, both of Deloitte & Touche Bahamas, as the Successor Joint Official Liquidators ("**the JOLs**") of Pacifico Global Advisors Ltd. (In Liquidation) ("**PGA**") to continue the liquidation and fill the vacancy left by the resignation of Official Liquidator, Mr. Edmund Rahming ("**OL**"), such resignation being effective as of 11:59 p.m. on the 30 July, 2021;

AND UPON READING the Affidavit of the Commission in support of the Summons, duly filed on the 19 July 2021 and the Affidavits of Mark Munnings and Tiphane Russell, consenting to act as the JOLs, filed herein on 19 July 2021;

AND UPON READING the Eighteenth Affidavit of the OL, Mr. Edmund Rahming, filed herein on 21 July 2021, in support of the appointment of Mark Munnings and Tiphane Russell as the JOLs and as his successors;

AND UPON THE COURT BEING SATISFIED THAT Mark Munnings and Tiphane Russell are both qualified insolvency practitioners;

UPON HEARING Mr. Gawaine Ward and Miss Aramantha Hepburn for the Commission, Mrs. Simone Morgan-Gomez and Miss. Philisea Bethel for the OL and Mrs. Gail Lockhart-Charles for the PGA Liquidation Committee.

IT IS HEREBY ORDERED THAT:

1. Mr. Mark Munnings and Ms. Tiphaney Russell, both of Deloitte & Touche Bahamas, located at 2nd Terrace West, Centreville, Nassau, The Bahamas, be appointed as the Joint Official Liquidators of PGA, jointly and severally, as of the 31st July 2021.
2. The firm of Deloitte & Touche Bahamas, situate at 2nd Terrace West, Centreville, Nassau, The Bahamas be appointed to provide back office support services to the JOLs and PGA.
3. The transfer of assets and responsibilities from the OL and his team (includes Intelisys Ltd. and Callenders & Co.) ("**the OL Team**") to the JOLs and their team will take place as follows, after a filed copy of this order concerning appointment of the JOLs is provided to the OL:
 - a. Transfer of Trust assets: The OL Team will provide each sub custodian with a letter notice and this court order concerning appointment of the JOLs. The OL will add the JOLs as signatories. All key fobs will be provided to the JOLs. The OL will remain on the accounts, no later than the 11:59 p.m. on 30th July 2021.
 - b. Transfer of Proprietary Assets – The OL Team will provide each bank with a letter notice and this court order concerning appointment of the JOLs. The OL will add the JOLs as signatories. All key fobs will be provided to the JOLs. The OL will remain on the accounts, no later than the 11:59 p.m. on 30th July 2021.
 - c. Transfer of Assets – Storage: The OL Team will provide the JOLs with the keys no later than the 11:59 p.m. on 30th July 2021.

- d. Transfer of Information – The OL will create an e-room and transfer all relevant documents to the e-room. The OL will also instruct Southworth Consultants to remove the OL's access to PGA's shared drive and the Atrium Finamic system and to provide the JOLs with access to PGA's shared drive and the Atrium Finamic system.
 - e. Transfer of the OL's Working Files: The JOLs will be provided with access to the OL's working files once there is a court order granting the OL Team payment for fees associated with the time spent creating the OL's working files.
 - f. Transfer of Knowledge: The JOLS will use their sole discretion to decide whether they want to communicate with the OL after the 30th July 2021 regarding any questions they may have concerning PGA. The OL has the discretion to decide whether he is available to assist. The court approved hourly rates will be used by the OL Team when billing the liquidation for the time spent on PGA matters subsequent to 30th July 2021.
- 4. The Commission, OL and JOLs have liberty to apply.
 - 5. The costs of this application shall be costs in the liquidation.

DATED the 21st day of July, A.D., 2021.

FILED the day of July, A.D., 2021.

BY ORDER OF THE COURT

REGISTRAR

This Order was filed by The Securities Commission of The Bahamas, located 2nd Floor, Poinciana House, North Building, 31A East Bay Street, Nassau, The Bahamas.

Regulator for Pacifico Global Advisors Ltd.

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ORDER

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**SECURITIES COMMISSION OF THE BAHAMAS
2nd Floor, Poinciana House
North Building, 31A East Bay Street
Nassau, N.P., The Bahamas**

Regulator for Pacifico Global Advisors Ltd.

IN THE SUPREME COURT OF THE BAHAMAS

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**SEVENTH AFFIDAVIT
OF
MARK E. MUNNINGS**

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CALLENDERS & CO.

Chambers
One Millars Court
Nassau, N.P., The Bahamas

Attorneys for the Joint Official Liquidators

SAM-G/PB/25078.0001

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