

(In Official Liquidation)

6 October 2020

Update to Creditors and Clients of Pacifico Global Advisors Ltd. (In Official Liquidation)

Objective

The purpose of this memorandum is to provide a further update to creditors and clients of Pacifico Global Advisors Ltd. (in Official Liquidation) (the “Company”).

Events related to the February 26, 2020 Trust Application (“Summons”)

The following describes the events related to the above referenced application:

1. On 26 February 2020, the Official Liquidator filed a Summons for a hearing before Justice Winder seeking court sanction to deduct or cause to be deducted from the trust assets being held by the Company for its clients and others (“**Trust Assets**”) such costs in the liquidation that are solely attributable to the identification, realization, preservation, protection, recovery, distribution and administration of those Trust Assets (“**Trust Costs**”). In addition, the Official Liquidator sought sanction to deduct or cause to be deducted from the Trust Assets the balance of the liquidation costs that are not solely attributable to the Trust Assets (“**General Liquidation Costs**”) since the Trust Assets constitute approximately 99.6% of the Company’s estate and the General Liquidation Costs maintain the liquidation process thereby enabling the Official Liquidator to attend to the Trust Assets. The matter was scheduled to be heard on 22 May 2020.
2. On 22 May 2020, J. Winder recused himself from the matter on the basis that Davis & Co., counsel for the Receiver of the Sub Funds, was involved in the matter. The matter was referred to J. McKay and rescheduled to be heard for 2 June 2020.
3. On 26 May 2020, the Official Liquidator filed a Summons reframing the subject matter of the pending hearing before J. McKay so that it reflected the limitations of the transfer to J. McKay, as set by J. Winder, i.e. the pending hearing was limited in scope to the matters related to Davis & Co.’s representation of its client. Since Davis & Co.’s client was the Receiver of the Sub Funds, the summons was limited to the Sub Fund Trust Assets. The Summons sought sanction to deduct or cause to be deducted from Sub Fund Trust Assets the following: the Sub Fund Trust Costs (i.e. trust costs solely attributable to the identification, realization, preservation, protection, recovery, distribution and administration of the Sub Funds) and 90% of the balance of the General Liquidation Costs, which are beneficial to the Sub Fund Trust Assets, but not solely attributable to the Sub Fund Trust Assets.
4. On 2 June 2020, a case management hearing was held before J. McKay regarding the reframed Summons and the substantive hearing was scheduled for 9 June 2020.

5. On 9 June 2020, the matter was heard before J. McKay. Counsel for the Official Liquidator, Liquidation Committee, Receiver, Deltec Fund Services, Deltec Fund Directors Ltd. and Deltec Fund Governors Ltd. were all heard on the matter.
6. On 17 September 2020 J. McKay advised the parties of her ruling which is summarized below:
 - The Trust application based on the Summons is not a sanction application
 - All parties have a right to be heard in the application
 - The Summons is dismissed
 - The Sub Fund assets in receivership are not Trust assets in the liquidation and therefore the assets shall be released to Deltec
 - The Official Liquidator shall bear the costs of and incidental to the proceedings of the Receiver, Deltec, and the Liquidation Committee (limited to one-third of its costs)
7. Since the ruling we have updated the records related to the assets at the Company of the ten remaining Sub Funds in receivership as at September 30, 2020.
8. The table below summarizes the Sub Fund receivership asset holdings as of 30 September 2020:

No.	Sub Fund Name	31 October 2019		30 September 2020	
		Estimated Total MV	Cash Balance (USD)	Estimated Total MV	Cash Balance (USD)
1	Alfa Pacifico Sub Fund Lyford Diversified Global Fund	9,885,371.90	7,429,512.54	10,184,917.12	8,044,912.99
2	Pacifico Global Opportunities DE Sub Fund	5,607,476.90	897,229.05	5,885,538.29	1,692,500.19
3	LAM Sub Fund	2,877,031.62	1,629,686.75	2,991,801.65	1,907,479.86
4	ALM Sub Fund	12,368,573.86	431,623.70	12,942,586.79	(386,266.68)
5	BASUR Sub Fund	3,775,474.68	1,583,267.64	3,972,618.25	1,713,197.17
6	Pacifico Global Opportunities KR Sub Fund	48,519.86	48,519.86	48,732.01	48,732.01
7	SATURR Sub Fund	1,548,545.16	1,548,545.16	1,586,598.56	1,586,598.56
8	Pacifico Global Opportunities CM Sub Fund	2,792,358.13	2,137,323.63	3,028,936.10	2,373,304.91
9	Global Opportunities Sub Fund EUR LU	1,085,491.18	1,085,491.18	1,142,166.28	1,142,166.28
10	Pacifico Global Opportunities GT Sub Fund	12,632,243.88	9,535,067.05	13,752,136.24	10,638,439.27
	Total	52,621,087.19	25,463,019.16	55,536,031.28	28,761,064.55

9. You will note that from the month of appointment, October 2019, to 30 September 2020, the overall market value of the holdings increased by \$2,914,944.09 or 6% and the cash balance increased by \$3,298,045.39 or 13%. Given the state of the Company records at the time of appointment, the Liquidator and his team undertook significant work at the outset of the Liquidation identifying, adjusting, and realizing the assets to allow for the proper allocation of the Sub Fund and Non-Sub Fund assets to the underlying clients and investors and for an accurate future distribution.
10. Total Company fees of approximately \$1,950,251.90 have been agreed with the Receiver as an amount to be held back awaiting his final review and approval. These fees include Company investment management fees, custody fees, safekeeping fees, and other Company fees. The total net negative balance of \$368,266.68 related to the ALM Sub Fund has been deducted from the transfer balance.
11. Between 1 October 2020 and 6 October 2020, we have issued instructions for the transfer to Deltec of USD\$26,774,966.73 of structured securities related to the Sub Funds in receivership and USD\$26,442,545.97 of cash related to the Sub Funds in receivership. Transfer instructions covering a total of USD\$53,217,512.70 in assets have now been issued related to the Sub Fund receivership assets. This represents all the assets for the Sub Funds in receivership held in the liquidation estate.
12. All clients and investors with holdings in the ten Sub Funds in receivership listed in the table above should contact the Receiver or Deltec for information regarding their holdings and future distribution.
13. The Official Liquidator will issue his second report during the month of October. The report will provide information on the liquidation activities since the first report and next steps in the liquidation.

If you have any queries or require any additional information, please either contact myself or Robyn Curtis at rcurtis@intelisysltd.com or direct telephone +1 (242) 327 4003/1.

Yours sincerely,



Edmund L. Rahming
Official Liquidator