

**Banco Privado Portugues
(Cayman) Limited (In Official
Liquidation)**
*Twenty Third Report of the
Joint Official Liquidators*

31 August 2021

CAUSE NO. FSD: 166 OF 2010 (RPJ)

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1. Basis of Preparation and Disclaimer

1.1. Basis of Preparation

This report has been prepared solely for the purpose of providing a report of the Joint Official Liquidators (“JOLs”) of Banco Privado Portugues (Cayman) Limited (“the Company” or “BPP Cayman”) to the Grand Court of the Cayman Islands (“the Grand Court”) and the creditors of the Company.

1.2. Disclaimer

This report is strictly confidential and must not be provided to or made available, by any means, to any person other than the intended recipients, the Grand Court and the Company’s creditors. This report should not be copied or disclosed to any third party or otherwise be quoted or referred to, in whole or in part, without the prior written consent of the JOLs. In the event that this report is obtained by a third party or used for any purpose other than in accordance with its statutory purpose, any such party relying on the report does so entirely at their own risk and shall have no right of recourse against the JOLs, PricewaterhouseCoopers (“PwC”), PwC Corporate Finance & Recovery (Cayman) Limited (“PwC Cayman”), PricewaterhouseCoopers Portugal (“PwC Portugal”), their partners, directors, employees, professional advisors or agents. None of the JOLs, PwC, PwC Cayman, PwC Portugal, their partners, directors, employees, professional advisors or agents accept any liability or assume any duty of care to any third party (whether it is an assignee or successor of another third party or otherwise) in respect of this report and any such party who receives a copy of this report whether from PwC, or any other source shall have no right of recourse against PwC, its partners, directors, employees, professional advisors or agents.

The JOLs must stress that in preparing this report they have relied upon information provided to them by the Company, its directors, its service providers and its parent company Banco Privado Portugues SA (“BPP SA”). The JOLs have not performed an audit examination on this information. Except where specifically stated, the JOLs have been unable to establish the reliability of the sources of information presented to them by reference to independent evidence.

2. Introduction

2.1. Introduction

This is the JOLs' Twenty Third Report to the Grand Court and the creditors of the Company and should be read in conjunction with the Previous Reports.

2.2. Purpose of the JOLs' Twenty Third Report

This report has been prepared in order to provide an update on the progress and conduct of the liquidation since the date of the last report.

2.3. Summary of actions taken since March 2021

Below is a summary of the main work-streams undertaken by the JOLs and their staff during the period 1 March 2021 to 31 August 2021.

1. Evaluated claims and collected / reviewed KYC and AML information for claimants totalling €1.48m. Instructing trust cash, first and second interim distribution payments to unsecured creditors totalling c. €485k;
2. Progressing enforcement actions against outstanding debtors with a value of c. €11.8m;
3. Progressed debt recovery actions for outstanding debts with a value of c. €31m; and
4. Ongoing dialogue and correspondence with creditors, providing general updates and responding to claim specific queries.

3. Update on Progress of Liquidation

During the six month period from 1 March 2021 to 31 August 2021, the main focus of the JOLs' actions have been in relation to the collation of due diligence documentation under the new anti-money laundering regulations in Cayman, in order to instruct payments; and asset recoveries for the Company's liquidation estate.

3.1. First and Second Interim Distribution

As previously advised in the JOLs' Sixteenth Report, the JOLs determined an amount available for distribution of c. €30m, inclusive of Trust Monies and amounts provisioned for, representing 12.67% of the value of all known unsecured creditor claims.

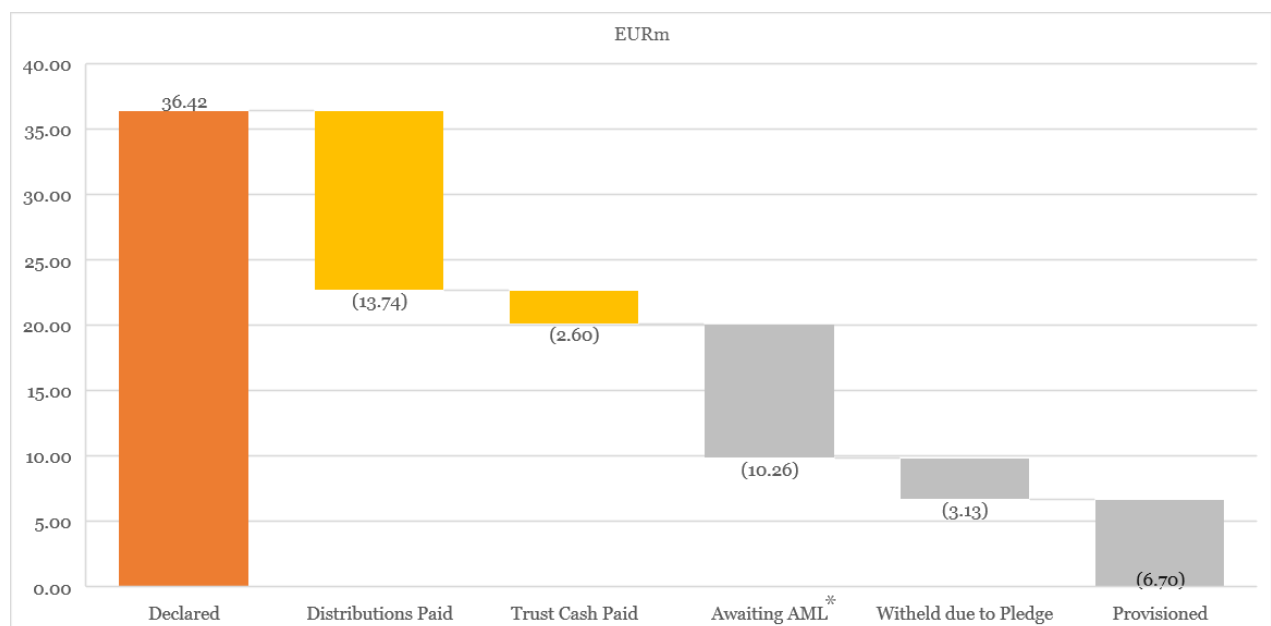
On 30 April 2020 the JOLs declared a second distribution in the amount of €6,420,600, representing 3.11%.

As a result of updated regulations in the Cayman Islands, the JOLs have been required to collate updated and additional documentation from all creditors, please refer to Appendix 1 for details of the documentation required.

In the 6 months to 31 August 2021, the JOLs have distributed a further €312k of monies to unsecured depositors, and €173k of pledged monies to BPP SA. The table below outlines the monies distributed to date.

The JOLs are awaiting AML documentation in relation to c. €10.4m of distributable funds, this is as a result of requiring updated and additional AML documentation from all creditors. The JOLs are unable to instruct payment without submission of all required AML documentation, for further details please refer to Appendices 1 and 2.

Table 1: First and Second Interim Distribution Payments as at 31 August 2021



*Distribution and Trust Cash monies awaiting AML documents

3.2. Trust Monies

Of the c. €36.4m available for distribution, c. €3.8m relates to Trust Monies due back to certain depositors, with an additional €2.5m due and paid to SIV noteholders. As at 31 August 2021, Trust Monies of c. €2.6m has been returned to depositors representing approximately 68% of Trust Monies held on account.

3.3. Provisioned Claims

3.3.1. Pledged or Assigned

There is c. €3.3m of distributable funds which are subject to either a pledge against debts owed to BPP SA, or which have been assigned to a party who have an outstanding debt with BPP SA.

In the 6 months to 31 August 2021, the JOLs have transferred €0.2m of pledged monies to BPP SA, in addition to segregated monies relating to one pledged position.

The JOLs have reached an agreement with BPP SA and the relevant creditors with regards to a process for the remaining monies.

3.3.2. Validity of Claims Being Determined

The JOLs have received claims valued in the total amount of c. €44.9m, the validity of which have not yet been determined. Given uncertainties with respect to the validity of those claims, the JOLs have requested further information and/or documentation in support of those claims, and as such, a provision in the amount of c. €6.7m has been set aside in relation to those potential claims submitted but not yet adjudicated. The JOLs have been in discussions with the relevant creditors to obtain further supporting documentation in relation to their claims. The JOLs are currently in the process of concluding their adjudication in relation to these claims and expect to have finalised their position during the next year.

3.4. Other Assets Available for Distribution

As advised in Previous Reports, other assets held in the custody of either the BPP Cayman or BPP SA and segregated from both liquidation estates are available for distribution to certain depositors. The origin of these other assets available for distribution are summarised below.

3.4.1. Client Monies

As detailed in Previous Reports, Client Monies are currently being held in BPP SA's custody on behalf of certain depositors, and are segregated from both BPP Cayman's and BPP SA's liquidation estates.

The JOLs will continue to seek agreements with depositors with respect to the split of Client Monies held by BPP SA on terms substantially the same as those sanctioned by the 14 May 2014 Grand Court Order. Any Client Monies received post 9 July 2010 and held in BPP SA's custody is available for immediate transfer, following settlement of any outstanding debts owed by the depositor, if applicable.

In circumstances where Client Monies are held on behalf of depositors, details of the pre and post 9 July 2010 cash positions are set out in the JOLs' claim admittance and/or rejection notification letters previously circulated.

4. Asset Recoveries

Since the previous Report, the JOLs have made further progress with regards to realisations from the Company's major debtors.

4.1.1. Debt Recoveries

The JOLs have obtained original loan and security documentation for numerous outstanding debts, totalling €11.8m so far, and have begun enforcement proceedings accordingly. Enforcement proceedings are expected to take several months before the resulting realisations form part of the Company's liquidation. However, once realised, the JOLs expect to instruct a further distribution to unsecured depositors.

The JOLs have continued to investigate the prospects of realisations relating to c. €31m of outstanding debts, and the JOLs have filed proceedings to safeguard €16m of such debt. The JOLs are continuing investigations into the remaining €15m.

In the 6 months to 31 August 2021, the JOLs received the final repayment from a significant debtor which resulted in €2.8m of proceeds into the estate.

4.2. Financial Position as at 31 August 2021

The Receipts and Payments set out in Table 1 below provides a summary of the JOLs' asset realisations and payments since the commencement of the Controllership on 27 May 2010 to 31 August 2021.

Table 1: Receipts and Payments 4 June 2010 to 31 August 2021

EUR Account Summary	Pledged	Unpledged
Receipts		
Voluntary contribution to JOLs for t/f of custody assets	-	223,825
Customer Settlement Proceeds		413,968
SIV Settlement Proceeds		5,000,958
Settlement Agreement - Trust Monies (40% Pledged Debt Collections)		7,857,826
Settlement Agreement - FEI Monies		25,417,766
Settlement Agreement - 60% Pledged Debt Collections		2,767,015
Realisation from Investments		-
Loan/Debt Repayments		7,248,050
PIHY 36 Swap Proceeds due to Elle Ventures	320,873	-
Cash available at the date of appointment		926,385
Management Fees (FEI)		142,027
Total Cash Receipts (EUR)	320,873	49,997,819
Payments		
Controllership fees - PwC Cayman		(87,717)
Controllership fees - PwC Portugal		(46,777)
Controllership fees - Maples & Calder		(8,227)
Transfers to USD account		(1,705,757)
Maples & Calder		(789,553)
PwC Cayman Fees		(3,412,260)
PwC Portugal Fees		(1,181,000)
AAA		(661,888)
JBL*		(234,028)
RBMS		(2,230)
Jean Francois Bouchoms		(6,178)
Law Square		(15,958)
Squire Patton Boggs		(1,250)
Statutory Advertising		(1,026)
PwC Cayman Disbursements		(51,776)
PwC Portugal Disbursements		(39,472)
Payment to service providers		(60,535)
Distributions to Depositors		(17,138,909)
Bank Charges		(790,306)
Total Payments	-	(26,234,847)
Balance as at 31 August 2021	320,873	23,762,972

USD Account Summary	Pledged	Unpledged
Receipts		
Voluntary contribution to JOLs for t/f of custody assets		6,841
Transfers from EUR account		2,000,000
SIV Settlement Proceeds		194,149
Realisation from Investments		1,220,690
Settlement Agreement		1,259,751
Loan/Debt Repayments		312,420
Cash available at the date of appointment		-
Total Cash Receipts (USD)		4,993,852
Payments		
Controllership fees - PwC Cayman		
Controllership fees - PwC Portugal		
Controllership fees - Maples & Calder		
Maples & Calder		(933,989)
PwC Cayman Fees		(1,689,258)
PwC Cayman Disbursements		(9,874)
PwC Brazil Fees		(2,105)
Statutory Advertising/Website		(9,327)
Law Square		(2,451)
Registrar of Companies		(41,098)
Payment to service providers		(25,772)
Bank Charges		(8,233)
Duarte Forssell		(18,880)
Kellner Herlihy Getty & Friedman		(66,702)
Conyers Dill & Pearman		(9,766)
Total Payments		(2,817,455)
Balance as at 31 August 2021		2,176,398

5. JOLs' Fees and Expenses

5.1. Fees and Expenses Incurred During the Period 1 March 2021 to 31 August 2021

The JOLs incurred time costs during the period 1 March 2021 to 31 August 2021 totalling US\$287,204. The summary of the fees incurred by PwC Cayman are summarised in the tables below. Attached as Appendix 3, is a summary of the time spent, the tasks completed and the prescribed hourly rates of the JOLs and their staff. The time incurred by the JOLs during the period will be the subject of the JOLs' fee application scheduled to be filed with the Grand Court at the next available hearing.

The JOLs will also seek approval of the fees incurred during the period from the Liquidation Committee in advance of their Grand Court application.

Table 3: PwC Cayman's Fees

Banco Privado Portugues (Cayman) Ltd. (In Official Liquidation)
PwC Corporate Finance & Recovery (Cayman) Limited
Detailed Time Analysis for the period 1 March 2021 to 31 August 2021

BPP Category		Total	
		Hours	Cost US \$
1	Appointment of JOLs, job acceptance, administration and billing	30.0	18,503.0
2	Statutory requirements - Inc statutory filings and website	103.6	52,157.0
3	Statutory requirements - Inc creditors meeting, review of claims, minutes and preparing reports	13.1	6,639.0
4	Strategy, asset realisation & Legal analysis & support	91.5	61,570.0
5	Communication - creditors and investors	1.3	780.0
6	Communication - BPP SA	-	-
7	Communication - Directors	-	-
8	Communication - Custodians	-	-
9	Communication - Other parties (BANIF,BoP)	-	-
10	Liquidation committee correspondence, meetings and reporting	10.9	7,140.0
11	Realisation of custody assets	20.1	12,771.0
12	Investigation	69.5	46,404.0
13	Cash Management	-	-
14	Translations and review of translations	-	-
15	Interim distribution, anti-money laundering reviews, payment instructions	162.0	81,240.0
	Grand Total	502.0	287,204

The JOLs incurred disbursements of US\$76.468 in the period 1 March 2021 to 31 August 2021.

6. Next Steps

The JOLs will continue to focus on the key actions required to ensure the orderly winding up of the Company. In particular, the principal areas of focus will remain:

- Continue with payment of the first and second interim dividend to unsecured creditors (subject to satisfactory completion of AML and other requisite due diligence procedures, and receipt of fully executed FATC/CRS Self-Certification forms);
- Recovery of loan book assets and collection in of Proprietary Portfolio assets;
- Adjudication of provisioned unsecured claims; and
- Declare and pay a further interim and/or final distribution when practical to do so.

Reports and circulars previously issued by the JOLs may be found on BPP Cayman's website at the following address: <http://www.bancoprivadoportuguescaymanltd.com/index.html>

Signed on behalf of the Joint Official Liquidators of
Banco Privado Portugues (Cayman) Limited

Simon Conway
Joint Official Liquidator
Banco Privado Portugues (Cayman) Limited

7. Glossary of Terms and Abbreviations

Terms used in this report are the same as those used in the First Report through Fifteenth Report.

Term	Definition
the Company or BPP Cayman	Banco Privado Portugues (Cayman) Limited (in Liquidation), a Cayman Islands registered company which formerly held a Class B Banking license issued by CIMA in 1997
BPP SA	Banco Privado Portugues, S.A., a Portuguese private bank which was placed into liquidation on 16 April 2010 and is the immediate parent of the Company
Client Monies	Proceeds from coupon payments, amortizations and maturities of certain custody assets received after the commencement of BPP Cayman's liquidation on 9 July 2010 and held on behalf of BPP Cayman's depositors
Companies Law	The Cayman Islands Companies Law (2018 Revision)
Grand Court	The Grand Court of the Cayman Islands
the JOLs	Mr. Simon Conway of PwC Cayman appointed Joint Official Liquidator of the Company by order of the Grand Court dated 20 November 2014, and Mr. Jess Shakespeare of PwC Cayman appointed Joint Official Liquidator of the Company by order of the Grand Court dated 13 July 2016
Previous Reports	The JOLs' previous Reports One through Seventeen to the Grand Court and creditors of the Company
Proprietary Portfolio	Third party investment assets owned by BPP Cayman; namely, shares held in Silver Creek Low Vol Strategies II, Ltd., Belmont RX SPC FI (In Voluntary Liquidation), and Belmont Asset Based Lending Ltd. (In Official Liquidation)
Segregated Monies	Cash under the control and custody of BPP SA in an account segregated from its insolvency estate generated as a result of dividend payments from, or the maturity of, SIV investment assets during the period 16 April 2010 and 9 July 2010 that can be split between the note holders of the SIV that generated the liquidity and BPP Cayman's liquidation estate
Settlement Agreement	Settlement Agreement between BPP Cayman, BPP SA and the Portuguese Republic entered into on 12 December 2016
the SIVs	Special investment vehicles; corporate entities established by the BPP Group to act as offshore holding companies for customer investments
Trust Monies	Proportion of loan collections received into BPP Cayman's liquidation estate pursuant to the terms of the Settlement Agreement and held in trust, on behalf of depositors in circumstances where a creditor's deposit claim in the liquidation exceeds the proportion of that depositor's loan repayment allocated to BPP Cayman's liquidation estate as a result of the disparity between Cayman Islands Law and Portuguese Law with respect to creditors' statutory right to set-off mutual dealings in the liquidation.

Appendix 1 – Anti-Money Laundering/KYC Document Guidance

Individuals	
1	Certified copy of passport or driving license
2	Certified utility bill from the last 6 months
3	Wire payment instructions
4	Completed 'Individual Self-Certification' FATCA form (attached)

Companies	
1	Confirmation of registered office and address of principle place of business
2	Certified certificate of incorporation
3	Wire payment instructions
4	Certified authorised signatory list
5	Completed 'Entity Self-Certification' FATCA and CRS form (attached)
6	Certified register of directors <i>For the principal director:</i> Certified passport or driving license Certified utility bill from the last 6 months
7	Certified shareholder register <i>For each individual shareholder with a 10% or greater holding:</i> Copy of passport or driving license Proof of address e.g. utility bill from the last 6 months Completed 'Individual Self-Certification' FATCA form (attached) <i>For each company shareholder with a 10% or greater holding:</i> Certificate of incorporation Shareholder register Completed 'Entity Self-Certification' FATCA form (attached)

Appendix 2 – Entity and Individual FATCA/CRS Self-Certification Forms

[CERTIFICATION FORMS ATTACHED SEPARATELY]

Appendix 3 - Summary of Fees Incurred by the JOLs during the for the period 1 March 2021 to 31 August 2021

Banco Privado Portugues (Cayman) Ltd. (In Official Liquidation)
PwC Corporate Finance & Recovery (Cayman) Limited
Detailed Time Analysis for the period 1 March 2021 to 31 August 2021

BPP Category		Partner			Director			Senior Manager		
		Hours	Rate	Total US\$	Hours	Rate	Total US\$	Hours	Rate	Total US\$
1	Appointment of JOLs, job acceptance, administration and billing	10.6	850	9,010.0	-	710	-	13.9	600	8,340.0
2	Statutory requirements - Inc statutory filings and website	0.8	850	680.0	0.6	710	426.0	74.7	600	44,820.0
3	Statutory requirements - Inc creditors meeting, review of claims, minutes and preparing reports	1.2	850	1,020.0	-	710	-	8	600	4,800.0
4	Strategy, asset realisation & Legal analysis & support	33.7	850	28,645.0	-	710	-	53.3	600	31,980.0
5	Communication - creditors and investors	0	850	-	-	710	-	1.3	600	780.0
6	Communication - BPP SA	-	850	-	-	710	-	0	600	-
7	Communication - Directors	-	850	-	-	710	-	-	600	-
8	Communication - Custodians	-	850	-	-	710	-	-	600	-
9	Communication - Other parties (BANIF,BoP)	-	850	-	-	710	-	-	600	-
10	Liquidation committee correspondence, meetings and reporting	2.40	850	2,040.0	-	710	-	8.5	600	5,100.0
11	Realisation of custody assets	3	850	2,550.0	-	710	-	17	600	10,200.0
12	Investigation	18.9	850	16,065.0	-	710	-	50.4	600	30,240.0
13	Cash Management	-	850	-	-	710	-	-	600	-
14	Translations and review of translations	-	850	-	-	710	-	-	600	-
15	Interim distribution, anti-money laundering reviews, payment instructions	9.2	850	7,820.0	-	710	-	106	600	63,600.0
	Grand Total	79.8		67,830	0.6		426	333.1		199,860

Banco Privado Portugues (Cayman) Ltd. (In Official Liquidation)
PwC Corporate Finance & Recovery (Cayman) Limited
Detailed Time Analysis for the period 1 March 2021 to 31 August 2021

BPP Category		Manager			Associate			Administrator		
		Hours	Rate	Total US\$	Hours	Rate	Total US\$	Hours	Rate	Total US\$
1	Appointment of JOLs, job acceptance, administration and billing	-	495	-	5.4	210	1,134.0	0.1	190	19.0
2	Statutory requirements - Inc statutory filings and website	1.6	495	792.0	25.9	210	5,439.0	-	190	-
3	Statutory requirements - Inc creditors meeting, review of claims, minutes and preparing reports	-	495	-	3.9	210	819.0	-	190	-
4	Strategy, asset realisation & Legal analysis & support	-	495	-	4.5	210	945.0	-	190	-
5	Communication - creditors and investors	-	495	-	-	210	-	-	190	-
6	Communication - BPP SA	-	495	-	-	210	-	-	190	-
7	Communication - Directors	-	495	-	-	210	-	-	190	-
8	Communication - Custodians	-	495	-	-	210	-	-	190	-
9	Communication - Other parties (BANIF,BoP)	-	495	-	-	210	-	-	190	-
10	Liquidation committee correspondence, meetings and reporting	-	495	-	-	210	-	-	190	-
11	Realisation of custody assets	-	495	-	0.1	210	21.0	-	190	-
12	Investigation	0.2	495	99.0	-	210	-	-	190	-
13	Cash Management	-	495	-	-	210	-	-	190	-
14	Translations and review of translations	-	495	-	-	210	-	-	190	-
15	Interim distribution, anti-money laundering reviews, payment instructions	-	495	-	46.4	210	9,744.0	0.4	190	76.0
	Grand Total	1.8		891	86.2		18,102	1		95