

**Banco Privado Portugues (Cayman) Ltd. (In Official Liquidation) (“the Company” or
“BPP Cayman”)**

PRIVILEGED AND CONFIDENTIAL

MINUTES OF THE 24TH JANUARY 2024 ANNUAL GENERAL MEETING

PRESENT

PwC:	Representing:
Simon Conway (“SC”)	PwC Cayman and the JOLs
Ruth Simpson (“RS”)	PwC Cayman and the JOLs
Saba Mir	PwC Cayman and the JOLs
Rajiv Jaggernath	PwC Cayman and the JOLs
Various Creditors	21 creditors in total

The meeting was convened via teleconference at 10:00am (Cayman Time), 3:00pm (Portuguese Time).

Mr. Simon Conway took the Chair of the meeting (the “**Chairman**”).

QUORUM

The Chairman acknowledged that all expected attendees were present on the line, and the meeting was quorate.

Introduction

The Chairman welcomed everyone to the meeting and thanked them for their attendance.

The Chairman advised that the main purpose of the call was to provide an update on the status of the liquidation over the previous 12 months, referencing the Joint Official Liquidators’ (“JOLs”) Twenty Seventh Report covering the twelve-month period from 1 September 2022 to 31 August 2023.

SC confirmed that the key agenda items were asset realisations; investigations; declared distributions; and unclaimed distributions.

1. Asset Realisations

- 1.1 SC advised that a large focus for the last 12 months has been on collecting in outstanding debts owed to the Company.
- 1.2 SC confirmed that the JOLs’ Portuguese legal counsel has made good progress in this regard and the estate has recovered c. €2.8m over the last 12 months in debt repayments.
- 1.3 SC further noted that the JOLs have continued enforcement proceedings against numerous smaller debtors in Portugal, totaling approximately €7m of outstanding debts. The JOLs expect recoveries with regards to the same over the course of the next 1 to 2 years, any such recoveries will be subject to a split with the Portuguese State in accordance with the terms of the settlement agreement.

2. Investigations

- 2.1 The liquidators have progressed their investigations with regards to the c. €6.9m of monies which have been provisioned regarding claims arising from related parties.
- 2.2 SC confirmed that in the most recent Third Distribution, a further €850k has been provisioned, which brought the total amount provisioned to c.€6.9m (net of a rejection of a transferred claim with a distributable amount of c.\$0.8m).
- 2.3 SC confirmed that the bulk of this provision relates to one significant related party, Privado Geste.
- 2.4 SC advised that through the JOLs' investigations, they were able to identify that the majority of the €33m claim comprised of proceeds from inter group commissions that seem to have been improperly diverted away from BPP Cayman.
- 2.5 The JOLs understand that an investment structure had been established, which was successful in its investments. However, there was an attempt to divert commissions that were due to BPP Cayman via a new contract finalized shortly before the insolvency of the group.
- 2.6 The JOLs have regularly consulted with the LC regarding the Privado Geste investigations, and both the JOLs and LC believe that there are merits in pursuing this further, given it has not been possible to negotiate a satisfactory settlement to date.
- 2.7 SC noted that if the JOLs are successful in defeating this claim, then the provision will be released and would become available for distribution. In the case of a partial settlement, the respective proportion of provisioned monies would be released and made available for distribution.

3. Interim Distribution Payments

- 3.1 The JOLs declared a third interim distribution of 2.2% on 7th November 2023. The total amount being distributed to creditors in relation to this dividend is €4.5m. This brings the total distributions declared to c. 18%. A distribution summary was presented to the meeting.
- 3.2 SC noted that if the action against Privado Geste is successful, then the overall amount distributed across the duration of the liquidation could be approximately 25%. This is higher than the JOLs' initial estimate of c. 20% at the time of the settlement with the Portuguese State.
- 3.3 SC advised that since the declaration of the third interim distribution in November, c. €883k has been paid to creditors.
- 3.4 SC noted that there is a significant amount of work involved in reviewing the anti-money laundering documentation, particularly under the updated anti-money laundering requirements in Cayman and therefore there may be some delay between reviewing the documentation provided and instructing the relevant distribution payment.
- 3.5 SC referred to the presentation and noted that of the €41m of distributions and trust monies declared to date, €22.7m has been paid to creditors, an additional €6.9m has been provisioned, €3.5m is awaiting updated KYC documentation, and €7.8m has not been claimed.

4. Unclaimed Distributions

- 4.1 SC noted that there is c. €7.8m of outstanding distributions which relates to c.240 creditors who have not claimed in any of the first, second or third interim distributions. This number has reduced by c. €1m since the last annual meeting, as a result of the JOLs locating certain creditors who they had not been able to contact previously.
- 4.2 SC advised that over the course of the last year, the JOLs have undertaken investigations with regards to these unclaimed distributions.
- 4.3 The investigations resulted in the JOLs identifying several claims that were related to the former directors and deemed to be invalid. Such claims have accordingly been rejected.
- 4.4 The rejection of these proof of debts resulted in €8.4m of claims being removed from the creditor pool, with an associated distribution value of €1.5m. This €1.5m will form part of the liquidation estate for future distributions, and the creditor claim pool will be reduced by the accompanying €8.4m of claims.
- 4.5 SC continued with regards to the unclaimed distributions. He noted that in some circumstances a proof of debt would not be required for a liquidation of a bank, and reliance would be placed on bank records. However, because of the inconsistencies identified in the Company's books and records, and the financial fraud findings in the Portuguese courts, the JOLs at the commencement of the liquidation required a proof of debt from creditors, and continue to do so for any subsequent distributions.
- 4.6 This means that once the liquidators have called for final proof of debts prior to the last distribution, where no proof of debt has been provided by the relevant bar date, additional claims would be deemed invalid.
- 4.7 Any such amounts would then form part of the final distribution to creditors who have proved and who have a valid claim.
- 4.8 SC advised that the timing of the final distribution will largely be predicated on the resolution of the related party investigations and the ongoing debt recoveries in Portugal. These are expected to continue for the next 2-3 years.

5. JOLs' 27th Report

- 5.1 SC referred to the 27th Report which was made available on the Company's website in September 2023.
- 5.2 SC noted with regards to the JOLs' fees that the JOLs go through the process of seeking approval from the Liquidation Committee and the Cayman Islands court. SC noted that the LC usually defers such approval to the court.
- 5.3 Also set out in the 27th Report are summaries of the current financial position of the liquidation. SC confirmed that as at 31 December 2023, the liquidators held c. €23.5m and c. US \$475k in cash.

At this point the Chairman opened the meeting for questions from attendees.

Questions and Answers

Question: It was questioned whether the JOLs had issued any new material as they have not received anything?

Answer: SC clarified that he has talked through JOLs' 27th Report which was published a few months ago and the material presented on call today would be shared with the creditors alongside the minutes from the meeting.

Questions: An attendee noted that they have not received any money relating to the third interim distribution and wanted to confirm if the delay was relating to the circumstances mentioned with the third parties. They also noted they were appreciative of the JOLs completing their due diligence in identifying invalid claims.

Answer: SC clarified that the current distribution relates to cash currently held in the estate and is not subject to further work on the related party claims. He noted that he appreciated people are waiting for their distribution and highlighted the work involved in KYC and AML due diligence, given the volume of documents received by the team. He assured them that all valid dividends were being processed.

Questions: An attendee questioned the need for AML and KYC requests once they have already provided this information previously. He requested the justification to request further documentation.

Answer: SC confirmed that there is a requirement for this information to be reviewed and updated for every distribution under the Cayman regulatory framework. He also noted that there is a potential for the estate to be held criminally liable if procedures are not followed.

Question: An attendee requested the JOLs to confirm if the documents provided for their clients is sufficient.

Answer: SC advised that the team will revert.

Question: An attendee requested that while the distribution review is a priority, they would appreciate being informed if there might be delays.

Answer: SC assured the team would inform them of any delays.

Closing of meeting

There being no further questions, the Chairman thanked the attendees for their time and informed them that the team will keep them updated.

There being no further matters to discuss, the Chairman declared the meeting closed at 10:27am (Cayman time), 4:27pm (Portuguese time).