

**Pacifico Global Advisors Ltd. (in Official Liquidation) (“the Company”)  
Frequently Asked Questions v.2  
March 31, 2020**

**1). What are the effects on the Company of the winding up and appointment of the Official Liquidator?**

The main effects of the winding up is that the Company must cease to carry on business and the powers of the directors cease to exist. The liquidator’s function is to wind up the Company and business. In the case of an official liquidation the liquidator may also carry on business of the Company insofar as may be necessary to achieve its beneficial winding up but only with the sanction of the Court.

**2). What are the duties and powers of the Official Liquidator?**

The duties of the liquidator broadly include collecting, maintaining and distributing the Company’s assets. The duties specifically include taking possession of the business, identifying and taking control of the assets of the business, maintaining the books and records, settling the list of creditors, claimants and related claims and the list of contributories, paying or discharging all debts and liabilities of the Company, distributing any excess to contributories, and examining the conduct of officers and directors. To carry out these duties and functions the Official Liquidator relies on the specific powers granted. The powers of an Official Liquidator are set out in the Fourth Schedule to the Companies Winding Up Act 2011 (Bahamas) (CWUA 2011) and are listed below:

Powers exercisable with sanction-

- (a) Power to bring or defend any action or other legal proceeding in the name and on behalf of the Company;
- (b) Power to carry on the business of the Company, so far as may be necessary for the beneficial winding up of the same;
- (c) Power to dispose of any property of the Company to a person who is or was related to the Company;
- (d) Power to pay any class of creditors in full;
- (e) Power to make any compromise or arrangement with creditors or persons claiming to be creditors or having or alleging themselves to have any claim (present or future, certain or contingent, ascertained or sounding only in damages) against the Company or for which the Company may be rendered liable;
- (f) Power to compromise on such terms as may be agreed all debts and liabilities capable of resulting in debts, and all claims (present or future, certain or contingent, ascertained or sounding only in damages) subsisting, or supposed to subsist between the Company and a contributory or alleged contributory or other debtor or person apprehending liability to the Company;
- (g) Power to deal with all questions in any way relating to or affecting the assets or the winding up of the Company, to take any security for the discharge of any such call, debt, liability or claim and to give a complete discharge in respect of it;

- (h) Power to sell any of the Company's property by public auction or private contract with power to transfer the whole of it to any person or to sell the same in parcels;
- (i) Power to raise or borrow money and grant securities therefor over the property of the Company; and
- (j) Power to disclaim onerous property.

Powers exercisable without sanction-

- (a) Power to take possession of, collect and get property of the Company and for that purpose to take all such proceedings as he considers necessary;
- (b) Power to do all acts and execute, in the name and on behalf of the Company, all deeds, receipts, and other documents, and for that purpose use, when necessary, the Company's seal;
- (c) Power to prove, rank and claim in the bankruptcy, insolvency or sequestration of any contributory for any balance against his estate, and to receive dividends in the bankruptcy, insolvency or sequestration in respect of that balance, as a separate debt due from the bankrupt or insolvent and rateably with the other separate creditors;
- (d) Power to draw, accept, make and endorse any bill of exchange or promissory note in the name of and on behalf of the Company, with the same effect in respect of the Company's liability as if the bill or note had been drawn, accepted, made or endorsed by or on behalf of the Company in the course of its business;
- (e) Power to promote a scheme of arrangement pursuant to section 158;
- (f) Power to convene meetings of creditors and contributories;
- (g) Power to engage staff (whether or not as employees of the Company) to assist him in the performance of his functions;
- (h) Power to engage counsel and attorneys and other professionally qualified persons to assist him in the performance of his functions; and
- (i) Power to do all other things incidental to the exercise of his powers.

### **3). What is the general process of a liquidation and the matters generally arising?**

A court-supervised liquidation involves the automatic statutory stay of proceedings against the Company. The Official Liquidator, as the court appointed officer, is tasked with identifying, realising and recovering all assets of the company. He also identifies, and addresses debts owed by the Company. Once this is all completed he is then responsible for distributing the assets. CWUA 2011 provides the legal framework for the liquidation process.

### **4). Why are client assets not released immediately in the liquidation of the Company?**

The Company held clients' assets separately from its assets. The clients' assets (trust assets) cannot be immediately released to the clients as the assets are a core part of the liquidation process and there are issues and statutory matters that are being addressed as a part of the liquidation process.

The Official Liquidator in carrying out his functions in relation to both assets of the Company and trust assets is responsible for a). identifying and attempting to identify; b) recovering and attempting to

recover; c). realizing and attempting to realize; d). protecting and attempting to protect; and e). distributing such assets to the person or persons beneficially entitled. The Official Liquidator to the extent of such activities (or other activity in relation to such assets considered by the Court to be beneficial to those entitled to them) is to be regarded as having acted in the administration of trust assets and the Official Liquidator, subject to the approval of the Court, is entitled to be indemnified out of those assets in respect of costs that are allocable to the above activities.

The Official Liquidator and his team will endeavor to keep you updated on our progress however if you have any specific queries, please contact the OL and his team at telephone no. 1.242.327 4001/3 or email [pgaliquidation@intelisysltd.com](mailto:pgaliquidation@intelisysltd.com).