



Grant Thornton Specialist Services (Cayman) Limited



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1. Overview

Introduction

At Grant Thornton Specialist Services (Cayman) Limited (GTSS) we understand the need to ensure that financial services are regulated and supervised in order to promote and maintain a sound financial system in the Cayman Islands. These endeavours serve to increase market confidence and protect the reputation of the Cayman Islands as a financial centre as well as reducing the possibility of the financial services industry being used for money laundering or other crime.

This document is designed to provide an overview of the ability, experience and values of the team at GTSS, and the wider Grant Thornton group, and how our attributes can aid enforcement of financial regulatory objectives in the Cayman Islands.

Our local and global footprint

GTSS is part of one of the largest and most technically skilled group of firms across the World. Grant Thornton's significant presence and experience in the world's offshore and onshore financial centres makes us optimally placed to take the lead in any cross-border investigations and assignments, or handle purely Cayman based appointments. Grant Thornton member firms employ over 40,000 staff in over 120 countries. This provides an almost unrivalled global footprint of asset tracing, investigative and insolvency expertise supplemented by our strong digital forensics team.

Asset-tracing and forensic investigations

Grant Thornton has one of the largest dedicated teams of asset-tracing and recovery specialists supported by forensic teams who are ISO certified. We have significant experience of working collaboratively with overseas government agencies, financial and non-financial regulators, criminal agencies and have recovered assets from some of the world's most challenging jurisdictions. Since the Global Financial Crisis of 2008/2009, we at GTSS have recovered over half a billion US dollars for Cayman registered companies and their stakeholders.

Complex and international insolvency

Our team specialises in giving advice and taking formal insolvency appointments in relation to businesses with complex, international affairs as well as local entities or individual insolvency appointments.

Our broad experience of insolvency means that we are ideally situated to provide contingency planning advice in relation to any local or cross-border assignments. Our international capabilities and our technical expertise has led to us taking some of the most globally significant insolvency appointments in offshore financial centres in recent years.

Example of such complex cases include Saad Investments Company Limited, Axiom Legal Financing Fund Limited and ICP Strategic Credit Income Fund, with further examples outlined in section 5.

Our experience of multi-jurisdictional insolvencies, foreign recognition, information gathering tools and understanding of enforcement allows us to optimise outcomes for stakeholders.

Cayman Islands

In addition to the global or multi-jurisdictional angles of most Cayman assignments, we have the experience and skillsets required to manage a broad range of regulatory and enforcement related appointments.

We have conducted a number of liquidations of local resident entities, and acted as Trustee in Bankruptcy to a number of individuals. In addition, we have acted as Controllers for a number of entities at the request of CIMA.

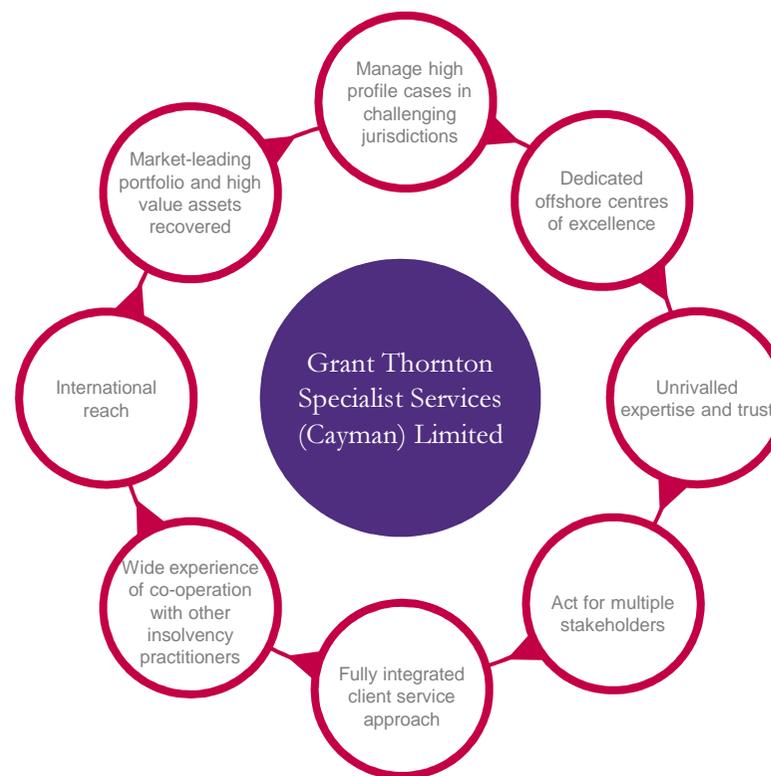
We consider that with a combination of our experience, knowledge, qualifications and service lines, coupled with our understanding of the Cayman Islands financial regulatory objectives, we are optimally positioned to manage even the most complex of assignments.

2. Who we are

Grant Thornton Specialist Services (Cayman) Limited is a 100% owned subsidiary of Grant Thornton UK LLP, a member of Grant Thornton International.

Established in the Cayman Islands in 2007, the Cayman team is led by Hugh Dickson. Our staff have over 120 years of experience and include four JIEB licenced insolvency practitioners and eight chartered/certified accountants, all who work exclusively in the insolvency and restructuring fields. Our case portfolio includes some of the highest profile cross border appointments in the Cayman Islands.

Our team prides itself in finding practical and innovative solutions to unanticipated problems that can otherwise derail assignments or unnecessarily increase costs.



3. Asset tracing, investigation and recovery specialists

Through our global Fraud, Forensic and Complex Insolvency teams, GTSS is able to provide a wide range of asset tracing, investigation and recovery services to professionals, companies and their stakeholders

- We have market leading teams in a number of the key financial centres. In combination with our broader international presence, this allows us to advise on situations involving the most complicated group structures
- We are at the heart of the development of cross border restructuring legislation, ensuring our clients have access to leading edge and best practice restructuring solutions
- Our global presence allows us to secure books and records, and preserve assets in the most challenging jurisdictions

Fraud Insolvency Division (FID)

- FID are focussed solely on asset tracing and recovery for clients who have suffered a financial loss
- The division has expertise and experience of complex financial investigations in order to pursue fraud losses, shortfalls and guarantors for major financial institutions, law firms, insurers, corporates and foreign governments
- Extensive experience of retrieving assets from over 65 overseas jurisdictions and offshore financial centres

Forensics and Investigation Services Team

- A truly international reach with a presence in all major onshore and offshore financial centres
- Regularly undertakes work for governmental departments, including security services, and has received accreditations to work for the Criminal Prosecution Service, Serious Fraud Office and Serious and Organised Crime Agency in the UK
- Team includes a diverse and wide range of experienced professionals, including Computer Forensic experts, who are highly experienced in in-depth technical investigations and incident response

Complex and International Insolvency Team

- Undertaking a market leading portfolio of insolvency cases with creditor claims in excess of \$25 billion
- Managing high profile cases in multiple jurisdictions; the team's current caseload requires active involvement across 57 different jurisdictions
- Unrivalled expertise and trust in working with prosecuting authorities and financial and non-financial regulators nationally and internationally
- Acted for multiple stakeholders including intermediaries, financial institutions, corporates and governments
- A fully integrated client service approach provided by specialists and experts from other advisory disciplines

4. What we do

Below is a non-exhaustive list of the services provided by Grant Thornton Specialist Services (Cayman) Limited

Creditor advisory services

Assist lenders and stakeholders in identifying and addressing underperforming issues/assets at an early stage which can lead to value optimisation

Debtor advisory services

Support management teams, boards and investors to plan and implement a financial and operational turnaround

Liquidations

Implement formal insolvency procedures to liquidate businesses on both solvent and insolvent bases either voluntarily or as a Court appointed liquidator

Compromise agreements

Negotiate a Section 86 compromise agreement with a troubled company's creditors or members, safeguarding and/or enhancing the recovery prospects of those stakeholders, whilst also preserving the survival of the company and avoiding the value erosion often experienced as part of a formal liquidation

Global fraud investigations and asset recovery

Assist in the tracing of misappropriated assets and funds, in addition to repatriating monies gained from fraudulent and criminal activity, globally, not just in the Cayman Islands

Controllerships

Act as Controllers over licensees in breach of local regulations in order to fulfil regulatory objectives, protect stakeholders and reduce financial crime

Advisor

Advising a CIMA licensee on the conduct of its affairs where there is concern that the business is sound but is being mismanaged

Acting to help improve the internal controls or systems of the licensee where they are weak and ensuring sufficient anti-money laundering policies are in place

Receiverships

Assist secured lenders in maximising a greater return via a pro-active Receivership process compared to what would be achieved from a foreclosure action.

Acting as Receivers as set out in the SPC legislation contained at Part XIV of the Companies Law (2013 Revision)

Inspector

Reporting to the Grand Court of the Cayman Islands on the affairs of any company within the Cayman Islands upon the application of the members of the company to the Court

Books and records preservation

With our global footprint, we can ensure a coordinated approach to securing vital books and records, this may include attendance at operational entities premises, screening computers digitally and safeguarding paper records

5. Our credentials

Global liquidation (including 2 Controllerships)

Saad Investments Company Limited



Key issues/challenges

Appointed liquidators to this Cayman Islands registered investment vehicle, amongst other group entities, which is one of the highest profile and most complicated insolvency cases in recent years. There are \$4 billion of direct creditor claims mainly originating from a large syndicate of banks. This liquidation also involves the defence of a \$9.2 billion dollar claim being made against the director and the companies in liquidation.

Meeting the challenge

- We have obtained recognition of our appointment in the UK and other jurisdictions to improve efficiencies and take advantage of local laws and regulations
- We have undertaken investigations and launched recovery and asset tracing claims in over 10 different jurisdictions, including major onshore financial centres (London, New York, Bahrain, Saudi Arabia and Paris) and major offshore financial centres (Switzerland, Channel Islands and Bermuda)
- We faced a lack of company records on appointment, and have had to carry out financial modelling and a reconstruction of the financial and commercial affairs of the entity

Outcomes

- Over \$400 million of assets realised to date
- Claim brought and final award obtained of \$2.2 billion brought against the director for breach of fiduciary duty, following dissipation of assets

Global liquidation

Stanford International Bank



Key issues/challenges

Appointed as liquidators of Stanford International Bank, including the forensic review of Bank of Antigua, a domestic Antiguan bank

Meeting the challenge

- Obtaining recognition of the liquidation in the UK, United States, Switzerland & Canada
- Enforcing bank claims against assets in Columbia, Venezuela, Panama, Switzerland, UK and Canada
- Multi-billion dollar damages actions for entities and service providers aiding and abetting fraud
- Major litigation with US Department of Justice, contesting criminal freezing orders over assets in excess of US\$360 million in Canada, UK and Switzerland

Outcomes

- Pursuing US\$1.5 billion in claw-back claims across Latin America including Panamá, Peru, Ecuador and Colombia
- Engaged with the Superintendent of Banks in Panama to recover US\$3.2 from a Panamanian bank
- Settlement agreed with US Department of Justice releasing frozen assets for the insolvency estate

5. Our credentials (continued)

Multi jurisdictional liquidation

GFP Dunas Partners Holding Inc.



Key issue / challenges

Initially appointed as provisional liquidators and subsequently as official liquidators of a Cayman holding company, owning a 99.5% interest in a Peruvian electricity distribution plant subsidiary. Appointment followed a breakdown of relations between the two shareholders of the Cayman entity resulting in the presentation of a just and equitable petition for winding up.

Meeting the challenge

- We developed a disposal strategy, liaising with our colleagues in both corporate finance and valuations, together with liaising with a number of the largest valuations teams at various banks across the LatAM region
- Collaboration with Grant Thornton Peru, which enabled a partner from that office to take a seat on the board of the trading asset in Peru to enhance corporate governance, control over the asset and preserve value
- Various alleged antecedent asset transactions reviewed and detailed forensic report prepared

Outcomes

- Eventual sale of shares in the topco to one of the shareholders
- Asset value cUS\$75mm-\$100mm protected during a 15 month liquidation

Global Receivership

Axiom Legal Financing Fund



Key issues/challenges

Appointed as receivers of a Cayman fund which provided financing to UK law firms undertaking high volume litigation. Fraudulent activity was suspected and, in order to investigate, the Receivers obtained a worldwide freezing order over assets based in complex structures in Panama, the UK, Isle of Man and the Marshall Islands.

Meeting the challenge

- Took receivership appointment of the two Axiom cells, preserving other non-connected cells
- Sought and obtained first ever CBIR recognition of a receivership in the UK as 'Main Foreign Proceedings' to assist perceived claw-back claims in the UK
- Persuaded Cayman Islands Court to grant same powers as an Official Liquidator for investigation purposes
- Established representative body (Receivership Committee) for the benefit of investors as a whole

Outcomes

- Oversaw the sale of a number of insolvent law firms and negotiated settlements with a number of the law firms approved by the Receivership Committee and Cayman Islands Court

6. Your key Grant Thornton (Cayman) contacts



Hugh Dickson
Managing Director

T +1 345 769 7203
E hugh.dickson@uk.gt.com

- Head of Grant Thornton's Caribbean offshore insolvency & restructuring operations
- Qualified chartered accountant (Institute of Chartered Accountants in Scotland)
- Qualified insolvency practitioner under UK and Cayman legislation
- Over 25 years of restructuring and insolvency experience in a cross range of industries including financial services, aviation, mining and energy
- Partner of Grant Thornton UK LLP



Mike Saville
Director

T +1 345 769 - 7221
E mike.saville@uk.gt.com

- Fellow of the Institute of Chartered Accountants in England & Wales (FCA), Qualified in 1985 and Member of the Cayman Islands Society of Professional Accountants
- Qualified insolvency practitioner Cayman legislation
- Licensed UK Insolvency Office Holder since 1992
- Fellow of the Association of Business Recovery Professionals
- Over 25 years of restructuring and insolvency experience



Sarah Mylott
Principal

T +1 345 769 - 7205
E sarah.bourke@uk.gt.com

- Licensed Insolvency Practitioner in England and Wales under UK legislation
- Over 13 years restructuring and insolvency experience in the UK and Cayman Islands
- JIEB qualified since 2008 and CPI qualified since 2006
- ACCA – Diploma in Accounting and Business
- Member of the Insolvency Practitioners Association (UK), INSOL and RISA
- Board member of local IWIRC chapter



John Royle
Principal

T +1 345 769 - 7206
E john.royle@uk.gt.com

- Licensed Insolvency Practitioner in England and Wales under UK legislation
- Over 15 years restructuring and insolvency experience in the UK and Cayman Islands
- JIEB qualified since 2008 and CPI qualified since 2005
- Member of the Insolvency Practitioners Association (UK), Member of the Association of Business Recovery Professionals (UK), INSOL and Education Committee of RISA

7. Our team



Pete Bigwood
Principal



Philip Tyrell
Principal



Andrea Richards
Manager



Prudence Pryce
Manager



John Henry
Manager



Felicia Connor
Trainee Accountant



Michal Segal
Senior Accountant

Capability Statement



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<http://www.grant-thornton.co.uk/en/Services/Recovery--Reorganisation/>