

IN THE EASTERN CARIBBEAN SUPREME COURT
IN THE HIGH COURT OF JUSTICE
VIRGIN ISLANDS
COMMERCIAL DIVISION



CLAIM NO's BVIHC (COM) 74, 136 and 139 of 2009

IN THE MATTER OF THE INSOLVENCY ACT 2003

AND IN THE MATTER OF FAIRFIELD SENTRY LIMITED (IN LIQUIDATION)

AND IN THE MATTER OF FAIRFIELD SIGMA LIMITED (IN LIQUIDATION)

AND IN THE MATTER OF FAIRFIELD LAMBDA LIMITED (IN LIQUIDATION)



KENNETH M. KRYS AND CHARLOTTE E. WARD-CAULFIELD
(As Joint Liquidators of Fairfield Sentry Limited, Fairfield Sigma Limited, Fairfield Lambda Limited)
Applicants

ORDER

BEFORE: The Hon. Justice Gerhard Wallbank (Ag)

DATED: 1 November 2016

ENTERED: 2 November 2016

UPON: the application of Kenneth Krys and Charlotte Ward-Caulfield (the "Liquidators"), in their capacities as Joint Liquidators of Fairfield Sentry Limited ("Sentry"), Fairfield Sigma Limited ("Sigma"), Fairfield Lambda Limited ("Lambda") by amended notice of ordinary application dated 27 October 2016.

AND UPON HEARING Mr Alistair Abbott of Forbes Hare, Counsel for the Applicants

IT IS ORDERED AND DIRECTED THAT:

1. The Liquidators have permission to pay an interim distribution from the assets of Sentry to its members in the amount of USD 15 per share, or such other amount as the Liquidators shall approve, subject to the directions below.
2. The Liquidators shall provide for the liabilities of Sentry, whether actual or contingent, known or unknown, and for the future costs of the liquidation of Sentry by reserving the sum of USD 46,000,000 (forty six million).

3. The Liquidators shall not be required to provide for any claims in the liquidation of Sentry which they have rejected and in respect of which they have given valid notice of rejection prior to the date of this order.
4. Any approved interim distribution shall be paid to Sentry's registered shareholders only, as recorded in its register of members, and not to persons who claim to be entitled to the benefit of such distribution by virtue of a beneficial entitlement to shares in Sentry or otherwise.
5. Any approved interim distribution due from Sentry to shareholders who are defendants to claims brought by the Funds in the United States be held by the Liquidators in escrow pending the outcome of the US litigation.
6. Any approved interim distributions from the assets of Sentry to Citco entities who are registered shareholders of Sentry shall be held by the Liquidators in escrow pending an outcome of the settlement negotiations with Citco and/or the outcome of litigation between the Funds and Citco.
7. In order to receive its share of the approved interim distributions from the assets of Sentry each shareholder shall be required to provide sufficient identification documentation to the satisfaction of the Liquidators in their absolute discretion in order to comply with any relevant requirement and, in particular, with anti-money laundering legislation and regulations. Any approved interim distributions due to any shareholder who has not provided such information shall be held in escrow pending the Liquidators' receipt of satisfactory documentation.
8. The Liquidators have permission to hold any moneys which are required to be held in escrow pursuant to paragraphs 5, 6 and 7 of this order in a non-interest bearing account.
9. The Liquidators shall make payments from the moneys held in escrow pursuant to paragraphs 5, 6 and 7 of this order as and when registered shareholders meet all requirements to receive an interim distribution and/or settle their claims on a quarterly basis.
10. The Liquidators have permission to cause Sentry and Lambda to enter into an agreement for Sentry to loan an amount to Lambda in such sum as is sufficient to enable Lambda to repay its outstanding loan from Commerzbank in the sum of USD 617,817 plus interest, provided that:
 - a. Interest on the loan from Sentry to Lambda shall accrue at the rate of LIBOR plus 2% per annum;
 - b. Sentry shall set off the amount of the loan to Lambda against any future distributions owed to Lambda.
11. The costs of this application are costs in the Liquidation of Sentry.

BY THE COURT



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CAULFIELD

(As Joint Liquidators of Fairfield Sentry Limited,
Fairfield Sigma Limited, Fairfield Lambda Limited)

Applicant

ORDER

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