

Liquidations and Dissolutions

For British Virgin Islands, Cayman Islands and Delaware Entities

The appointment of a specialist third party to support the liquidation process ensures that the wind down of an entity will be handled objectively, transparently and in accordance with all local statutory requirements.

The Maples Group's team of dedicated and experienced individuals focuses solely on providing voluntary liquidation and dissolution services to investment funds and structured finance vehicles in the British Virgin Islands ("BVI"), the Cayman Islands and Delaware. Backed by an extensive operational and support network, as well as the expertise of accounting, compliance, information technology and legal professionals, we have developed best practice procedures and enjoy a reputation as the market leader in this space.

General Engagement Requirements

In order to provide our services, we will generally require that an entity is:

- Solvent and able to pay its debts as and when they fall due;
- Not the subject of any outstanding or pending litigation or regulatory action;
- Significantly wound down with cash being the only asset remaining; and
- In good standing with the local government authorities.

The entity must also have a stakeholder with knowledge of the entity, who is willing to provide written representations to the above effect.

Our Services

The Maples Group can assist with a range of liquidation and dissolution services as follows, each of which is discussed in greater detail on the following page:

- Voluntary liquidation of Cayman Islands companies;
- Voluntary liquidation of Cayman Islands exempted limited partnerships;
- Voluntary liquidation of non-regulated BVI companies; and
- Winding-up and dissolution of Delaware limited liability companies and limited partnerships.

Jurisdictional Overview

BVI

The BVI voluntary liquidation regime provides a formal statutory process designed to ensure that all outstanding claims are settled whilst maximising the return to shareholders. Whilst a company that has dissolved by way of a voluntary liquidation can be reinstated to the register by application to the Court, it cannot incur liabilities and creditors are unable to make a claim against that company unless and until it has been reinstated.

The Maples Group can provide assistance with the voluntary liquidation of companies that meet our engagement requirements and that are not regulated as described in Section 20 of the BVI Business Companies Regulations, 2012.

Cayman Islands

The Cayman Islands has a similar voluntary liquidation process to the BVI, the completion of which results in the entity being permanently removed from the Cayman Islands register.

The Maples Group has one of the largest voluntary liquidation teams in the Cayman Islands and is engaged on approximately 30% of all voluntary liquidations annually. The following is an overview of services provided by our Cayman Islands office:

- Provide experienced individuals or a corporate vehicle to act as voluntary liquidator(s) to conduct the winding up of a company;
- Assist third party voluntary liquidator(s) to a company by drafting and filing the necessary documents to ensure that all local statutory requirements are met; and
- Assist general partners with the dissolution of an exempted limited partnership.

As part of the foregoing services, we can assist with the de-registration of investment funds which are registered as mutual funds with the Cayman Islands Monetary Authority.

Delaware

In Delaware, entities are generally wound up in accordance with their operating agreement or by the affirmative vote / written consent of the members / partners and are dissolved on the filing of a duly completed certificate of cancellation with the Delaware Secretary of State.

The Maples Group can facilitate filing of the certificate of cancellation for limited liability companies / limited partnerships. Alternatively, for those clients who wish to obtain greater certainty regarding the termination of their entities, we can provide one or more of the following services that are routinely undertaken as part of a formal voluntary liquidation in other offshore jurisdictions:

- Prepare standard decisions / resolutions of the members / partners to commence winding up;
- Advertise the winding up in Delaware and any other jurisdiction that the entity conducted business;
- Notify all service providers of the proposed dissolution and request their claims;
- Hold the remaining cash balance and process any final payments / distributions; and
- Prepare a plan of winding up to be agreed by all members / partners.

Benefits of Engaging the Maples Group

- We provide a fixed quote including all fees and disbursements for our services;
- We can provide two experienced individuals to act as joint voluntary liquidators;
- The Maples Group does not require a third party indemnity if our general engagement requirements are met;
- We have standard acceptance requirements and regularly reviewed template documentation;
- Each Maples Group professional holds a post-graduate qualification and / or has a minimum of five years' experience in the liquidation and dissolution of structured finance and investment vehicles;
- Clients find our approach to be professional, organised and efficient; and
- Due to the high volume of Cayman Islands-based entities that we are engaged on, we publish weekly extraordinary gazettes which enables us to complete the liquidation in a timely and efficient manner.

For further information on our services, please contact:

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