

IN THE GRAND COURT OF THE CAYMAN ISLANDS

FINANCIAL SERVICES DIVISION

FSD CAUSE NO. 205

OF 2020

IN THE MATTER OF THE COMPANIES LAW

AND IN THE MATTER OF ESO PROP CORP LTD. (the "Company")
On Contributory's Petition

BETWEEN:- CHAMPLAIN INVESTMENT HOLDINGS LIMITED

Petitioner/Contributory

AND:- ESO PROP CORP LTD.

Respondent

WINDING UP PETITION



TO THE GRAND COURT:-

This humble Petition of CHAMPLAIN INVESTMENT HOLDINGS LIMITED, Petitioner and Contributory, c/o Suite 3-211 Governors Square, 23 Lime Tree Bay Avenue, Grand Cayman, KY1-1009, Cayman Islands shows that:-

1. Champlain Investment Holdings Limited (the "Petitioner") was incorporated in the Territory of the British Virgin Islands as a BVI Business Company, incorporation number 1776273 on 30 May 2013. The Petitioner was discontinued in the Territory of the British Virgin Islands on 18 December 2015, and with effect from 11 December 2015 was incorporated by way of continuation in the Cayman Islands as an Exempted Company under the same name, with Company Number 306854 and having its current registered office at c/o Suite 3-211 Governors Square, 23 Lime Tree Bay Avenue, Grand Cayman, KY1-1009, Cayman Islands.

2. The Company is a Cayman Islands registered company. The Petitioner is a member of the Company and is shown in the Company's Register of Members (attached as Annexure 1 to this Petition) as holding 7,000 Class B Shares of the Company. The Petitioner submits the Court has jurisdiction to make a Winding Up Order in respect of the Company.
3. At the date the initial investment was made by the Petitioner, the Memorandum and Articles of the Company stated that the Object of the Company is to invest the assets of the Company in European Special Opportunities Credit Co S.a.r.l. and, subject to the Memorandum, engage in such other lawful activities as may be determined from time to time by the directors, in their sole discretion. The Petitioner understands that the Company has business interests or connections with other companies in the following jurisdictions:- Luxembourg, Switzerland, the United Kingdom and the Cayman Islands.
4. The Petitioner claims to be entitled to a Winding Up Order based on the grounds of the Court's jurisdiction under the Companies Law (2020 Revision), s. 92(e), namely that it is just and equitable that the Company should be wound up. The facts supporting the Petitioner's application are set out in a letter sent by the Petitioner to the Directors on 16 July 2020 (Annexure 2 to this Petition) to which no meaningful reply was ever received.
5. The qualified insolvency practitioners whom the Petitioner nominates for appointment as joint official liquidators are Christopher Dorrien Johnson and Russell Homer both of Chris Johnson Associates Ltd. Box 2499, Elizabethan Square, Shedden Road, George Town, Grand Cayman, KY1-1104, Cayman Islands.

Your Petitioner therefore humbly prays that:-


(1) The Company be wound up in accordance with the Companies Law;

(2) Christopher Dorrien Johnson and Russell Homer both of Chris Johnson Associates Ltd., Box 2499, Elizabethan Square, Shedden Road, George Town, Grand Cayman, KY1-1104, Cayman Islands be appointed as Joint Official Liquidators of the Company; and

(3) Such other Orders and Directions as the Court may deem fit.

AND your Petitioner will ever pray *etc.*

Dated: 22 August 2020.

A handwritten signature in black ink that reads "DIAMOND" in a stylized, cursive font. The signature is written over a horizontal line.

DIAMOND LAW ATTORNEYS

Petitioner's Attorney

NOTE: This Petition is intended to be served on the Company and:-

Alexander Schmid
ESO Capital UK Ltd
Palladium House, 2nd Floor,
1-4 Argyll Street, London
W1F 7TA
United Kingdom
Director of the Company

Mr Jason Sweeney
ESO Capital UK Ltd
Palladium House, 2nd Floor,
1-4 Argyll Street, London
W1F 7TA
United Kingdom
Director of the Company

IN THE GRAND COURT OF THE CAYMAN ISLANDS

FINANCIAL SERVICES DIVISION

FSD CAUSE NO.

OF 2020

IN THE MATTER OF THE COMPANIES LAW

AND IN THE MATTER OF ESO PROP CORP LTD. (the "Company")

On Contributory's Petition

BETWEEN:- CHAMPLAIN INVESTMENT HOLDINGS LIMITED

Petitioner/Contributory

AND:- ESO PROP CORP LTD.

Respondent

ANNEXURE 1 TO
WINDING UP PETITION

**REGISTER OF MEMBERS
FOR:
ESO Prop Corp Ltd.**

Dated Entered in Register	Name	Address	Number and Class of Shares Held	Amount paid or agreed to be paid on each share	Date of Issue / Transfer of Shares	Dated Ceased to be a Member	Certificate No	Notes
04-Feb-2011	Ogier Nominees (Cayman) Limited	89 Nexus Way, Camana Bay Grand Cayman KY1-9007 Cayman Islands	1 Common Share	USD 0.01	29-Nov-2011	12-Jan-2011	N/A	Cancelled due to currency conversion per resolution dated 12-Jan-2011
04-Feb-2011	Ogier Nominees (Cayman) Limited	89 Nexus Way, Camana Bay Grand Cayman KY1-9007 Cayman Islands	1 Common Share	EUR 0.01	12-Jan-2011	12-Jan-2011	N/A	
04-Feb-2011	ESO Prime	c/o dms Corporate Services Ltd. P.O. Box 1344 Grand Cayman KY-1208, Cayman Islands	1 Common Share	EUR 0.01	12-Jan-2011		N/A	
04-Feb-2011	ESO Prime	c/o dms Corporate Services Ltd. P.O. Box 1344 Grand Cayman KY-1208, Cayman Islands	1,999 Common Shares	EUR 0.01	12-Jan-2011		N/A	
04-Feb-2011	Crescent Advisers, Ltd	c/o dms Corporate Services Ltd. P.O. Box 1344 Grand Cayman KY-1208, Cayman Islands	2,000 Common Shares	EUR 0.01	12-Jan-2011	31-Oct-2012	N/A	Transfer of 1,000 shares approved per resolution dated 31-Oct-2012
20-Apr-2011	Pioneer Recovery Fund, L.P.	c/o Maples Corporate Service P.O. Box 309 Grand Cayman Cayman Islands	3,000 Class B Shares	EUR 0.01	31-Mar-2011	10-Jul-2013	N/A	3,000 Shares Transferred to Chaplain Investments Holdings Limited per Resolution dated 7-Jul-13.
20-Apr-2011	ESO Prime	c/o dms Corporate Services Ltd. P.O. Box 1344 Grand Cayman KY-1208, Cayman Islands	3,000 Class B Shares	EUR 0.01	31-Mar-2011		N/A	
31-Oct-12	Pioneer Recovery Fund, L.P.	c/o Maples Corporate Service P.O. Box 309 Grand Cayman Cayman Islands	2,500 Class B Shares	EUR 0.01	31-Oct-2012	10-Jul-2013	N/A	Subscription date 12-Dec-2011 2,500 Shares Transferred to Chaplain Investments Holdings Limited per Resolution dated 7-Jul-13.

IN THE GRAND COURT OF THE CAYMAN ISLANDS

FINANCIAL SERVICES DIVISION

FSD CAUSE NO.

OF 2020

IN THE MATTER OF THE COMPANIES LAW

AND IN THE MATTER OF ESO PROP CORP LTD. (the "Company")
On Contributory's Petition

BETWEEN:- CHAMPLAIN INVESTMENT HOLDINGS LIMITED

Petitioner/Contributory

AND:- ESO PROP CORP LTD.

Respondent

ANNEXURE 2 TO
WINDING UP PETITION

Pioneer Recovery Fund LP
Champlain Investment Holdings Limited

Business Address: 3-211, Governors Square, 23 Lime Tree Bay Avenue,
PO Box 11820, George Town, Grand Cayman, KY1-1009, Cayman Islands
Telephone: +1 345 743 6627

16 July 2020

ESO Prop Corp Ltd.
190 Elgin Avenue
George Town
Grand Cayman
Cayman Islands

FAO: Secretary & Directors

Cc: by email to directors Mr Alex Schmid and Mr Jason Sweeney

Dear Sirs,

**CHAMPLAIN INVESTMENT HOLDINGS LTD (“Champlain”) and
PIONEER RECOVERY FUND LP. (the “Fund”)
Re: ESO PROP CORP LTD (“ESO Prop”)**

Mr Jason Sweeney and Mr Alex Schmid are registered directors of ESO Prop. Champlain is a shareholder of ESO Prop. As previously advised, Champlain is 100% owned by the Fund.

As you have been made aware, the Fund and Champlain have a number of very serious concerns as regards to Champlain’s shareholding in, and the operation of, ESO Prop. These concerns are in addition to other matters including the Fund’s concerns relating to the New York property investment and which are subject to separate action. To date, these concerns have not been addressed to the Fund’s satisfaction. Indeed, what little information has been shared has only raised greater concern.

Despite the Fund’s good faith attempts to resolve matters, it has received no reciprocal effort. Indeed, the last correspondence with Mrs Dascha Vadez’s advisor and ESO Prop have both gone unanswered.

The concerns include the actions and inactions of each of Champlain’s co-shareholders of ESO Prop (from time to time), ESO’s directors, officers and investment manager and their dealings with various parties related to the Valdez family as well as Messrs. Sweeney and Schmid and Mr Rusty Holzer.

Attached is a summary description of the matters of concern which, as directors of ESO Prop and/or its investment manager, you are intimately familiar with. Also attached is a request for the provision of information that should be within your or ESO Prop’s knowledge, possession or control. Kindly provide this information to us within 14 days of the date of this letter. No extension will be considered.

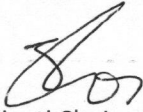
As directors of ESO Prop and/or its investment manager, you will be aware of your statutory, fiduciary, regulatory and other duties. Should this request not be met or be responded to in a manner deemed unsatisfactory to Champlain, it intends to pursue matters in the Grand Court of the Cayman Islands and other jurisdictions as necessary without further notice.

Pioneer Recovery Fund LP
Champlain Investment Holdings Limited

Business Address: 3-211, Governors Square, 23 Lime Tree Bay Avenue,
PO Box 11820, George Town, Grand Cayman, KY1-1009, Cayman Islands
Telephone: +1 345 743 6627

Given the potential consequences to ESO Prop and its directors and the related sanctions and penalties that may apply, Champlain requests that, if not already done, the relevant parties notify their insurers accordingly.

Yours faithfully,



Jyoti Choi
Director
Champlain Investment Holdings Ltd

Pioneer Recovery Fund LP

Champlain Investment Holdings Limited

Business Address: 3-211, Governors Square, 23 Lime Tree Bay Avenue,
PO Box 11820, George Town, Grand Cayman, KY1-1009, Cayman Islands
Telephone: +1 345 743 6627

A Background

1. The Fund was an investment fund established as a Cayman Islands exempted limited partnership on 21 November 2008. It was promoted by the late Mr Lance Valdez ("Valdez"). The sole General Partner of the Fund was Crescent Advisers, Ltd (the "GP"). The investment manager was Pioneer Investment Management Ltd (the "Investment Manager") pursuant to an investment management agreement dated 21 November 2008.
2. At the time of the Fund's launch, Valdez served as the Chief Investment Officer of the Investment Manager and was identified as a key person in the Fund's offering memorandum. No other individual was stated as a key person.
3. The Investment Manager's chief operating officer and director of legal affairs was Mr Jason Sweeney ("Sweeney"), an Irish national.
4. The offering documentation of the Fund and the investment management agreement make no mention of Mr Rusty Holzer ("Holzer") or Mr Alex Schmid ("Schmid").
5. Valdez marketed the Fund to a high net worth family (the "UBO"). The UBO committed capital in the sum of US\$10,000,000 to the Fund. The UBO's investment vehicle is and was at all material times the sole limited partner in the Fund.
6. According to its offering memorandum, the Fund's business was making opportunistic investments in debt, debt-related and equity securities and other financial instruments of companies in distress as well as structured investments in US and non-US real estate.
7. Valdez died in a helicopter crash in the Bahamas in November 2012. Following enquiries by the UBO, Sweeney reported that, without prior consultation with the UBO, two individuals had been appointed to provide investment advisory services to the Fund (namely Holzer and Schmid). Sweeney provided the UBO with copies of each of their resumes. Subsequent investigations discovered both Schmid and Holzer were parties related to several of the Fund's investments. No disclosure of this relationship was made to the UBO prior to or at the time of their "appointment". On being contacted Schmid denied he had ever been appointed to such role.

Pioneer Recovery Fund LP Champlain Investment Holdings Limited

Business Address: 3-211, Governors Square, 23 Lime Tree Bay Avenue,
PO Box 11820, George Town, Grand Cayman, KY1-1009, Cayman Islands
Telephone: +1 345 743 6627

8. The UBO had been led to believe that there were other investors in the Fund. Indeed, shortly after Valdez's death, the Fund requested a draw-down of a further US\$1,000,000 of the committed but, as-yet then, uncontributed capital from the UBO. At that time, the UBO was threatened that, should it not conform with the draw down request, then its interest in the Fund would be subject to punitive dilution terms to the benefit of other investors that conformed with the draw-down request. Given there were never other investors in the Fund, dilution on this basis was never possible and such threat was false.
9. At the time the UBO, not knowing there were no other investors in the Fund and concerned of the threatened dilution, complied with the draw-down request and sent a further US\$1,000,000 to the Fund. Subsequent investigations have proven that these further funds were never used by the Fund to make any investments. The most material uses of the UBO's additional draw-down money was (i) to pay the GP's counsel over a period during which the GP, Investment Manager and related parties frustrated and acted against the sole limited partners' wishes and (ii) to pay fees to the Valdez linked GP again during a period the sole limited partner was demanding its resignation and substitution.
10. The UBO proceeded to instruct counsel and forensic accountants to investigate the affairs of the Fund and its investments.
11. Mr David Rounce ("Rounce"), the Director of both the GP and Investment Manager at the time, subsequently entered into an agreement with the Fund on 16 October 2014 pursuant to which he agreed to assist the investigation by providing various information, documents and to attend discovery meetings.

The Fund's Assets

12. The investigation identified that the Fund's investments were almost exclusively into entities where related parties also had undisclosed interests. Such undisclosed interests include co-investment positions, secret revenue sharing arrangements and access to use of underlying assets for personal use. The parties involved variously include the GP, Valdez family linked entities or parties related to them (and/or linked to Holzer or his family), Schmid and Sweeney or parties related to them.
13. The investigation identified the following investments:-

Pioneer Recovery Fund LP Champlain Investment Holdings Limited

Business Address: 3-211, Governors Square, 23 Lime Tree Bay Avenue,
PO Box 11820, George Town, Grand Cayman, KY1-1009, Cayman Islands
Telephone: +1 345 743 6627

- (1) An equity investment in ESO Prop Corp Ltd (“ESO Prop”), a Cayman Islands incorporated company. The GP and other Valdez linked entities were undisclosed co-investors in ESO Prop and granted priority rights to earnings generated from the investment.

The investment gave the Fund exposure to ESO Prop’s participation in European Special Opportunities Credit Co Sarl (the “ESO Fund”), a Luxembourg registered investment entity. Participation was as a minority investor alongside a majority investor, being an entity linked to Two Sigma (a US/UK asset manager and not subject to the investigation to date).

The investment manager of ESO Prop and the ESO Fund is ESO Advisors AG (“ESO Advisors”). ESO Capital Partners UK LLP (“ESO Capital”) are a UK based asset management group linked to Schmid and Holzer. ESO Capital is authorised and regulated by the Financial Conduct Authority and Schmid is a related “approved person”.

The investigation identified that various circular management and other fee sharing arrangements existed between ESO linked entities and Valdez linked entities, none of which were disclosed to the UBO prior to the investigation.

The lack of disclosure of the related party nature of this investment, undisclosed fee taking and the underlying co-investor (the Two Sigma entity) being possibly linked to the United States is of grave concern to the Fund, particularly given Cayman Islands and United States laws regarding the proper tax treatment of the investments, obligation of fiduciaries, necessary disclosures and secret profit taking rules.

The Fund (and subsequently Champlain) invested a total of US\$1,064,974 in the ESO Prop / ESO Fund structure as follows:

Date of Investment	Amount
29 November 2010	US\$398,370
9 December 2010	US\$335,409
22 August 2012	US\$187,509

Pioneer Recovery Fund LP Champlain Investment Holdings Limited

Business Address: 3-211, Governors Square, 23 Lime Tree Bay Avenue,
PO Box 11820, George Town, Grand Cayman, KY1-1009, Cayman Islands
Telephone: +1 345 743 6627

18 March 2013	US\$48,392
16 April 2014*	<u>US\$95,294</u>
Total	US\$1,064,974

*Made by Champlain in the period it was not owned by the Fund, as detailed further below.

- (2) An investment was made in United States real estate, specifically a residential building a 10 East 63rd Street, Manhattan, New York, via a Bahamian Partnership (the "NY Property Investment").

The general partner of the Bahamian Partnership is a Valdez family related entity. Investigations further discovered that the investment was linked to Holzer and/or his family, the residential property itself had been occupied by the Valdez family for personal use, co-investment involved Valdez family related parties and the other entities in the complex investment structure were either owned or controlled by Valdez family related entities.

The investigation further identified that the Fund's investment in the NY Property Investment had allegedly been subject to material dilution (to the benefit of co-investors) due to the Fund's non-participation in follow on capital calls. Despite enquiry having been made of the GP, the Investment Manager, Sweeney, Rounce and Holzer, no information has ever been provided to justify the alleged dilution.

Again, prior to the investigation, none of the various related party connections to this investment were ever disclosed to the UBO. The lack of disclosure of the related party nature of this investment is of grave concern to the Fund given the underlying investment is held by a United States registered entity and is into real property in the United States and that jurisdiction's laws as regards proper tax treatment of the investments, fiduciaries, obligatory disclosures and secret profit taking rules. The NY Property Investment is subject to a separate action.

The investigation to date has not identified a United States registered or regulated investment advisor having ever being appointed in relation to this investment.

Pioneer Recovery Fund LP

Champlain Investment Holdings Limited

Business Address: 3-211, Governors Square, 23 Lime Tree Bay Avenue,
PO Box 11820, George Town, Grand Cayman, KY1-1009, Cayman Islands
Telephone: +1 345 743 6627

(3) A further investment was made in a fund that invests in non-performing Cuban debt (the "Cuban Debt Fund").

(4) Investment was also made into what the Fund described as a "bundle of assets". Following the investigation the investment was presented as an equity investment in a start-up business involved with developing Bahamian/Cuban transportation links ("the "Transport Investment").

It was reported that the investment required the purchase of aircraft and a helicopter. The Fund's monies were used to purchase a helicopter, being the same helicopter which crashed whilst being used by Valdez and others for leisure purposes, to attend a golf game in the Bahamas.

Court documents relating to a dispute regarding insurance proceeds linked to the crash of the helicopter suggest it was owned by a Valdez linked entity and leased to a further Valdez linked entity, potentially invalidating the insurance. This fact appears to have never been volunteered by Sweeney, despite his acting as signatory for both lessor and lessee in the transaction.

14. The Fund's offering memorandum does not describe it as a "fund of funds", as the term is commonly understood. The offering memorandum does not state it would be investing in other funds such as the ESO Prop/ESO Fund structure or the Cuban Debt Fund.
15. The offering memorandum makes no mention of the intention to invest, almost exclusively into entities where related parties had an interest or involvement. Prior to the investigation, none of the related party nature of the investments had been disclosed to the UBO.
16. The offering memorandum does not allow for start-up equity investments such as the Transport Investment.
17. The investigation also identified that Schmid and (until his death) Valdez were directors of ESO Prop. Sweeney became registered as a director of ESO Prop on 25 June 2013.

Pioneer Recovery Fund LP

Champlain Investment Holdings Limited

Business Address: 3-211, Governors Square, 23 Lime Tree Bay Avenue,
PO Box 11820, George Town, Grand Cayman, KY1-1009, Cayman Islands
Telephone: +1 345 743 6627

Undisclosed Sale of Assets

18. Given the investigation's initial findings regarding the affairs of the Fund, the UBO's representatives engaged in discussions with the GP as to the future management of the Fund. It was agreed that the general partner would be substituted with a party of the UBO's choosing, the aim being to allow for the Fund to be managed independently of the Valdez family and Messrs Rounce, Sweeney, Holzer and Schmid.
19. As substitution of the general partner was planned for, but prior to it being enacted, the Fund proceeded to take the extraordinary step of selling all of its remaining investments (except one being the Cuban Debt Fund investment, an investment that many market participants are not prepared, or are unable, to hold).
20. The sale of the assets was carried out without any prior notice to or the knowledge of the UBO or its representatives. At no time were the assets offered to the UBO.
21. The Fund was advised that all that remained of the Transport Investment were two aircraft. They had been sold without the UBO's knowledge and without the purchaser/s having been disclosed.
22. Regarding the helicopter, it has been reported that the passengers at the time of the crash were Valdez, a Florida based businessman Mr Jeffery Soffer, colleagues of Mr Soffer and a Bahamian pilot. The crash itself, disputes over insurance proceeds, accusations of cover ups, Holzer's role, accusations as to who was piloting the helicopter and wrongful death claims have each been the subject of legal actions in the United States. Despite the Fund being advised that it funded the purchase of the helicopter and Sweeney advising that some insurance monies may be forthcoming to the Fund, it appears that any insurance proceeds were directed towards the Valdez family.
23. Despite the very different nature of the ESO Prop and the NY Property investments, they were both sold to the very same purchaser, an entity linked to Holzer and Schmid.
24. The ESO Prop investment sold for a sum of US\$240,000. The last prior value of the ESO Prop Investment reported to the Fund was US\$969,680. In a subsequent conversation between Schmid and the UBO's representatives, Schmid shared the view that Holzer had been involved

Pioneer Recovery Fund LP
Champlain Investment Holdings Limited

Business Address: 3-211, Governors Square, 23 Lime Tree Bay Avenue,
PO Box 11820, George Town, Grand Cayman, KY1-1009, Cayman Islands
Telephone: +1 345 743 6627

in the sale of the two assets and they were likely worth far more than what they were sold for (Schmid having intimate knowledge of the ESO Prop investment).

25. Further, correspondence shortly prior to the sale of the assets included the following:-

30 May 2013 email from Sweeney to Rounce:

"The advisers to PRF [sc. Holzer and Schmid] have determined it may be in the interest of the fund to sell some of its assets. They are working on term sheets. I have also asked for specific advice from the advisers relating to the trade and supporting documentation so that the resolution approving their advice is backed up by not just the advice itself but the justification for the advice. I want it to be clear. Just wanted to give you a heads up..."

Rounce replied to Sweeney:

"Have [Cayman counsel] opined on the wisdom of trading in the fund's assets while the present legal tussle is under way? Are there likely to [be] repercussions?"

Sweeney replied to Rounce:

"I have, the GP needs to be confident it's the right thing to do and be able to justify it."

At a subsequent meeting between the UBO's representatives, Rounce and the GP's Cayman counsel, the GP's Cayman counsel advised that the asset sales were carried out without their prior knowledge, in conflict with Sweeney's above statement to Rounce.

26. Rounce has advised that the next day, 31 May, draft term sheets were prepared for the sale of the ESO Prop Investment (and the NY Property Investment) to Liberty Financial Group Ltd ("Liberty"), a British Virgin Islands company and that the proposed price for ESO Prop was US\$240,000.
27. Rounce has advised that on 7 June 2013, the GP for the Fund and Liberty executed the term sheets in substantially the same form as the drafts.

Pioneer Recovery Fund LP
Champlain Investment Holdings Limited

Business Address: 3-211, Governors Square, 23 Lime Tree Bay Avenue,
PO Box 11820, George Town, Grand Cayman, KY1-1009, Cayman Islands
Telephone: +1 345 743 6627

28. Rounce, despite being the sole director of the GP, has advised that he was not involved in identifying a purchaser for the two sold assets, price discovery, sale terms or any term sheet negotiations with Liberty. The term sheets having been simply presented to him for signature.
29. Only after Rounce acted for the GP and entered the Fund into the sale of the assets to Liberty, were details revealed to him as regards Liberty's ownership. Rounce advised the Fund that:-
- i. Liberty was, from 31 May 2013, beneficially owned by related parties and/or family of Holzer.
 - ii. The sole shareholder of Liberty was Platform Eight International Ltd ("P8"), a Cayman company.
 - iii. The shares of P8 were controlled by a professional trust services provider based in the Cayman Islands (the "Trustees") acting as trustees for the Continental Trust.
30. Rounce was provided with a copy of the Trust Deed and subsequently shared it with the UBO's representatives. Holzer's wife's name is Ashley Holzer (née Ashley Nicoll) and the Trust Deed revealed:
- i. The Continental Trust was settled by Alex Schmid on 10 July 2012.
 - ii. It existed for the benefit of three persons being Moreen Nicoll, Lindsay Kellock and Jennifer Kellock each of which appear to be family of or connected to Holzer.
 - iii. Moreen Nicoll appears to be the name of Holzer's mother-in-law.
 - iv. Lindsay Kellock appears to be the name of Holzer's wife's god-daughter.
 - v. Jennifer Kellock appears to be the name of Lindsay Kellock's mother.
31. The directors of P8 were two officers or employees of the Trustee.

Pioneer Recovery Fund LP Champlain Investment Holdings Limited

Business Address: 3-211, Governors Square, 23 Lime Tree Bay Avenue,
PO Box 11820, George Town, Grand Cayman, KY1-1009, Cayman Islands
Telephone: +1 345 743 6627

32. Notwithstanding the legally binding term sheets dated 7 June 2013 executed by Liberty, after the related party nature of the purchaser was revealed, the Fund then proceeded to enter into subsequent share sale agreement for the sale of the same two investments (including the ESO Prop Investment) at the same price of US\$240,000, however the contracted purchaser had been replaced by Champlain.

Substitution of General Partner

33. Only after the sale of the assets was revealed, the GP agreed to the demands of the UBO that it be replaced as general partner of the Fund by a party independent of the Valdez family and Messrs Sweeney, Rounce, Holzer and Schmid. A special purpose entity was created for this purpose, Pioneer GP Limited (the "Replacement GP"). After multiple delays by the GP the substitution became effective in October 2013.
34. Soon thereafter, the Fund's Cayman counsel put Champlain on notice of potential claims (including proprietary claims) against it relating to the transfer of assets from the Fund to Liberty / Champlain.
35. Over the following period, investigations continued and protracted and costly pre-litigation activity was undertaken between the Fund's counsel and the various other parties involved including the GP, Holzer, Schmid, Sweeney and Champlain.
36. The Fund's attempts to resolve matters failed and on 22 September 2014 the Fund, now controlled by the Replacement GP, submitted to the United States District Court – Southern District of New York an Application for an Order pursuant to 28 U.S.C 1782, to take expedited discovery from Holzer.
37. On 25 September 2014, the United States District Court – Southern District of New York granted authorisation for the Fund's US counsel to take a deposition and obtain document discovery from Holzer. US counsel engaged private investigators to locate Holzer and he was served on 29 September 2014.
38. On 6 November 2014 the Fund's US counsel deposed Holzer.

Pioneer Recovery Fund LP
Champlain Investment Holdings Limited

Business Address: 3-211, Governors Square, 23 Lime Tree Bay Avenue,
PO Box 11820, George Town, Grand Cayman, KY1-1009, Cayman Islands
Telephone: +1 345 743 6627

39. The next day, 7 November 2014, a settlement offer was made by the Trustees on behalf of Champlain which included the following:
- i. Champlain would transfer its interest in ESO Prop back to the Fund on receipt of US\$335,293.85 which sum was comprised of (a) the purchase price paid by Champlain of US\$240,000 and (b) EUR68,311 being an additional amount invested by Champlain in ESO Prop by way of a capital call on or around 16 April 2014 (which at the time converted to approximately US\$95,293.85).
 - ii. Similarly, Champlain would also return its interest in the NY Property Investment in exchange for payment of the amount it had purchased it for.
40. Subsequently, following further protracted negotiations the settlement offer was agreed to by the Fund in 2015 and the negotiated amount was paid to the shareholders of Champlain.
41. The final terms involved the transfer of ownership of Champlain itself directly to the Fund rather than the transfer of the underlying investments to the Fund. Champlain explained that this was necessary as it was unable to obtain the necessary consents in order to transfer the underlying investments. Following the transaction Champlain became fully owned by the Fund.

Q – please confirm what consents to the sale of the Fund’s shareholding in ESO Prop to Liberty were given and provide copies of signed original resolutions and consents.

Q – please advise what steps were taken by the board of ESO Prop to identify the ownership of Liberty and Champlain and the source of wealth for the purchase of the Fund’s assets, and what those steps revealed.

Q – please confirm that you were aware of the related party nature (to Schmid and Holzer’s family) of the Trust/Liberty’s purchase of the investment in ESO Prop.

Q – please confirm that you knew of and consented to the post-contract change in purchaser of the shareholding from Liberty to Champlain.

Pioneer Recovery Fund LP
Champlain Investment Holdings Limited

Business Address: 3-211, Governors Square, 23 Lime Tree Bay Avenue,
PO Box 11820, George Town, Grand Cayman, KY1-1009, Cayman Islands
Telephone: +1 345 743 6627

Q – please advise of any related party nature known to you prior to or since Champlain's purchase of the investment in ESO Prop.

Q – please advise what consents were sought (and by whom) to Champlain's purchase of the investment in ESO Prop

Q – please advise why consents were not given for the transfer of Champlain's interest in ESO Prop back to the Fund.

ESO Prop Investigation

42. During the course of the investigation, further information regarding the ESO Prop investment was discovered which is of great concern to the Fund.
43. At a meeting in Florida, Schmid claimed to be of the understanding that the investment in ESO Prop was effectively a 50:50 joint venture between ESO and Valdez (or their respective legal entities) and no other parties were involved. However, the share structure of ESO was discovered to be as follows:-
- i. The shares of ESO Prop were split into two classes: Common Shares and Class B Shares with each having a different economic interest in ESO Prop.
 - ii. The Common shares had an economic interest in all income of ESO Prop and the Class B shares were only entitled to participate in the investment income derived from ESO Prop only.
 - iii. ESO Prime received 50% of both share classes for its investment however, the Fund did not.
 - iv. The Fund received 50% of the Class B shares only.
 - v. The GP to the Fund (a separate Valdez family/Sweeney related entity), received the remaining 50% of the Ordinary Shares.

Pioneer Recovery Fund LP
Champlain Investment Holdings Limited

Business Address: 3-211, Governors Square, 23 Lime Tree Bay Avenue,
PO Box 11820, George Town, Grand Cayman, KY1-1009, Cayman Islands
Telephone: +1 345 743 6627

44. At the Florida meeting Schmid advised that the division of rights between the share classes and ownership of the "Valdez" shares, being by two different entities, the Fund and the Fund's GP, was unusual but, believing the Fund was owned by Valdez or his family, he assumed at the time that this was due to tax planning or similar considerations by Valdez.
45. ESO Prop is a minority investor in the underlying ESO Fund, the majority investor being an entity linked to Two Sigma. The ESO Fund was managed by Schmid linked entity, ESO Advisors AG ("ESO Advisors").
- Q – Please advise as to the identity of the registered shareholders and directors of ESO Advisors and provide a copy of its Register of Members.
- Q – Please confirm with which regulatory authority ESO Advisors has been or is currently registered, licensed, or similar, in relation to its provision of services to ESO Prop and/or the ESO Fund.
- Q – Please provide a signed copy of all investment service agreements between ESO Advisors and the ESO Prop/ESO Fund structure since the initial investment in ESO Prop was made by the Fund.
46. The directors of the ESO Fund are or were Mr Peter Dickinson ("Dickinson") and Rolf Caspers ("Caspers") (each of Sanne Group), Jeffrey Nemanick ("Nemanick") (an investment partner of Sightway Capital, a Two Sigma company) and Schmid.
- Q – Please advise what knowledge and involvement these directors had in the change in beneficial ownership of the entity for which they are directors of, the ESO Fund.
47. Reference to a succession of agreements between ESO Advisors and the ESO Prop shareholders was identified. Such agreements variously being referred to as Letter Agreement(s), Co-operation Agreement(s) and Fee Share Agreement(s). Under such agreements, inter alia, ESO Advisors circled back payments of certain Management Fees and Additional Yield it earned providing advisory services to the ESO Prop/ESO Fund structure. Payments being circled back to the Ordinary shareholders of ESO Prop only i.e. not to the separately owned Fund.

Pioneer Recovery Fund LP Champlain Investment Holdings Limited

Business Address: 3-211, Governors Square, 23 Lime Tree Bay Avenue,
PO Box 11820, George Town, Grand Cayman, KY1-1009, Cayman Islands
Telephone: +1 345 743 6627

48. The circled back management fees and additional yield arrangements to the benefit of the GP (and subsequently P8, see following) had never been disclosed and had been kept hidden from the Fund's sole limited partner.

Q – Please provide copies of all agreements entered into by ESO Prop or ESO Fund whereby management fees, additional yield, or other value was transferred to ESO Advisors or shareholders of ESO Prop or any related party including P8.

Q – Please provide a detailed breakdown of all monies paid, or monies accrued and unpaid to ESO Advisors, ESO Prime or parties related to them including but not limited to distributions, advisory fees, management fees, redemptions, or investment income.

Q – Please provide a detailed breakdown of all monies paid, or monies accrued and unpaid, from ESO Prop / ESO Fund or ESO Advisors to either the GP, P8, other shareholders of ESO Prop or parties related to them including but not limited to distributions, advisory fees, management fees, redemptions, or investment income.

Q – Please advise what knowledge and involvement the directors of ESO Fund, including Dickinson, Caspers and Nemanick, had in regards to the various fee sharing arrangements (undisclosed to one of the beneficial owners of the entity they are or were directors of, the ESO Fund).

Q – Please advise if the Two Sigma entity was informed of or is aware of the various revenue and other value sharing arrangements entered into by ESO Prop and/or ESO Fund, undisclosed to the UBO.

49. The GP subsequently transferred half of its ESO Prop shareholding to Platform Eight International ("P8"), another Valdez or Holzer related entity.

Q – Please provide an explanation of the business purpose of this transaction.

Q – Please provide evidence of the necessary consent or resolutions granted approving this transaction.

Pioneer Recovery Fund LP Champlain Investment Holdings Limited

Business Address: 3-211, Governors Square, 23 Lime Tree Bay Avenue,
PO Box 11820, George Town, Grand Cayman, KY1-1009, Cayman Islands
Telephone: +1 345 743 6627

50. Rounce was removed as a director of P8 (and other entities relating to the investments) and replaced by a corporate director, Universal Corporate Services Ltd, a company that Sweeney is a director of with his wife Erica Sweeney.
51. Rounce has advised that, and his contemporaneous file notes support, the change in director from an appointment of an individual to the appointment of a corporate director was the conclusion reached in a call with Mrs Valdez and Sweeney. The motivation for the change being concern regarding the potential personal liability of directors and to greater distance individuals from such liability.
52. A further unexplained agreement was subsequently papered that arranged for the interests of both the GP and P8 in the undisclosed circular management fee and additional yield arrangements, to be paid to P8 only.
53. Q – Please provide an explanation of the business purpose of this transaction.
54. Around the time of the initial subscription of EUR500,000, payment of that amount left the Fund's account. EUR300,000 was issued by the Fund direct to ESO Prop (per the bank instructions, via Sweeney's direction) and, in parallel, a further payment was made by the Fund (of the USD equivalent of EUR200,000) to the GP. The Fund surmises that this payment went onwards ultimately to ESO Prop. The Fund is unaware of any reason why the EUR200,000, or all of it, would be paid to the GP at that time.
55. Subsequent subscription payments were made by the Fund to ESO Prop, including EUR250,000 around December 2011 and EUR150,000 around August 2012. The GP or P8 have not provided any evidence that they have made any further subscriptions despite being shareholders in the ESO Prop.
- Q - Please provide a schedule detailing all subscriptions/capital calls or similar and all redemptions by all existing or past shareholders relating to ESO Prop.
- Q – Please provide evidence of the purpose of all subscriptions/capital calls or similar and the application and use of the proceeds.

Pioneer Recovery Fund LP
Champlain Investment Holdings Limited

Business Address: 3-211, Governors Square, 23 Lime Tree Bay Avenue,
PO Box 11820, George Town, Grand Cayman, KY1-1009, Cayman Islands
Telephone: +1 345 743 6627

Q – Please advise and provide the business justification for why subscription payments were requested of one share class of ESO Prop and not the other.

56. One of the subsequent subscriptions in ESO Prop occurred during the period prior to the investment being returned to the Fund's ownership, being a capital call for EUR68,311 on or about 14 April 2014. No explanation for this capital call was provided by Champlain.

Q – Please provide all details, correspondence, contracts, agreements, resolutions and other supporting documentation relating to this capital call, including an explanation of why it was needed and what the ESO Prop/ESO Fund structure utilized the cash for.

Q – Please advise what other shareholders were also subject to that capital call, what they paid and when.

57. According to regulatory filings with the SEC, ESO Fund had a minimum subscription of US\$10,000,000.

Q – Please confirm how ESO Prop's investment qualified given it is for an amount far less than the minimum subscription amount.

58. ESO Prop had always reported positive economic performance and then, following the revelations referenced herein, Schmid has stated the investment has nil value.

Q - Please therefore provide:-

- confirmation that the initial sub investment in the ESO Fund remains or otherwise;

- advise if the sub investment in the ESO Fund has changed in any material way since inception (such as, but not limited to, changes in underlying investments or terms, transfer of assets, restructuring or rolled into successor funds or investments) and, if so:

- please provide details of such changes.

Pioneer Recovery Fund LP

Champlain Investment Holdings Limited

Business Address: 3-211, Governors Square, 23 Lime Tree Bay Avenue,
PO Box 11820, George Town, Grand Cayman, KY1-1009, Cayman Islands
Telephone: +1 345 743 6627

-please advise what approvals (internal, regulatory or other) were sought for such changes

Q - Have there been any changes to the underlying assets of ESO Prop whatsoever since the Fund initially invested?

- If so, please provide details of such changes.

- If so, please advise what approvals (internal, regulatory or other) were sought for such changes.

Q – Has there been any change in what ESO Prop owns since the Fund initially invested?

- If so, please provide details of such changes.

- If so, please advise what approvals (internal, regulatory or other) were sought for such changes.

Q – please provide from inception to date:

- a summary of the ultimate underlying assets ESO Prop's shareholders have exposure to via its initial and subsequent subscription in ESO Prop and the ESO Fund.

- a summary of all management, advisory and performance fees charged to the ESO Prop / ESO Fund structure (including any restructured or successor funds) since inception by any entity, including but not limited to ESO Advisors.

- monthly performance statements and NAV summaries for the ESO Prop / ESO Fund structure (including any restructured or successor funds) and any other underlying assets that an interest is held in, directly or indirectly.

- a detailed explanation of the performance history of the ESO Prop / ESO Fund structure (including any restructured or successor funds), and specific explanation as to the change in value from the time of the initial investment by the Fund to 2019.

Pioneer Recovery Fund LP Champlain Investment Holdings Limited

Business Address: 3-211, Governors Square, 23 Lime Tree Bay Avenue,
PO Box 11820, George Town, Grand Cayman, KY1-1009, Cayman Islands
Telephone: +1 345 743 6627

- copies of the 2016 to 2019 audited financial statements for the ESO Fund and any restructured or successor funds.

- copies of audited financial statements, or in their absence, management accounts for ESO Prop and ESO Fund (and any restructured or successor funds) for the period since inception.

59. Arrangements between the Fund and ESO Prop/ ESO Advisors placed further limitations on the Fund's investment. In November 2010, the Fund's investment in ESO Prop Class B shares, were stated to have:

"the same rights as the common shares except that the Class B Shares shall only be entitled to participate in the investment income derived by the Company [ESO Prop] from the Company's investments made during the month of January 2011 (as included on the company's balance sheet dated January 31, 2011) and shall not participate in any fee income earned by the Company in connection with the Company's investments or any income, gain or loss from appreciation or depreciation of any investments made by the Company after January 31, 2011."

Q – Please provide:-

- a detailed explanation of the business purpose of this investment restriction generally and, in particular, the time limited nature of it.

- a detailed description of what investments (and the ultimate underlying assets) were made during the month of January 2011 by ESO Prop.

- disclose what, if any, related party relationships exist or existed in respect of these investments or the underlying assets, and the economics of same.

- provide a schedule detailing the investment income derived by ESO Prop or ESO Fund from investments made during the month of January 2011.

Pioneer Recovery Fund LP Champlain Investment Holdings Limited

Business Address: 3-211, Governors Square, 23 Lime Tree Bay Avenue,
PO Box 11820, George Town, Grand Cayman, KY1-1009, Cayman Islands
Telephone: +1 345 743 6627

- all director's minutes, resolutions, advisory and file notes as well as any other relevant document detailing the ESO Prop director's decision-making process in considering and accepting any changes to the investments linked to the Class B shares.

- an explanation as to why the Fund was never made aware that the underlying investment strategy and assets held by the Class B shares was altered.

60. According to correspondence between the two directors of ESO Prop, Sweeney and Schmid and copies of what purport to be notices for and minutes of ESO Prop board meetings:

- there is a severe breakdown between the board's two members;

- on several occasions notices of meetings were issued by one director (Sweeney), and meetings proceeded to be held with only Sweeney attending, declared not quorate and closed;

- on two occasions quorate meetings were held, the minutes for which (signed by one director only) state:-

"Opening Item: Mr Schmid was requested in the Notice...to provide the board with certain documents namely: Net Asset Value ("NAV") details for year to date...records of accounts with respect to revenue flows, expenditures and the company's assets and liabilities...NAV details for [the ESO Fund]...audited financials [for ESO Fund]...details and performance of [ESO Fund]..."

...Mr. Schmid blankly refused to provide any of the requested information to his fellow Board member...

...Discussion of [ESO Prop] NAV performance...Mr Schmid refused to discuss or give any information to the rest of the Board...

...Mr Schmid refused to provide the Board with any information relating to [ESO Prop's] expected performance...

...Mr Schmid refused to discuss or provide information to enable the Board to review [sic. ?] [ESO Prop] revenue flows, expenditure and assets and liabilities...

Pioneer Recovery Fund LP
Champlain Investment Holdings Limited

Business Address: 3-211, Governors Square, 23 Lime Tree Bay Avenue,
PO Box 11820, George Town, Grand Cayman, KY1-1009, Cayman Islands
Telephone: +1 345 743 6627

...Mr Schmid refused to discuss or provide information to enable the Board to review the details and performance of underlying investment of [the ESO Fund].”

and

“...Mr Schmid claimed Mr Sweeney is not a valid member of the Board of [ESO Prop]. Attached to these minutes is the registrar [sic.?] of Directors of [ESO Prop], clearly showing Mr Sweeney is a legally appointed Director of [ESO Prop].”

and

“Mr Schmid claimed that he has no obligations of any kind to Mr Sweeney and if he don’t [sic] like it litigate or chose any route he like.”

Q – The last register of directors of ESO Prop available to the Fund shows Sweeney & Schmid as directors - please advise if you disagree with this and if so, since when you have disagreed and on what basis?

Q – If you do disagree with the register of directors of record please advise as to what actions you have taken to rectify the matter.

Q – Please confirm the date of any board meeting and shareholder meeting over the last 3 years, whether quorate or not. If none, please confirm the date of the last quorate board and shareholder meetings.

Q – Please provide copies of any board and shareholder minutes and resolutions passed over the last 3 years whether quorate or not. If none, please provide copies of the last quorate board and shareholder minutes.

61. The Fund has never received any return on any of the monies invested in ESO since its initial investment, indeed it has incurred material management, accounting and legal fees in uncovering these matters. The total amount invested was approximately US\$1,065,000. The last valuation received from ESO Prop prior to the transfer of ownership of the investment to Liberty/Champlain was US\$969,680. At the Florida meeting referenced above, Schmid, a

Pioneer Recovery Fund LP
Champlain Investment Holdings Limited

Business Address: 3-211, Governors Square, 23 Lime Tree Bay Avenue,
PO Box 11820, George Town, Grand Cayman, KY1-1009, Cayman Islands
Telephone: +1 345 743 6627

director of ESO Prop and its investment manager shared the view that the investment was worth far more than the value paid for it by Liberty/Champlain.

62. Schmid has now advised that the Fund's investment is now of nil value. The Fund's most recent requests of Schmid to discuss the valuation have gone unanswered.

B Further Information Requested

Q – Companies Law section 59, Accounts & Audits, requires every company to keep proper books of accounts for at minimum period of 5 years. Please provide all books of account for ESO Prop, including material underlying documentation as detailed under this section of the Companies Law.

Q – Companies Law section 63, Copies of Special Resolutions, requires every special resolution to be annexed in the articles of association or where no articles of association have been registered, copies are to be forwarded to shareholders on request. Please provide copies of every special resolution of ESO Prop passed.

Q – Please provide a copy of the current Memorandum and Articles of Association for ESO Prop.

C Regulatory Matters

63. As referred to above, Schmid has stated that at the time the Fund initially invested in ESO Prop he believed that the ultimate beneficial owner of the Fund was Valdez (or his family interests) and that he was unaware that the ultimate beneficial owner was in fact another party. This belief was incorrect and Schmid has been informed of such.
64. Schmid, a director of ESO Prop, has been informed by the Fund's representatives that the Fund, being the entity that made the original investments into ESO (and held it until the transfer to Champlain), had a single limited partner being the UBO and not Valdez or his family interests.

Pioneer Recovery Fund LP
Champlain Investment Holdings Limited

Business Address: 3-211, Governors Square, 23 Lime Tree Bay Avenue,
PO Box 11820, George Town, Grand Cayman, KY1-1009, Cayman Islands
Telephone: +1 345 743 6627

65. Schmid has also been informed that, following the transfer of ownership of Champlain to the Fund (and effectively the return of the ESO Prop investment indirectly to the Fund) that the Fund continued to have a single limited partner being the UBO and not Valdez or his family interests.
66. Sweeney, also a director of ESO and Schmid's co-director, given his intimate knowledge of the Fund, has been aware that the Fund had a single limited partner throughout, being the UBO and not Valdez or his family interests.
67. At no time since the investigation started have Sweeney, Schmid, ESO Prop ESO Advisors or their directors communicated with the Fund (or Champlain after its transfer to the Fund's ownership) in respect to any of the various regulatory or compliance rules that apply to it

Anti-Money Laundering and Combating the Financing of Terrorism ("AML" and "CFT" Rules)

68. At no time have the directors of ESO Prop requested the Fund provide evidence of its ownership and related documentation that would be necessary for them to comply with or satisfy AML or CFT requirements.
69. At no time since ownership of Champlain was transferred to the Fund have ESO Prop or its directors asked Champlain for evidence of its ownership and related documentation to comply with AML or CFT requirements.
70. Failure to comply with AML and CFT Rules can attract severe sanctions and penalties.

Q – Please advise as to who has acted as Anti Money Laundering Compliance Officer, Money Laundering Reporting Officer and Deputy Money Laundering Reporting Officer of ESO Prop, ESO Fund and ESO Advisors AG, for the period since the Fund's initial investment was made to date.

Q – Please advise the period they held such office and qualifications to do so.

Q – Please advise how ESO Prop and its directors have met AML and CFT requirements in regards to the Fund and Champlain's investment in ESO Prop.

Pioneer Recovery Fund LP

Champlain Investment Holdings Limited

Business Address: 3-211, Governors Square, 23 Lime Tree Bay Avenue,
PO Box 11820, George Town, Grand Cayman, KY1-1009, Cayman Islands
Telephone: +1 345 743 6627

Q – Kindly furnish a copy of ESO Prop’s and ESO Advisors’ Anti-Money Laundering and Combating the Financing of Terrorism policies and procedures manual

Q – Please confirm that ESO Prop and its board have taken all necessary steps to comply with the Cayman Islands legislation in regard to its AML and CFT regimes.

Q – Please provide a certified copy of ESO Prop’s current shareholder register.

Q – Please provide a certified copy of ESO Prop’s current register of directors and officers.

Beneficial Ownership Regime (“Beneficial Ownership Rules”)

71. Beneficial Ownership Rules came into effect on 1 July 2017 and require Cayman Islands companies to (amongst other things) establish and maintain a register of their beneficial owners and submit same with the Cayman Islands Ministry of Financial Services each month. Failure to comply can result in sanctions and penalties.

Q – Please advise as to the determination made by the directors of ESO Prop as to the applicability of the Beneficial Ownership Rules.

Q – Please advise on what basis such determination was made and provide a copy of any advice in support of said determination.

Q – Please advise as to who made such determination.

Q – Please advise as to what information relating to or received from the Fund and/or Champlain was used to make such determination.

Q – Please provide a summary of the submission for June and December 2019 and the latest version.

Q – Please provide a copy of ESO Prop’s recording its determination, whether by directors’ resolution or otherwise.

Pioneer Recovery Fund LP
Champlain Investment Holdings Limited

Business Address: 3-211, Governors Square, 23 Lime Tree Bay Avenue,
PO Box 11820, George Town, Grand Cayman, KY1-1009, Cayman Islands
Telephone: +1 345 743 6627

72. Companies Law (2020 Revision) s. 40(1) requires a company to keep in writing a register of its members and certain details including but not limited to:-

a statement of the shares held by each member, and the statement shall contain:

- i. the names and addresses of the members of the company, with the addition of, in the case of a company having a capital divided into shares, a statement of the shares held by each member, and the statement shall:
 - a. distinguish each share by its number (so long as the share has a number);
 - b. confirm the amount paid, or agreed to be considered as paid on the shares of each member;
 - c. confirm the number and category of shares held by each member; and
 - d. confirm whether each relevant category of shares held by a member carries voting rights under the articles of association of the company, and if so, whether such voting rights are conditional;
- ii. the date on which the name of any person was entered on the register as a member; and
- iii. the date on which any person ceased to be a member.

Q – Please confirm that ESO Prop has conformed with these requirements.

Q – Please provide a schedule of the ultimate beneficial owners of ESO Prop.

Foreign Account Tax Compliance Act and Common Reporting Standards (“FATCA “and “CRS”)

73. FATCA and CRS are intergovernmental standards to facilitate the automatic exchange of financial information between governments. A suite of legislation and regulation has been

Pioneer Recovery Fund LP
Champlain Investment Holdings Limited

Business Address: 3-211, Governors Square, 23 Lime Tree Bay Avenue,
PO Box 11820, George Town, Grand Cayman, KY1-1009, Cayman Islands
Telephone: +1 345 743 6627

introduced in order to implement FATCA and CRS including but not limited to the following ("the FATCA and CRS Rules").

- i. Tax Information Authority Law (2017 Revision);
 - ii. Tax Information Authority (International Tax Compliance) (United States of America) Regulations, 2014;
 - iii. Tax Information Authority (International Tax Compliance) (United States of America) (Amendment) Regulations, 2015;
 - iv. Tax Information Authority (International Tax Compliance) (United States of America) (Amendment) (No. 2) Regulations, 2015;
 - v. The Tax Information Authority (International Tax Compliance) (Common Reporting Standard) Regulations, 2015;
 - vi. The Tax Information Authority (International Tax Compliance) (Common Reporting Standard) (Amendment) Regulations, 2016.
74. The directors should have deemed ESO Prop to be a reporting "Financial Institution". Further obligations on ESO Prop are required to have been met, including:-
- i. implementing and complying with a written policies and procedure manual, which should be designed to (amongst other things) identify reportable accounts and apply the due diligence procedures set out in the rules; and
 - ii. appointing officers to the various compliance roles such as the Anti Money Laundering Compliance Officer, Money Laundering Reporting Officer and Deputy Money Laundering Reporting Officer.
75. Neither the Fund nor Champlain, since its ownership by the Fund, have ever been contacted by ESO Prop or either of its directors in regards to FATCA or CRS. Failure to comply with the FATCA and CRS Rules may result in severe sanctions and penalties.

Pioneer Recovery Fund LP
Champlain Investment Holdings Limited

Business Address: 3-211, Governors Square, 23 Lime Tree Bay Avenue,
PO Box 11820, George Town, Grand Cayman, KY1-1009, Cayman Islands
Telephone: +1 345 743 6627

Q – Please advise as to the determination made by the directors of ESO Prop as to its status under the FATCA and CRS Rules for the last 3 reporting years.

Q – Please advise on what basis such determination was made.

Q – Please advise as to who made such determinations.

Q – Please advise as to what information relating to or received from the Fund and/or Champlain was used to make such determination.

Q – Please advise as to what information relating to or received from Champlain (for the entire period it has been a shareholder of ESO Prop, noting the GP has advised that Champlain was formerly owned by a trust with Canadian and/or American beneficiaries) was used to make such determination..

Q – Please provide the signed resolutions confirming such determinations.

Q – Please provide a copy of ESO Prop’s written policies and procedures manual and due diligence procedures to determine reportable accounts.

Q – Please confirm that the Anti Money Laundering Compliance Officer, Money Laundering Reporting Officer and Deputy Money Laundering Reporting Officer for FATCA and CRS Rules purposes are the same as per the answer to the question above, their period holding such office and qualifications to do so. If not, state the name, title and qualifications of the person holding such roles from time to time to date.

The International Tax Co-operation (Economic Substance) Law and related laws and regulations (“Economic Substance Rules”)

76. Under the Economic Substance Rules all Cayman Islands registered entities are required to have completed an Economic Substance notification as part of their 2019 year-end annual return process and, if a “relevant entity” confirm whether or not it conducts a “relevant activity”, comply with the Economic Substance Rules and meet the associated economic substance test.

Pioneer Recovery Fund LP Champlain Investment Holdings Limited

Business Address: 3-211, Governors Square, 23 Lime Tree Bay Avenue,
PO Box 11820, George Town, Grand Cayman, KY1-1009, Cayman Islands
Telephone: +1 345 743 6627

Q – Please advise as to ESO Prop’s directors’ determination on its status under the Economic Substance Rules.

Q – Please advise as to the basis of such determination.

Q – Please provide a copy of ESO Prop’s Economic Substance notification.

Q – Please advise what steps ESO Prop, ESO Advisors and their respective directors have taken to comply with the Economic Substance Rules as applicable.

Private Funds Law and related amendments and regulations (the “Private Funds Rules”)

77. The Private Funds Rules require previously exempt funds to register with the Cayman Islands Monetary Authority (“CIMA”) and introduce a variety of additional obligations upon them and their operators as regards audit requirements, asset valuations, custody of assets and more.

78. The Fund has been advised that ESO Prop (and ESO Fund) have multiple investors, are managed by ESO Advisors and are ultimately invested in multiple assets.

Q – Please advise what the determination made by the directors was for ESO Prop under the Private Fund Rules.

Q – Please advise on what basis that determination was made.

Q – Please advise what steps ESO Prop, ESO Advisors and ESO Advisors intend to take, if any, to ensure compliance with the Private Funds Rules as applicable.

Data Protection Law of the Cayman Islands and related law and regulations (the “Data Protection Rules”)

79. The Data Protection Rules in force require certain entities to create and implement data protection policies and procedures, including details on how a company accesses, stores or manages personal information and its procedures for consent to hold client data. Non-compliance may result in certain penalties.

Pioneer Recovery Fund LP
Champlain Investment Holdings Limited

Business Address: 3-211, Governors Square, 23 Lime Tree Bay Avenue,
PO Box 11820, George Town, Grand Cayman, KY1-1009, Cayman Islands
Telephone: +1 345 743 6627

80. Neither ESO Prop, ESO Advisors or its directors have ever contacted the Fund (under the Replacement GP's management) or Champlain (under the Fund's ownership) in regards to the Data Protection Rules.

Q – Please advise as to why neither the Fund nor Champlain have been contacted in this regard.

Q – Please advise what steps ESO Prop, ESO Advisors or their directors have taken to comply with the Data Protection Rules.

Q – If steps have been taken, please advise what steps, how and by whom.

Q – Please advise if any information herein is materially incorrect and, if so, provide documented evidence proving such.

END

NOTICE OF HEARING

TAKE NOTICE THAT the hearing of this petition will take place at the Law Courts, George Town, Grand Cayman, on _____ at 10.00am.

Any correspondence or communication with the Court relating to the hearing of this petition should be addressed to the Registrar of the Financial Services Division of the Grand Court at Box 495, Grand Cayman, KY1-1106, telephone 345 949 4296.

THIS PETITION is presented by DIAMOND LAW ATTORNEYS, Attorneys for the Petitioner whose address for service is 2nd Floor Whitehall Building, 238 North Church St, Box 2887, George Town, KY1-1112, Cayman Islands [Ref: SND]