



**IN THE GRAND COURT OF THE CAYMAN ISLANDS
FINANCIAL SERVICES DIVISION**

CAUSE NO: FSD OF 2025 (\RPJ)

**IN THE MATTER OF PART 17 OF THE COMPANIES ACT (2025 REVISION)
AND IN THE MATTER OF THE FOREIGN BANKRUPTCY PROCEEDINGS (INTERNATIONAL CO-
OPERATION) RULES, 2018
AND IN THE MATTER OF BANCA PRIVADA D'ANDORRA, S.A.U.**

PETITION

To the Grand Court

The humble petition of the Agència Estatal de Resolució d'Entitats Bancàries ("**AREB**"), of Carrer Bonaventura Armengol, 10, Edifici Montclar, Block 1, Floor 2, Office 1, AD500, Andorra la Vella, Principality of Andorra, shows that:

Introduction

1 AREB presents this petition in relation to Banca Privada d'Andorra, S.A.U. ("**BPA**"), of Carrer Bonaventura Armengol, 10, Edifici Montclar, Block 1, Floor 2, Office 1, AD500, Andorra la Vella, which is in liquidation in the Principality of Andorra ("**Andorra**").

FILED by Maples and Calder (Cayman) LLP, attorneys for the Petitioner, whose address for service is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. (Ref: QTC/WAC/6831618.01/78964827)

- 2 As liquidator and foreign representative of BPA, AREB seeks an order under section 241(1)(a) of the Companies Act (2025 Revision) recognising AREB's right to act in the Cayman Islands on behalf and in the name of BPA. In accordance with rule 2 of Foreign Bankruptcy Proceedings (International Co-Operation) Rules, 2018, this application is made by petition.

About AREB

- 3 AREB is an Andorran public agency created under Article 40 of Law 8/2015, of 2 April, on urgent measures to implement restructuring and resolution mechanisms for banking entities (the "**Banking Law**"). AREB's purpose (among others) is to conduct resolution processes in relation to Andorran banks in certain circumstances. The purpose of a resolution process is to maintain the essential functions of the banking entity, avoid negative effects on the financial system, protect public funds, protect customer deposits, and to allow a return to viability of the banking entity.
- 4 AREB is governed by a board of five directors, who are appointed by the Andorran Minister of Finance and the Andorran Financial Authority (the "**AFA**") (previously known as the Andorran National Institute of Finance ("**INAF**")).

About BPA

- 5 BPA is a company incorporated in Andorra in 1957.
- 6 BPA's headquarters are located in Andorra. BPA also has branches in Spain, Switzerland, Luxembourg, Panama and Uruguay, which were run through BPA's subsidiaries, and are being liquidated as part of BPA's liquidation.
- 7 BPA carried on business providing regulated banking services in Andorra. BPA was licensed by the AFA and was subject to the regulation by the AFA.

FILED by Maples and Calder (Cayman) LLP, attorneys for the Petitioner, whose address for service is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. (Ref: QTC/WAC/6831618.01/78964827)

Relevant Andorran legislation and judicial authority

- 8 The Decree on insolvencies and bankruptcies of 4 October 1969 (the "**Bankruptcy Decree**") governs judicial insolvencies and bankruptcies in Andorra.
- 9 The Banking Law, pursuant to which AREB was formed, established a framework for the recovery and resolution of credit institutions and investment firms.
- 10 The Banking Law was repealed and replaced by Law 7/2021 on the recovery and resolution of banks and investment firms (the "**Recovery Law**").
- 11 The Batllia (the "**Andorran Court**") is the competent judicial authority which presides over proceedings under the above laws.
- 12 The Judge (or 'Batlle') of the Andorran Court in charge of the relevant liquidation proceedings has the power to appoint and remove or replace liquidators over the entity in liquidation, and is responsible for supervising the liquidation.
- 13 The AFA (previously known as INAF) is the regulatory and supervisory authority of the Andorran financial system.

Background to BPA's resolution process and liquidation

- 14 On 10 March 2015, the United States Department of the Treasury's Financial Crimes Enforcement Network ("**FinCEN**") publicly named BPA as a "foreign financial institution of primary money laundering concern" (the "**FinCEN Notice**"), indicating that, for several years, the senior management of BPA had knowingly facilitated transactions on behalf of third parties allegedly involved in money laundering operations. At the same time, FinCEN proposed the

FILED by Maples and Calder (Cayman) LLP, attorneys for the Petitioner, whose address for service is PO Box 309, Uglan House, Grand Cayman, KY1-1104, Cayman Islands. (Ref: QTC/WAC/6831618.01/78964827)

imposition of special measures that would exclude BPA from the US financial system, and encouraging other countries to adopt similar measures.

15 Following the FinCEN Notice:

15.1 BPA's operations with correspondents and custodians were severely affected to the point of completely blocking BPA's international operations and severely limiting its domestic operations.

15.2 The Director General of INAF (as it was then known) opened a disciplinary proceeding against BPA, and appointed three joint administrators over BPA.

Resolution process leading to liquidation of BPA

16 On 26 March 2015, the joint administrators applied to the Andorran Court for a judicial rearrangement of BPA, on the basis that BPA was unable to continue its daily operations. However, following the coming into force of the Banking Law on 16 April 2015, the Andorran Court ordered that AREB should consider whether to commence a resolution process under the Banking Law.

17 At the request of AREB, on 24 April 2015, INAF reported to AREB on BPA's ongoing viability, concluding that BPA was not viable, and there was no reasonable prospect that measures from the private sector could reverse BPA's non-viability within a reasonable period of time.

18 As a result, on 27 April 2015, AREB commenced a resolution process in relation to BPA (the "**BPA Resolution Process**"), replaced the majority of the board of directors of BPA, and appointed a new administrator of BPA.

FILED by Maples and Calder (Cayman) LLP, attorneys for the Petitioner, whose address for service is PO Box 309, Uglan House, Grand Cayman, KY1-1104, Cayman Islands. (Ref: QTC/WAC/6831618.01/78964827)

- 19 On 19 February 2016, as a result of the BPA Resolution Process, FinCEN withdrew the FinCEN Notice, having determined that BPA is no longer a primary money laundering concern warranting the imposition of special measures previously proposed by FinCEN.
- 20 On 18 July 2016, AREB became the sole administrator of BPA, and appointed Òscar Gelabert Ribera as the natural person representing AREB as sole administrator.

Appointment of AREB as liquidator of BPA

- 21 AREB concluded the BPA Resolution Process on 22 May 2023. Consequently, on 24 May 2023, AREB applied to the Andorran Court for an order putting BPA into bankruptcy (the equivalent of liquidation under Andorran law) and appointing AREB as judicial administrator of BPA (the equivalent of a liquidator under Andorran law).
- 22 On 20 March 2024, the Andorran Court made orders:
- 22.1 Putting BPA into bankruptcy; and
- 22.2 Appointing AREB as judicial administrator of BPA.
- 23 On 27 March 2024, the Board of Directors of AREB accepted AREB's appointment as liquidator of BPA.

AREB's powers and duties under Andorran law

- 24 The liquidation of BPA is a court-supervised process. The Andorran Court is ultimately responsible for supervising the liquidation, and AREB must report to the Andorran Court on the progress of the liquidation on at least a monthly basis. The Andorran Court may remove a liquidator from office if they fail to fulfil their role properly.

FILED by Maples and Calder (Cayman) LLP, attorneys for the Petitioner, whose address for service is PO Box 309, Uglan House, Grand Cayman, KY1-1104, Cayman Islands. (Ref: QTC/WAC/6831618.01/78964827)

- 25 Creditors of BPA, regardless of their domicile, can apply to the Andorran Court with respect to the exercise of AREB's powers as liquidator or in relation to any other aspect of the liquidation.
- 26 As liquidator of BPA, AREB's primary duties are to:
- 26.1 Call a meeting of the creditors of BPA, consider and admit or reject creditors' claims, and preserve, realise and liquidate BPA's assets and distribute them to BPA's creditors, in the following order:
- (a) First to secured creditors;
 - (b) Secondly, to certain categories of creditors that are paid in priority to others in accordance with applicable Andorran bankruptcy regulations; and
 - (c) Thirdly, to all other unsecured creditors, regardless of domicile, on a *pari passu* basis.
- 26.2 Ensure that the liquidation proceedings are as fair as possible to all stakeholders (including the debtor and all creditors).
- 27 As liquidator of BPA, AREB is the general representative of BPA, and has the following powers:
- 27.1 The power to exercise the rights and actions of BPA concerning BPA's assets.
- 27.2 To perform all acts necessary for the preservation of BPA's rights against its own debtors.
- 27.3 To take on behalf of BPA's estate all necessary guarantees, and in particular to take any mortgages which have not been required by the traders in bankruptcy or in judicial settlement.

FILED by Maples and Calder (Cayman) LLP, attorneys for the Petitioner, whose address for service is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. (Ref: QTC/WAC/6831618.01/78964827)

- 27.4 Upon the making of the liquidation order, to take a mortgage for the benefit of BPA's estate, over all of BPA's assets and all those which BPA may acquire in the future¹.
- 27.5 In taking an inventory of BPA's assets, to summon a representative of BPA to attend for an examination.
- 27.6 To receive letters addressed to BPA.

Reasons for seeking a declaratory order

- 28 As part of the BPA Resolution Process, AREB isolated BPA's customers who gave rise to risks or indications of suspicious operations relating to money laundering or terrorism financing concerns ("**Unsuitable Customers**"), from those who did not give rise to such concerns ("**Suitable Customer**"). Customers who provided insufficient information or documentation to enable a determination to be made were also treated as Unsuitable Customers.
- 29 To ensure the continuity of BPA's business to the extent possible, Suitable Customers were transferred to a new banking entity, Vall Banc.
- 30 To facilitate this process, it was necessary for BPA to purchase assets held by BPA on behalf of Unsuitable Customers, so that BPA would be the ultimate beneficial owner of all assets previously owned by Unsuitable Customers (the "**Compulsory Purchase**"). AREB resolved to effect the Compulsory Purchase on 18 September 2019. Pursuant to the Banking Law, AREB had the power to effect the Compulsory Purchase without the consent of the Unsuitable Customers.

¹ Article 18 of the Bankruptcy Decree.

- 31 Pursuant to the terms of the Compulsory Purchase, BPA is seeking to liquidate the relevant assets, the proceeds of which will then be distributed in accordance with Andorran law and the rights of the Unsuitable Customers under the Compulsory Purchase (subject to provision by the Unsuitable Customers of evidence of the legality of the origins of the funds originally invested, or a decision of a competent authority or judicial authority regarding the legality of the origins of the funds).
- 32 The Unsuitable Customers include members of a prominent political family (the "**Disputing Customers**").
- 33 BPA is the registered shareholder of shares (the "**Cayman Shares**") in three Cayman Islands funds, GP High Yield (GP IBA Sub-Fund and GP Northern D Sub-Fund), Aladdin Bonds and Aladdin Equities (together, the "**Cayman Funds**"). The Cayman Shares were previously held by BPA as nominee on behalf of the Disputing Customers, but following the Compulsory Purchase, it is AREB's and BPA's position that BPA is the legal and beneficial owner of the Shares.
- 34 BPA has been seeking to obtain information about the Cayman Funds and to redeem the Cayman Shares since March 2023. However:
- 34.1 The Cayman Funds have instructed their administrator not to respond to BPA's requests.
- 34.2 The Cayman Funds have consistently taken the position that:
- (a) AREB is not authorised to act on behalf of BPA, and/or has no power over the Cayman Shares in its role as liquidator of BPA.

FILED by Maples and Calder (Cayman) LLP, attorneys for the Petitioner, whose address for service is PO Box 309, Uglan House, Grand Cayman, KY1-1104, Cayman Islands. (Ref: QTC/WAC/6831618.01/78964827)

- (b) The Compulsory Purchase was invalid, such that the Disputing Customers remain the ultimate beneficial owners of the Cayman Shares (with BPA remaining a mere nominee on their behalf in relation to the same).

35 In light of the Cayman Funds' refusal to acknowledge AREB's authority to act on behalf of BPA, AREB seeks recognition of its right to act in the Cayman Islands on behalf and in the name of BPA, so that AREB can take steps to obtain information about the Cayman Funds and to redeem the Cayman Shares.

Reciprocity by Andorran Court

36 The Andorran Court would, in principle, recognise and grant assistance to liquidators appointed by the Cayman Islands Court over a Cayman Islands company.

YOUR PETITIONER THEREFORE HUMBL Y PRAYS THAT:

- (1) The Court recognises the right of AREB, as foreign representative, to act in the Cayman Islands on behalf of and in the name of BPA;
- (2) The Court orders the delivery up to AREB of any and all property belonging to BPA; and

FILED by Maples and Calder (Cayman) LLP, attorneys for the Petitioner, whose address for service is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. (Ref: QTC/WAC/6831618.01/78964827)

(3) Such further or other orders or directions as are required.

AND your Petitioner will ever pray, etc.

DATED the 7th day of October 2025



Maples and Calder (Cayman) LLP

Attorneys-at-Law for and on behalf of the Petitioner

NOTE: This petition is not intended to be served.

This Petition was presented on behalf of the Agència Estatal de Resolució d'Entitats Bancàries by its attorneys-at-law, Maples and Calder (Cayman) LLP, whose address for service is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

FILED by Maples and Calder (Cayman) LLP, attorneys for the Petitioner, whose address for service is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. (Ref: QTC/WAC/6831618.01/78964827)

NOTICE OF HEARING

TAKE NOTICE THAT the hearing of this petition will take place at the Law Courts, George Town, Grand Cayman, on 15 January 2026 at ^{9:00}~~10.00~~am.

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 PO Box 495, Grand Cayman, KY1-1106, telephone 345 949 4296.