

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

National Bank of Anguilla (Private Banking
& Trust) Ltd.,

Debtor.

Chapter 11

Case No. 16-11806 (MG)

**DISCLOSURE STATEMENT PURSUANT TO SECTION 1125
OF THE BANKRUPTCY CODE FOR THE MODIFIED LIQUIDATING PLAN OF
REORGANIZATION OF THE DEBTOR AND DEBTOR IN POSSESSION**

[This is not a solicitation of acceptance or rejection of the plan. Acceptances or rejections may not be solicited until a disclosure statement has been approved by the Court. This disclosure statement is being submitted for approval but has not been approved by the Court.]

January 26, 2018

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**DISCLOSURE STATEMENT DATED JANUARY 26, 2018
SOLICITATION OF VOTES WITH RESPECT TO THE MODIFIED LIQUIDATING
PLAN OF REORGANIZATION OF DEBTOR AND DEBTOR IN POSSESSION**

National Bank of Anguilla (Private Banking & Trust) Ltd. (the “Debtor”), believes that the Modified Liquidating Plan of Reorganization of Debtor and Debtor in Possession attached as Exhibit A (together with all exhibits attached thereto or referenced therein, as the same may be amended, modified or supplemented, the “Plan”)¹ to this Disclosure Statement for the Plan (together with all exhibits attached thereto or referenced therein, as the same may be amended, modified or supplemented, this “Disclosure Statement”) is in the best interests of Creditors and Interest holders. All Creditors and Interest holders entitled to vote thereon are urged to vote in favor of the Plan. A summary of the voting instructions is set forth beginning on page 11 of this Disclosure Statement. More detailed instructions are contained on the ballots distributed to Creditors or Interest holders entitled to vote on the Plan. To be counted, your ballot must be duly completed, executed and received by 5:00 p.m. (Eastern) on March 6, 2018 (the “Voting Deadline”), unless extended.

The effectiveness of the proposed Plan is subject to material conditions precedent, some of which may not be satisfied. See Section IV.H. There is no assurance that these conditions will be satisfied.

No person is authorized by the Debtor in connection with the Plan or the solicitation of acceptances of the Plan to give any information or to make any representation other than as contained in this Disclosure Statement and the exhibits attached hereto or incorporated by reference or referred to herein and, if given or made, such information or representation may not be relied upon as having been authorized the Debtor. Although the Debtor will make available to Creditors and Interest holders entitled to vote on acceptance of the Plan such additional information as may be required by applicable law prior to the Voting Deadline, the delivery of this Disclosure Statement will not under any circumstances imply that the information herein is correct as of any time after the date hereof.

All Creditors and Interest holders entitled to vote on the Plan are encouraged to read and carefully consider this entire Disclosure Statement, including the Plan attached as Exhibit A and the Risk Factors described in Article VI, prior to submitting ballots in response to this solicitation.

The summaries of the Plan and other documents contained in this Disclosure Statement are qualified by reference to the Plan itself, the exhibits thereto and documents described therein as being Filed prior to approval of the Disclosure Statement. All Exhibits hereto are incorporated into, and are a part of, this Disclosure Statement as if set forth in full herein. In the event that any inconsistency or conflict exists between this Disclosure Statement and the Plan,

¹ All capitalized terms used in this Disclosure Statement and not otherwise defined herein shall have the meanings given to them in the Plan.

the terms of the Plan will control. Except as otherwise indicated, the Debtor will File all exhibits to the Plan with the Bankruptcy Court and make them available for review no later than ten days before the Confirmation Hearing. The Debtor also will serve the exhibits to the Plan via first class mail on the parties on the general service list being maintained in the Chapter 11 Case on or before ten days before the Confirmation Hearing.

No representations concerning the Debtor, its financial condition or any aspect of the Plan are authorized by the Debtor other than as set forth in this Disclosure Statement.

The financial information contained herein, unless otherwise indicated, is unaudited. In addition, the information contained herein may be incomplete. The Debtor and its Professionals are unable to warrant that the information contained herein is without any inaccuracy. Great effort, however, has been made to ensure that all such information is fairly presented.

The Debtor, the Administrator, and the Professionals representing the Debtor have relied upon information previously prepared by the Debtor in connection with the preparation of this Disclosure Statement and have not independently verified the factual information contained herein. The contents of this Disclosure Statement should not be construed as legal, business or tax advice. You should consult with your own legal counsel and accountant as to legal, tax, and related matters concerning your Claim or Interest.

The statements contained in this Disclosure Statement are made as of the date hereof, and there can be no assurance that the statements contained herein will be correct at any time after the date hereof.

The information contained in this Disclosure Statement, including the information regarding the history, business and operations of the Debtor, the financial information regarding the Debtor and the liquidation analysis relating to the Debtor, is included for purposes of soliciting votes on the Plan. As to contested matters, adversary proceedings, and other actions or threatened actions, this Disclosure Statement shall not constitute or be construed as an admission of any fact, liability, stipulation, or waiver, but rather as a statement made without prejudice solely for settlement purposes, with full reservation of rights. This Disclosure Statement shall not be used against the Debtor for any litigation purpose whatsoever. This Disclosure Statement shall not be construed to be conclusive advice on the tax, securities law, or other legal effects of the Plan as to holders of Claims against or Interests in the Debtor.

FORWARD-LOOKING STATEMENTS

This Disclosure Statement contains forward-looking statements based primarily on the current expectations of the Debtor and projections about future events and financial trends affecting the financial condition of the Debtor's Assets. The words "believe," "may," "estimate," "continue," "anticipate," "intend," "expect" and similar words or expressions identify these forward-looking statements. These forward-looking statements are subject to a number of risks, uncertainties and assumptions, including those described below under the caption "Risk Factors" in Article VI. In light of these risks and uncertainties, the forward-looking events and circumstances discussed in this Disclosure Statement may not occur, and actual results could differ materially from those anticipated

in the forward looking statements. The Debtor does not undertake any obligation to update or revise publicly any forward looking statements, whether as a result of new information, future events or otherwise.

This Disclosure Statement has not been approved or disapproved by the United States Securities and Exchange Commission (the “SEC”), any state securities commission or any securities exchange or association. None of the SEC, any state securities commission or any securities exchange or association passed upon the accuracy or adequacy of the statements contained herein.

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I. INTRODUCTION

The Debtor is seeking approval of the Plan, a copy of which is attached as Exhibit A. This Disclosure Statement is submitted by the Debtor in connection with the solicitation of votes on the Plan.

Pursuant to 11 U.S.C. § 1528, the Plan only affects Assets of the Debtor located “within the territorial jurisdiction of the United States.” The Plan proposes the liquidation of the Assets under Chapter 11 of the Bankruptcy Code and the distribution of such Assets or the proceeds of the those Assets to the Administrator to be distributed to Creditors in connection with any orders of the Anguillian Court in the Anguillian Proceeding. To the extent that the Debtor has Creditors resident in the United States, the Debtor believes they will be treated fairly in the Anguillian Proceeding. The Debtor also believes that no distinction will be drawn for the purpose of the Debtor’s liquidation in the Anguillian Proceeding based on the nationality or residence of the Creditor. For example, Anguillian Creditors would not receive any priority simply because they are residents of Anguilla. Equally, Creditors resident in the United States should not be treated less favorably than Creditors from any other jurisdiction. The Debtor believes that the recovery to Creditors and Interest holders under the Plan will equal or exceed the recovery to Creditors and Interest holders under any other feasible reorganization or liquidation alternative. Creditors and Interest holders should thoroughly review both the Plan and the Disclosure Statement before deciding whether to accept or reject the Plan. No materials, other than the Disclosure Statement and the exhibits and schedules attached thereto or referenced therein, have been approved by the Debtor for use in soliciting acceptances or rejections of the Plan.

The purpose of the Disclosure Statement is to provide adequate information of a kind, and in sufficient detail, as far as is reasonably practicable in light of the nature and history of the Debtor and the condition of the Debtor’s books and records, that would enable a hypothetical reasonable investor typical of holders of Claims against and Interests in the Debtor to make an informed judgment about the Plan.

This Disclosure Statement is submitted pursuant to section 1125 of the Bankruptcy Code to holders of Claims against or Interests in the Debtor in connection with (i) the solicitation of acceptances of the Plan, and (ii) the hearing to consider confirmation of the Plan, scheduled for **March 15, 2018, at 2:00 p.m. (Eastern)**.

Attached as exhibits to this Disclosure Statement are copies of the following:

- The Plan (Exhibit A);
- The Hypothetical Liquidation Analysis (Exhibit B) (the “Liquidation Analysis”).

If you did not receive copies of the exhibits to the Disclosure Statement, you may obtain the exhibits free of charge by contacting the Debtor’s counsel in writing as follows: James C. McCarroll, Esquire, Reed Smith LLP, 599 Lexington Avenue, New York, NY 10022-7650 (Facsimile: 212-521-5450) or Kurt F. Gwynne, Esquire, Reed Smith LLP, 1201 Market Street, Suite 1500, Wilmington, Delaware 19801 (Facsimile: 302-778-7575). Copies are also available on the Bankruptcy Court’s website (<http://www.nysb.uscourts.gov>) and the website of Epiq

Bankruptcy Solutions, LLC, (“Epiq”) the Debtor’s Bankruptcy Court-approved noticing agent, (<http://dm.epiq11.com/NBA>).

On [_____, 2018], after notice and a hearing, the Bankruptcy Court entered the Disclosure Statement Order approving this Disclosure Statement as containing adequate information of a kind and in sufficient detail to enable hypothetical, reasonable investors typical of holders of Claims against and Interests in the Debtor to make an informed judgment as to whether to accept or reject the Plan. Approval of the Disclosure Statement does not constitute a determination by the Bankruptcy Court as to the fairness or merits of the Plan.

The Disclosure Statement Order sets forth in detail the deadlines, procedures, and instructions for, among other things, (a) voting to accept or reject the Plan, (b) filing objections to Confirmation of the Plan, (c) the Record Date, and (d) the tabulation of votes. In addition, detailed voting instructions accompany each ballot. Each holder of a Claim or Interest entitled to vote on the Plan should read the Disclosure Statement, the Plan, the Disclosure Statement Order, and the instructions accompanying the ballots in their entirety before voting on the Plan.

II. OVERVIEW OF THE PLAN

Pursuant to the Disclosure Statement Order, this Disclosure Statement has been approved as containing “adequate information” for Creditors and Interest holders of the Debtor in accordance with section 1125 of the Bankruptcy Code. The Bankruptcy Code defines “adequate information” as “information of a kind, and in sufficient detail, as far as is reasonably practicable in light of the nature and the history of the debtor and the condition of the debtor’s books and records, that would enable a hypothetical reasonable investor typical of holders of claims or interests of the relevant class to make an informed judgment about the plan . . .” 11 U.S.C. § 1125(a)(1).

The Debtor believes that the Plan is in the best interests of Creditors and Interest holders. All Creditors or Interest holders entitled to vote are urged to vote in favor of the Plan by no later than the Voting Deadline.

A. Summary of Classification and Treatment Under the Plan

Administrative Claims (which are, generally, Claims arising during the Chapter 11 Case) are unclassified under the Plan.² Allowed Administrative Claims will be paid in full on the Effective Date or as soon thereafter as is practicable from the Assets or funds made available by the Administrator to pay the allowed Administrative Claims. Holders of Administrative Claims are not entitled to vote on the Plan.

² Priority Tax Claims also are unclassified Claims pursuant to section 1123(a)(1) of the Bankruptcy Code. The Debtor, however, does not believe that it owes any priority Tax Claims.

A summary of the treatment of various classes of Claims and Interests of the Debtor is set forth in the tables below.³ Except to the extent that the Plan provides otherwise, a Claim or Interest that is properly includable in more than one Class is classified in a particular Class only to the extent that it qualifies within the description of that Class, and is placed in a different Class to the extent it qualifies within the description of such different Class. The Classes of Claims and Interests are summarized as follows:

1. Classification/Treatment of Claims and Interests Under Plan

The classification and treatment of Claims and Interests are summarized below:

Class/Interest	Status/Entitled to Vote?	Estimated Total Amount of Claims / Interests	Estimated Recovery Solely from “Assets”
Unsecured Claims (Class 1)	Impaired; Entitled to Vote	\$35,837,645	\$0.00 to \$25,363,260 potential recovery from Recovery Actions, which are contested litigation claims
Interests (Class 2)	Impaired; Entitled to Vote	N/A	\$0.00

For purposes of computations of Claim amounts, administrative and other expenses and similar computational purposes, the Effective Date is assumed to occur on or about March 29, 2018. There can be no assurance, however, if or when the Effective Date will actually occur.

B. Overview of a Chapter 11

The Bankruptcy Case was brought under Chapter 11 of the Bankruptcy Code. Unless otherwise ordered by a bankruptcy court, a Chapter 11 debtor continues to manage its affairs as a “debtor-in-possession” and as a fiduciary to the creditors of its estate.

The commencement of a Chapter 11 case creates an estate comprising all of the legal and equitable interests that the debtor has in property as of the date the bankruptcy petition is filed. In light of the pending Anguillian Proceeding, which is a foreign main proceeding, the Chapter

³ As this table merely provides a summary of the classification and treatment of Claims and Interests under the Plan, reference should be made to the entire Disclosure Statement and the Plan for a complete description of the classification and treatment of Claims and Interests.

11 Case affects only Assets of the Debtor located within the territorial jurisdiction of the United States. The filing of a Chapter 11 petition triggers the “automatic stay” provisions of section 362 of the Bankruptcy Code. The “automatic stay” prohibits creditors and other parties from undertaking any action to collect a pre-petition debt, claim, or obligation from the debtor or otherwise to interfere with its property or financial affairs. Unless the bankruptcy court orders otherwise, the automatic stay remains in full force and effect until a plan of reorganization is confirmed. At that time, the plan may provide for a stay or injunction pending the liquidation of assets pursuant to the plan.

The Bankruptcy Code authorizes the formation of certain official committees from interested creditors or equity security holders. In this Chapter 11 Case, no official committee was formed. A committee of depositors has been established in the Anguillian Proceeding.

C. Plan of Reorganization

Although Chapter 11 of the Bankruptcy Code is titled “Reorganization” the Bankruptcy Code permits a debtor to liquidate its business and wind up its affairs under Chapter 11. Accordingly, the primary objective of a Chapter 11 case is the formation, confirmation and implementation of a plan of reorganization or liquidation. A plan may either be consensual or non-consensual. A plan sets forth, among other things, the proposed treatment of claims against and equity interests in the debtor. The confirmation process and the conditions for confirming either a consensual or non-consensual plan are more fully described in Section IV.G below. The Plan calls for the liquidation of the Assets and the distribution of Cash to the Administrator to be distributed to Creditors in connection with orders of the Anguillian Court in the Anguillian Proceeding.

After a plan is filed, the holders of claims against or interests in a debtor who will receive distributions under the plan and whose claims or interests are proposed to be “impaired” by the plan are permitted to vote to accept or reject the plan. Generally, under the Bankruptcy Code, a claim or interest is “impaired” if the plan alters the legal, equitable or contractual rights to which the holder of that claim or interest is entitled. Creditors or equity holders who are “unimpaired” are deemed to accept a plan and, therefore, do not vote. Creditors or equity holders that receive no distribution under a plan are deemed to reject a plan and, therefore, do not vote.

Section 1125 of the Bankruptcy Code requires that, prior to soliciting acceptances of the proposed plan, the debtor must prepare a disclosure statement. The disclosure statement must contain adequate information about the debtor, its assets and liabilities and the plan of reorganization or liquidation to enable a hypothetical, reasonable investor to make an informed judgment about the plan. This Disclosure Statement is presented to Creditors and Interest holders to satisfy section 1125 of the Bankruptcy Code.

D. Confirmation of a Plan of Reorganization

The Bankruptcy Code requires that the plan establish various classes of claims and interests. The Bankruptcy Code further requires that each of the claims or interests in a class must be substantially similar to the other claims or interests in that class. Under the Bankruptcy Code, a class of claims will have accepted the plan if the plan has been accepted by creditors that

hold at least two-thirds (2/3) in amount and more than one-half (1/2) in number of the allowed claims of such class that actually vote on the plan. A class of interests will have accepted the plan if the plan has been accepted by interest holders that hold at least two-thirds (2/3) in amount of the allowed interests of such class that actually vote on the plan. Thus, Chapter 11 does not require that each holder of a claim or interest vote in favor of the plan in order for the Bankruptcy Court to confirm the plan.

Confirmation of a plan, which is the vehicle for satisfying the rights of holders of claims against and equity interests in a debtor, is the ultimate goal of a chapter 11 case. Although referred to as a plan of reorganization or plan of liquidation, a plan may provide anything from a complex restructuring of a debtor's business and its related obligations to a simple liquidation of assets. In either event, upon confirmation of the plan, it becomes binding on the debtor and all of its creditors and stakeholders, and the obligations owed by the debtor to those parties are compromised and exchanged for the treatment specified in the plan. In this Chapter 11 Case, the Plan contemplates a liquidation of the Assets and is, therefore, referred to as a "plan of liquidation." The primary objective of the Plan is to maximize the value of the Assets for the benefit of all Creditors and Interest holders on a fair and equitable basis in accordance with the priorities established by the Bankruptcy Code. The Plan provides for, among other things: (a) the revesting of the Assets, including, without limitation, the Recovery Actions, in the Reorganized Debtor on the Effective Date of the Plan; and (b) distribution of Cash to the Administrator to be distributed to Creditors in accordance with any orders of the Anguillian Court in the Anguillian Proceeding.

In order to confirm the Plan, the Bankruptcy Court must determine that the Plan satisfies the requirements of section 1129 of the Bankruptcy Code, including the voting requirements described above. In addition, section 1129 requires, among other things, that the Plan be "feasible" and in the "best interests" of Creditors and Interest holders. In determining the "feasibility" of the Plan, the Bankruptcy Court must find that there is a reasonable probability that the Debtor will be able to perform its obligations under the Plan without further liquidation that is not contemplated by the Plan. The "best interests" test generally requires that the value of the consideration to be distributed to the Creditors and Interest holders under the Plan must not be less than what they would receive if the Debtor's assets were to be liquidated under a hypothetical liquidation pursuant to Chapter 7 of the Bankruptcy Code. The Debtor believes that the Plan satisfies these requirements.

Even though a Creditor or Interest holder may choose not to vote or may choose to vote against the Plan, such Creditor or Interest holder will be bound by the terms and treatment set forth in the Plan if the Plan is confirmed by the Bankruptcy Court. Likewise, those holders of Claims and Interests that are not entitled to vote on the Plan will nonetheless be bound by the terms and treatment set forth in the Plan if the Plan is confirmed by the Bankruptcy Court.

If the Plan is not accepted by a Class of Claims or Interests entitled to vote on the Plan, the Debtor will seek confirmation of the Plan under the so-called "cramdown" provisions of the Bankruptcy Code. Pursuant to section 1129(b) of the Bankruptcy Code, the Debtor may "cramdown" the Plan on non-accepting Classes of Claims and Interests if the Plan complies with all of the requirements of section 1129(a) (except section 1129(a)(8), which requires acceptance by all impaired Classes), and the Debtor establishes, among other things, that (i) the Plan is

accepted by at least one impaired Class of Creditors or Interests, (ii) the Plan is “fair and equitable,” and (iii) the Plan does not “unfairly discriminate.” For a more complete description of the “cramdown” requirements, see Section IV.G of this Disclosure Statement.

E. Summary of Classes and Treatment of Claims and Interests

The estimated percentage recovery for each Class under the Plan is provided in the table below. In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims have not been classified.

As of November 30, 2017, the Debtor owes approximately \$350,000 to its retained Professionals for services rendered from the inception of the Chapter 11 Case. A portion of that amount represents the 20% holdback of Professionals’ fees pursuant to the Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals, entered by the Bankruptcy Court on August 8, 2016 [Dkt. No. 58]. The Debtor estimates that from November 30, 2017 through the Effective Date of the Plan, the Debtor will incur an additional \$150,000 in fees and other costs to its Professionals and other third-party vendors.

For a discussion of certain additional matters related to Administrative Claims, see Section VII.A. The Debtor’s estimate of recoveries for holders of Claims and Interests in Classes 1 and 2 under the Plan are based on, among other things, its estimate of the Administrative Claims and the aggregate of allowed Claims; *however*, there can be no assurance that the Debtor’s estimate of the likely aggregate allowed amount of such Claims will prove to be accurate.

The estimated amounts of Claims shown in the table above are based upon the Debtor’s review of its books and records as reflected in the Debtor’s Schedules and may be subject to revision.

In determining the “Estimated Recovery” in the table above, the Debtor has assumed that the Plan is consummated as described therein. The actual recovery on account of Claims and Interests depends upon the net recovery, if any, in the Recovery Actions. The Recovery Actions are vigorously contested causes of action against ECCB, NCBA, NBA (as those terms are defined below) and other potential defendants.

For a discussion of various factors that could materially affect the amount of Cash and other assets available for the Reorganized Debtor to distribute to the Administrator, see Articles II and VI and the Liquidation Analysis attached hereto as Exhibit B. In addition, the Debtor’s estimates for recoveries by holders of Claims and Interests are based on the Debtor’s current view of the likely amount of Claims incurred by the Debtor through Confirmation of the Plan. There can be no guaranty that the Debtor’s estimates of Claims will prove to be accurate.

The Plan divides holders of Claims against and Interests in the Debtor into two (2) separate Classes as follows:

1. Unsecured Claims (Class 1) are impaired. Class 1 is comprised of Unsecured Claims against the Debtor. No distribution will be made by the Debtor or the Reorganized Debtor to holders of allowed Unsecured Claims in the Chapter 11 Case. Rather, the

Debtor or the Reorganized Debtor will turnover the proceeds of the Assets to the Administrator, who will distribute such proceeds in the Anguillian Proceeding in accordance with the orders of the Anguillian Court. Notwithstanding anything in the Plan or this Disclosure Statement to the contrary, the foregoing proposed treatment is without prejudice to the rights of the Administrator or the Anguillian Court to object, dispute, or reject in the Anguillian Proceeding any Claim asserted against the Debtor. For purposes of voting on the Plan, the Debtor believes that the Class 1 Claims will total \$35,837,645.36. Class 1 is entitled to vote.

2. Interests (Class 2) are impaired. Class 2 is comprised of Interests in the Debtor. No distribution will be made by the Debtor or the Reorganized Debtor to holders of allowed Interests. Rather, the Debtor or the Reorganized Debtor will turnover the proceeds of the Assets to the Administrator, who will distribute such proceeds in the Anguillian Proceeding in accordance with the orders of the Anguillian Court; *provided, however*, that no distribution will be made to holders of Interests in the Debtor unless and until the Debtor's Creditors have been paid in full (with any interest required by the Anguillian Court) on account of their Claims against the Debtor in the Anguillian Proceeding. Notwithstanding anything in the Plan or this Disclosure Statement to the contrary, the foregoing proposed treatment is without prejudice to the rights of the Administrator or the Anguillian Court to object, dispute, or reject in the Anguillian Proceeding any Interest in the Debtor asserted. Class 2 is entitled to vote.

III. EVENTS PRECEDING THE CHAPTER 11 CASE

Below is a description of the Debtor and a recitation of the significant events and factual circumstances surrounding the commencement of the Bankruptcy Case. Copies of all filings with the Bankruptcy Court are on file with the Bankruptcy Court and available on its website (<http://www.nysb.uscourts.gov>) and the website of Epiq Bankruptcy Solutions, LLC, the Debtor's Bankruptcy Court-approved noticing agent, (<http://dm.epiq11.com/NBA>).

A. Nature of the Debtor's Business and its Capital Structure

The Debtor is a commercial offshore bank (that is, a bank that operates within Anguilla authorized only to accept deposits and remit withdrawals in non-Eastern Caribbean currency to persons who are generally not residents of Anguilla), incorporated and licensed under the Trust Companies and Offshore Banking Act of Anguilla, with its headquarters located at the Conrad W Fleming Corporate Building on St. Mary's Road in The Valley, Anguilla. The Debtor was established to provide such "off-shore" banking services. The National Bank of Anguilla Ltd. ("NBA") is the sole shareholder of the Debtor, holding all 42,037 shares issued by the Debtor. NBA was incorporated pursuant to the laws of Anguilla as a privately-owned company. The National Commercial Bank of Anguilla Ltd. ("NCBA") is the successor in interest to NBA.

The Debtor has no business operations and no longer has any employees. Upon information and belief, (a) the Debtor has no secured creditors, and (b) the Debtor's only material Creditors are its depositors. The Debtor believes that it has five hundred ninety six (596) known depositors with a positive account balance.

B. Circumstances Leading to the Debtor's Filing for Relief Under Chapter 11

1. Upstreaming of the Debtor's Deposits

On August 12, 2013, the Eastern Caribbean Central Bank (the "ECCB"), which was the regulator of NBA (but not the Debtor), placed the affairs of NBA into conservatorship pursuant to the Eastern Caribbean Central Bank Agreement Act. As of August 12, 2013, the Debtor's affairs were conducted in accordance with instructions given by, and under the management control of, individuals appointed from time to time by the ECCB as conservators of NBA (collectively, the "Conservator Directors"). The Conservator Directors included Messrs. Martin Dinning, Hudson Carr, and Shawn Williams.

On or about August 15, 2013, the ECCB or Mr. Dinning, as Conservator Director then acting on behalf of NBA, dismissed the appointed directors of the Debtor. Thereafter, the Debtor had no *de jure* directors and acted solely in accordance with the instructions of, and under the management control of, the Conservator Directors acting from time to time. From and after August 12, 2013, based upon his review of the Debtor's financial statements provided by the Debtor's regulator, the Financial Services Commission in Anguilla ("FSC"), the Administrator believes that the Debtor was insolvent on a balance sheet test. Based upon the Administrator's review of financial statements for NBA, and his understanding of its financial position, the Administrator also believes that NBA was balance sheet and cash flow insolvent, dependent upon the Debtor for its liquidity (at least in part), and unable to settle the large amount NBA owed to the Debtor.

The Conservator Directors (acting on behalf of the Debtor) procured or permitted the transfer or payment to NBA of (i) all monies denominated in U.S. Dollars deposited by the Debtor's depositors and (ii) the proceeds of all assets of the Debtor realized or collected, also denominated in U.S. Dollars (together, the "Funds") – in all approximately \$175 million in U.S. dollars. Upon information and belief, the Funds were deposited into one or more accounts in the United States at Bank of America.

On April 22, 2016, the ECCB appointed a receiver to NBA and, on that date (at 4:00 p.m. local time), NBA ceased banking operations in Anguilla. According to a press release issued by the ECCB, NBA's banking operations were transferred on April 22, 2016, to a newly established bank, NCBA, which is wholly-owned by the Government of Anguilla. None of NBA, NCBA, the ECCB, and the Conservator Directors has provided meaningful responses to the Administrator's queries relating to the transfer of the Funds to NBA (while NBA was insolvent). In addition, despite repeated requests by the Administrator, there has been no indication made that NBA or NCBA will repay any of the Funds. To the contrary, the Administrator understands that NCBA has made no provision for repayment to the Debtor or its depositors. Further, NBA is in receivership and remains insolvent.

2. The Anguillian Proceeding

The Debtor failed to provide the FSC on or before April 30, 2015 with audited accounts of its banking business for the financial year ended October 31, 2014, thereby violating section 30(2) of Trust Companies and Offshore Banking Act, R.S.A. c. T60. Therefore, upon the

application of the FSC, the Eastern Caribbean Supreme Court in the High Court of Justice Anguilla Circuit (the “High Court” or the “Anguillian Court”) entered an Order, dated February 22, 2016, (the “First Administration Order”) thereby placing the operations of the Debtor (and another offshore bank, the Caribbean Commercial Investment Bank Ltd.) under administration pursuant to section 31(2)(b) of the Financial Services Commission Act, R.S.A. c. F28 (the “FSC Act”) and appointing William Tacon as Administrator.

As the court-appointed Administrator of the Debtor, Mr. Tacon has complete control of the management of the Debtor pursuant to section 31(2)(b) of the FSC Act and has been authorized to, among other things:

- act in Anguilla or any foreign jurisdiction where he believes assets and property of the Debtor may be located and to commence or continue, without further order of the High Court, any proceeding or action in a foreign jurisdiction for the purpose of fulfilling his duties and obligations under the First Administration Order; and
- to seek the assistance of any court of a foreign jurisdiction in the carrying out of the provisions of the First Administration Order, including without limitation, an order of examination of persons believed to be knowledgeable of the affairs, assets and property of the Debtor and to assist the Administrator in the recovery of the assets and property of the Debtor.

At the close of business on April 25, 2016, the Debtor ceased accepting new deposits.

By an Order dated May 19, 2016, the High Court expressly conferred upon the Administrator the powers of a liquidator under the Companies Act, as permitted by section 31(3) of the FSC Act. In order to preserve the Debtor’s assets and maximize the amounts available to pay its creditors, the Administrator commenced proceedings under the Bankruptcy Code, as discussed below.

3. The Debtor’s Chapter 15 and Chapter 11 Cases

On May 26, 2016, the Administrator Filed in the Bankruptcy Court, *inter alia*, a *Verified Chapter 15 Petition for Recognition of a Foreign Proceeding* for recognition of the Anguillian Proceeding as a “foreign main proceeding,” thereby commencing the Chapter 15 Case #16-11529(MG). By an *Order Granting Verified Petition for Recognition of Foreign Proceeding under Chapter 15 and Motion in Support of Verified Petition and for Related Relief* (the “Recognition Order”), the Bankruptcy Court recognized (a) the Anguillian Proceeding as a “foreign main proceeding” and (b) the Administrator as the Debtor’s foreign representative. The Recognition Order provides, *inter alia*, that the Administrator is entitled to conduct discovery, examine witnesses, seek and take evidence, and obtain information concerning the Debtor’s assets, affairs, rights, obligations, or liabilities pursuant to section 1521(a)(4) of the Bankruptcy Code.

Based on the Recognition Order and 11 U.S.C. § 1528, the Administrator was authorized to file a Chapter 11 petition on behalf of the Debtor. On June 22, 2016, the Debtor filed a voluntary petition commencing the Chapter 11 Case.

IV. EVENTS DURING THE CHAPTER 11 CASE

A. Commencement of Chapter 11 Case

On June 22, 2016, the Debtor commenced its reorganization case through the filing of a voluntary petition for relief under chapter 11 of the Bankruptcy Code in the Bankruptcy Court. Bankruptcy Judge Martin Glenn presides over the Chapter 11 Case.

B. Retention of Professionals for the Debtor

The Debtor obtained Bankruptcy Court approval of the retention of (i) Reed Smith LLP as bankruptcy counsel; and (ii) Weinberg Zareh & Geyerhahn, LLP as conflicts counsel.

C. Extension of Exclusive Periods

The Debtor's exclusive right to File a chapter 11 plan was initially scheduled to expire on October 20, 2016. The Debtor requested multiple extensions of its exclusive filing and solicitation periods. By an Order dated September 28, 2017, the Bankruptcy Court extended the Debtor's exclusive period to File a chapter 11 plan to December 22, 2017, and the Debtor's exclusive period to solicit acceptances thereof until February 22, 2018.

D. Rule 2004 Examination of Bank of America

On June 28, 2016, the Bankruptcy Court entered an order pursuant to Bankruptcy Rule 2004 authorizing the Debtor to take the examination of Bank of America, N.A., including, without limitation, authorization to serve upon Bank of America a subpoena, document requests, and other necessary related process to obtain documents concerning the bank accounts into which the Debtor and the Administrator believe the Funds (as defined above) were deposited. The Debtor and its Professionals conducted a forensic analysis of the bank records produced by Bank of America.

E. The Adversary Proceeding

On December 16, 2016, the Debtor filed an Adversary Proceeding Complaint against NBA, NCBA and the ECCB (as amended by an amended complaint filed on March 20, 2017, the "Complaint"; Adv. Proc. #16-01279). By the Complaint, the Debtor seeks, *inter alia*, to avoid and recover fraudulent transfers of the Debtor's property. The Complaint was served upon NCBA, ECCB, and NBA in compliance with Article 10 of the Hague Convention on the Service Abroad of Judicial and Extra-Judicial Documents in Civil and Commercial Matters.

On April 27-28, 2017, NCBA, ECCB, and NBA each filed separate motions to dismiss the Complaint (collectively, the "Motions to Dismiss") based on alleged forum non conveniens, act of state doctrine, sovereign immunity, the lack of extraterritorial effect of the Bankruptcy Code's avoidance provisions, and failure to state a claim. The Debtor's responses to the Motions

to Dismiss were filed on May 26, 2017 and the defendants' replies were filed on June 9, 2017. On October 19, 2017, the Bankruptcy Court entered an order directing that the parties submit supplemental briefing on certain issues by no later than October 24, 2017. On October 24, 2017, the parties submitted their respective briefs to the Bankruptcy Court. On October 26, 2017, the Bankruptcy Court heard oral argument on the Motions to Dismiss and has taken the Motions to Dismiss under advisement. There is no date scheduled for a ruling on the Motions to Dismiss. The Debtor, NCBA, ECCB or NBA may file an appeal of any order granting or denying the Motions to Dismiss in whole or in part.

F. General Information Concerning Treatment of Claims and Interests

The "cramdown" provisions of section 1129(b) of the Bankruptcy Code permit confirmation of a chapter 11 plan of reorganization or liquidation in certain circumstances even if the plan is not accepted by all impaired classes of claims and interests. The Debtor reserves the right to request Confirmation pursuant to the cramdown provisions of the Bankruptcy Code. Although the Debtor believes that, if necessary, the Plan could be confirmed under the cramdown provisions of the Bankruptcy Code, there is no assurance that the requirements of such provisions would be satisfied.

G. Voting on and Confirmation of the Plan

1. Voting Procedures and Requirements

Pursuant to the Bankruptcy Code, only classes of claims against or equity interests in a debtor that are "impaired" under the terms of a plan of liquidation or reorganization are entitled to vote to accept or reject a plan. Generally, a class is "impaired" if the legal, equitable or contractual rights attaching to the claims or interests of that class are modified other than by curing defaults and reinstating maturities. Classes of claims and equity interests that are not impaired are not entitled to vote on a plan and are conclusively presumed to have accepted the plan. Classes of claims and equity interests that receive no distributions under a plan are not entitled to vote on the plan and are deemed to have rejected the plan unless such class otherwise indicates acceptance. The classification of Claims and Interests under the Plan is summarized, together with an indication of whether each Class of Claims or Interests is impaired or unimpaired, in Article II above.

Voting on the Plan by each holder of an impaired Claim or Interest is important. If you hold Claims or Interests in more than one Class, if you hold multiple Unsecured Claims or under certain other circumstances, you may receive more than one ballot. You should complete, sign and return each ballot you receive.

Under the terms of the Plan, holders of Claims and Interests in Classes 1 and 2 are impaired and are entitled to vote on the Plan. If any of the voting Classes votes to reject the Plan, the Debtor reserves the right, in its sole discretion, to seek not to confirm the Plan. If any of the voting Classes votes to reject the Plan, (a) the Debtor may seek to satisfy the requirements for Confirmation of the Plan under the cramdown provisions of section 1129(b) of the Bankruptcy Code and, if required, may amend the Plan to conform to the standards of such section or (b) the Plan may be modified or withdrawn in its entirety.

Please carefully follow all of the instructions contained on the ballot or ballots provided to you with this Disclosure Statement if you are entitled to vote on the Plan. All ballots must be completed and returned in accordance with the instructions provided.

To be counted, your ballot or ballots must be received by the Voting Deadline of **5:00 p.m. (Eastern) on March 6, 2018**. It is of the utmost importance to the Debtor that you vote promptly to accept the Plan.

If you are entitled to vote and you did not receive a ballot, received a damaged ballot or lost your ballot, please contact Epiq by telephone at (646) 282-2500 or by email at tabulation@epiqsystems.com (please reference "PBT" in the subject line).

Votes cannot be transmitted orally or by facsimile, except in the case of a master ballot submitted by a tabulation agent. Accordingly, you are urged to return your signed and completed ballot, by hand delivery, overnight service or regular U.S. mail, promptly, so that it is received by Epiq, on or before the Voting Deadline, pursuant to the instructions in the ballot.

Holders of Claims and Interests entitled to vote may withdraw or modify their ballots by delivering (or having their nominee deliver) to Epiq prior to the Voting Deadline, a subsequent properly completed and duly executed ballot. After the Voting Deadline, withdrawals of or modifications to ballots will not be permitted (absent the Debtor's written agreement to such withdrawal or modification).

2. Confirmation Hearing

The Bankruptcy Code requires the Bankruptcy Court, after notice, to hold a hearing on whether the Debtor has fulfilled the confirmation requirements of section 1129 of the Bankruptcy Code. The Confirmation Hearing has been scheduled for **March 15, 2018, at 2:00 p.m. (Eastern)**. The Confirmation Hearing may be adjourned from time to time by the Bankruptcy Court without further notice, except for an announcement of the adjourned date made at the Confirmation Hearing. Any objection to the Confirmation of the Plan must be made in writing and must specify in detail the name and address of the objector, all grounds for the objection and the amount of the Claim or Interest held by the objector. Any such objections must be Filed and served upon the persons designated in the Bankruptcy Rules or any notice of the Confirmation Hearing and in the manner and by the deadline described therein.

3. Confirmation

To confirm the Plan, the Bankruptcy Code requires that the Bankruptcy Court make a series of findings concerning the Plan and the Debtor, including that:

- the Plan has classified Claims and Interests in a permissible manner;
- the Plan complies with the applicable provisions of the Bankruptcy Code;
- the Debtor has complied with the applicable provisions of the Bankruptcy Code;

- the Debtor, as proponent of the Plan, has proposed the Plan in good faith and not by any means forbidden by law;
- adequate information has been disclosed to Creditors and Interest holders as required by section 1125 of the Bankruptcy Code;
- the Plan has been accepted by the requisite votes, except to the extent that cramdown is available under section 1129(b) of the Bankruptcy Code, of Creditors and Interest holders;
- the Plan is feasible;
- all fees and expenses payable under 28 U.S.C. § 1930, as determined by the Bankruptcy Court at the Confirmation Hearing, have been paid, or the Plan provides for the payment of such fees on the Effective Date;
- the disclosures required under section 1129(a)(5) of the Bankruptcy Code concerning the identity and affiliations of persons who will serve as officers, directors and voting trustees of the successors to the Debtor have been made; and
- the Plan is in the “best interests” of all holders of Claims or Interests in an impaired Class by providing to Creditors or Interest holders on account of such Claims or Interests property of a value, as of the Effective Date, that is not less than the amount that such holder would receive or retain in a hypothetical chapter 7 liquidation, unless each holder of a Claim or Interest in such Class has accepted the Plan.

4. Acceptance or Cramdown

A plan is accepted by an impaired class of claims if holders of at least two-thirds in dollar amount and a majority in number of allowed claims of that class vote to accept the plan. A plan is accepted by an impaired class of interests if holders of at least two-thirds in amount of the allowed interests of that class vote to accept the plan. Only those holders of claims or interests who actually vote (and are entitled to vote) to accept or to reject a plan count in this tabulation.

In addition to this voting requirement, section 1129 of the Bankruptcy Code requires that a plan be accepted by each holder of a claim or interest in an impaired class or that the plan otherwise be found by the Bankruptcy Court to be in the best interests of each holder of a claim or interest in an impaired class.

The Bankruptcy Code contains provisions for confirmation of a plan even if it is not accepted by all impaired classes, as long as at least one impaired class of claims has accepted it. These so called “cramdown” provisions are set forth in section 1129(b) of the Bankruptcy Code. As indicated above, the Plan may be confirmed under the cramdown provisions if, in addition to satisfying the other requirements of section 1129 of the Bankruptcy Code, it (a) is “fair and equitable” and (b) “does not discriminate unfairly” with respect to each Class of Claims or Interests that is impaired under, and has not accepted, the Plan. The “fair and equitable”

standard, also known as the “absolute priority rule,” requires, among other things, that, unless a dissenting class of unsecured claims or a class of interests with respect to a debtor receives full compensation for its allowed claims or allowed interests, no holder of allowed claims or allowed interests in any junior class may receive or retain any property on account of such claims or interests. The “fair and equitable” standard has also been interpreted to prohibit any class senior to a dissenting class from receiving under a plan more than 100% of the amount of their allowed claims or allowed interests. The Debtor believes that, if necessary, the Plan may be crammed down over the dissent of certain Classes of Claims or Interests, in view of the treatment proposed for such Classes.

The requirement that a plan not “discriminate unfairly” means, among other things, that a dissenting class must be treated substantially equally with respect to other classes of equal rank. The Debtor does not believe that the Plan unfairly discriminates against any Class that may not accept or otherwise consent to the Plan.

Any Classes of Claims or Interests that receive nothing under the Plan are deemed to be dissenting classes. As a result, in addition to any Class that does not vote to accept the Plan, the Debtor will, to the extent required, seek to use the “cramdown” provisions described above in respect to any such Claims and Interests.

5. Feasibility

In connection with Confirmation of the Plan, the Bankruptcy Court would have to determine that the Plan is feasible pursuant to section 1129(a)(11) of the Bankruptcy Code, which requires that the Confirmation of the Plan is not likely to be followed by the liquidation or the need for further financial reorganization of the Debtor (unless such liquidation or reorganization is proposed by the Plan). Because the Debtor’s Plan proposes a liquidation of all of its Assets, for purposes of this test the Debtor believes that the Plan is feasible. A report setting forth the Debtor’s analysis in this regard is attached hereto as Exhibit B. Therefore, the Debtor believes that its liquidation pursuant to the Plan meets the feasibility requirement of the Bankruptcy Code.

6. Best Interests Test; Chapter 7 Liquidation Analysis

Notwithstanding acceptance of the Plan by each impaired Class, to confirm the Plan, the Bankruptcy Court must determine that the Plan is in the best interests of each holder of a Claim or Interest in any such impaired Class that has not voted to accept the Plan. Accordingly, if an impaired Class does not accept the Plan, the “best interests” test requires that the Bankruptcy Court find that the Plan provides to each member of such impaired Class a recovery on account of the member’s Claim or Interest that has a value, as of the Effective Date, at least equal to the value of the distribution that each such member would receive if the Debtor was liquidated under chapter 7 of the Bankruptcy Code on such date.

To estimate what members of each impaired Class of Claims or Interests would receive if the Debtor was liquidated under chapter 7 of the Bankruptcy Code, the Bankruptcy Court must first determine the aggregate dollar amount that would be available if the Chapter 11 Case was converted to a chapter 7 case under the Bankruptcy Code and the Assets were liquidated by a

chapter 7 trustee (the “Liquidation Value”). The Liquidation Value of the Debtor would consist of the net proceeds from the disposition of the Assets of the Debtor plus any Cash held by the Debtor.

As the Chapter 11 Case is now a liquidating case and the Plan is a liquidating plan, the Liquidation Value available to holders of Claims and Interests would be similar in many ways to the amounts expected to be available for distribution under the Plan. The Debtor’s costs of liquidation in a chapter 7 case would include the compensation of a trustee, as well as of counsel and of other professionals retained by the such trustee, asset disposition expenses, applicable Taxes, litigation costs, Claims arising from the operation of the Debtor during the pendency of the chapter 7 case and all unpaid Administrative Claims incurred by the Debtor during the Chapter 11 Case that are allowed in the chapter 7 case.

The information contained in the Liquidation Analysis attached as Exhibit B provides a summary of the potential Liquidation Values of the Debtor’s interest in property located within the territorial jurisdiction of the United States, assuming a chapter 7 liquidation in which a trustee appointed by the Bankruptcy Court would liquidate the Debtor’s Assets. The Debtor estimates that a chapter 7 trustee would incur approximately \$1 million more in costs of liquidation than would the Debtor under the Plan.

In summary, based upon the Liquidation Analysis, while liquidation under chapter 7 is not entirely different from the liquidation proposed by the Plan, the Debtor believes that chapter 7 liquidation of the Debtor would result in a potentially significant diminution in the value to be realized by holders of Claims and Interests, as compared to the proposed distributions under the Plan. The principal differences in estimated proceeds available for Unsecured Creditors and Interest holders in a chapter 7 liquidation from the distributions and recoveries estimated in the Plan are (a) estimated chapter 7 trustee fees, and (b) the time and expense the chapter 7 trustee’s professionals would incur in “getting up to speed.” The delay during which a chapter 7 trustee “gets up to speed” could affect negatively the value of the Assets. The Liquidation Analysis demonstrates that, in a chapter 7 liquidation, holders of Claims and Interests would receive lower recoveries. In addition, the Debtor believes that it is better positioned to maximize the value of certain of its assets due to its (and the Administrator’s) familiarity with the Recovery Actions and the related legal and factual issues. Although the Liquidation Analysis does not reflect any certainty in recoveries from litigation or the related expenses, the Debtor has already demonstrated an ability to effectively manage and prosecute significant claims and causes of action. Consequently, the Debtor believes that the Plan will provide a greater ultimate return to holders of Claims and Interests and provide greater certainty to such return as compared to a chapter 7 liquidation.

7. Compliance with Applicable Provisions of the Bankruptcy Code

Section 1129(a)(1) of the Bankruptcy Code requires that the Plan comply with the applicable provisions of the Bankruptcy Code. The Debtor has considered each of these issues in the development of the Plan, believes that the Plan complies with all provisions of the Bankruptcy Code and will File a brief in support of Confirmation of the Plan prior to the Confirmation Hearing.

8. Alternatives to Confirmation and Consummation of the Plan

The Debtor has evaluated alternatives to the Plan, including alternative structures and terms of liquidation for the Debtor. While the Debtor has concluded that the Plan is the best alternative and will maximize recoveries by holders of Claims and Interests, if the Plan is not confirmed, the Debtor or (subject to the Debtor's remaining (if any) exclusive periods under the Bankruptcy Code to File and solicit acceptances of a plan or plans of liquidation) any other party in interest in the Chapter 11 Case could attempt to formulate and propose a different plan or different plans of liquidation. Further, if no plan of liquidation under chapter 11 of the Bankruptcy Code can be confirmed, the Chapter 11 Case may be dismissed or converted to a chapter 7 case. In a liquidation case under chapter 7 of the Bankruptcy Code, a trustee would be appointed to liquidate the remaining assets of the Debtor and distribute proceeds to Creditors and Interest holders. The net proceeds of the liquidation would be distributed in accordance with the priorities established by the Bankruptcy Code. For further discussion of the potential impact on the Debtor of the conversion of the Chapter 11 Case to chapter 7 liquidation, see Section IV.G.6. The Debtor believes that Confirmation and consummation of the Plan is preferable to the available alternatives.

H. Conditions Precedent to the Effective Date of the Plan

1. Conditions to the Effective Date

The Effective Date will not occur, and the Plan will not be consummated unless and until the following conditions have been satisfied:

- The Bankruptcy Court shall have entered the Confirmation Order in form and content acceptable to the Debtor.
- The Plan and all exhibits to the Plan shall have been Filed and shall not have been materially amended, altered or modified from the forms confirmed by the Confirmation Order, unless such material amendment, alteration or modification has been made in accordance with Section VII.A of the Plan.

2. Effect of Nonoccurrence of Conditions to the Effective Date

If each of the conditions to the Effective Date is not satisfied within 60 days of the entry of the Confirmation Order, then upon motion by the Debtor, the Reorganized Debtor, or any party in interest made before the time that each of such conditions has been satisfied and upon notice to such parties in interest as the Bankruptcy Court may direct, the Confirmation Order may be vacated by the Bankruptcy Court; *provided, however*, that, notwithstanding the Filing of such motion, the Confirmation Order may not be vacated if each of the conditions to the Effective Date is satisfied before the Bankruptcy Court enters an order granting such motion, unless the Confirmation Order is vacated as provided in section 1144 of the Bankruptcy Code. If the Confirmation Order is vacated pursuant to Section V.C, of the Plan then the Plan will be null and void in all respects.

3. Request for Waiver of Stay of Confirmation Order

The Plan will serve as a motion seeking a waiver of the stay of the Confirmation Order imposed by Bankruptcy Rule 3020(e). Any objection to this request for waiver shall be Filed with the Bankruptcy Court and served on the parties listed in Section VII.E of the Plan on or before the Voting Deadline, or such other date as may be fixed by the Bankruptcy Court. In the event any such objections are timely Filed, a hearing with respect thereto will occur at the Confirmation Hearing.

4. Modification of the Plan

Subject to the restrictions on modifications set forth in section 1127 of the Bankruptcy Code, the Debtor reserves the right to alter, amend or modify the Plan before the Effective Date.

5. Revocation of the Plan

The Debtor reserves the right to revoke or withdraw the Plan prior to the Confirmation Date. If the Debtor revokes or withdraws the Plan, or if Confirmation does not occur, then the Plan will be null and void in all respects, and nothing contained in the Plan will: (1) constitute a waiver or release of any Claims by or against, or any Interests in, the Debtor; (2) prejudice in any manner the rights of the Debtor or any other party in interest; or (3) constitute an admission by the Debtor or any other party in interest.

V. MEANS FOR IMPLEMENTATION OF THE PLAN

A. Corporate Existence

The Debtor will continue to exist, as the Reorganized Debtor, unless and until it has been dissolved by the Administrator.

B. Reports to be Filed by the Reorganized Debtor

The Reorganized Debtor shall File with the Bankruptcy Court (and provide to any other party entitled to receive any such report pursuant to the Bankruptcy Code and the Bankruptcy Rules), no later than 60 days after December 31 of each calendar year ending after the Effective Date, an annual report regarding the administration of the Assets pursuant to the Plan, distributions made by it and other matters relating to the implementation of the Plan.

C. Fees and Expenses of the Reorganized Debtor

1. The Reorganized Debtor's expenses shall be paid from the Assets and such other funds as the Administrator shall make available.

2. In addition, the Reorganized Debtor may employ, without further order of the Bankruptcy Court, professionals (including professionals previously employed by the Debtor) to assist in carrying out its duties hereunder and may reasonably compensate and reimburse the expenses of these professionals from the Assets and such other funds as the

Administrator shall make available, based upon the nature of the work performed by such professional, without further order of the Bankruptcy Court.

D. Indemnification

To the extent permitted by law, the Reorganized Debtor shall indemnify its professionals and the Administrator from all claims and causes of action, except to the extent such claims and causes of action are judicially determined by a Final Order to have resulted primarily from fraud, willful misconduct, gross negligence, or criminal conduct.

E. Revesting of Assets

Pursuant to section 1141(b) of the Bankruptcy Code, the Assets shall revest in the Reorganized Debtor on the Effective Date.

F. Preservation of Causes of Action

1. Preservation of Causes of Action

The Debtor or the Reorganized Debtor shall retain and may enforce all rights to commence and pursue any and all claims and causes of action belonging to the Debtor, whether arising before or after the Petition Date, including, but not limited to, any actions specifically enumerated in the Debtor's Schedules, the Disclosure Statement, the Plan, or Exhibit III.F.1 to the Plan, and the rights of the Debtor and the Reorganized Debtor to commence, prosecute, or settle such causes of action shall be preserved notwithstanding the occurrence of the Effective Date.

The Debtor or the Reorganized Debtor may pursue all such causes of action. No Entity may rely on the absence of a specific reference in the Schedules, the Plan, Exhibit III.F.1 to the Plan, or in the Disclosure Statement, to any cause of action against it as any indication that the Debtor or the Reorganized Debtor, as applicable, will not pursue any and all available causes of action against it. Unless any causes of action against a Person or Entity are expressly and unambiguously waived, relinquished, exculpated, released, compromised, or settled herein or in a Bankruptcy Court order, the Debtor and the Reorganized Debtor expressly reserve all causes of action, for later prosecution, settlement, or adjudication, and, therefore, no preclusion doctrine, including the doctrines of *res judicata*, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise), or laches, shall apply to such causes of action upon, after, or a consequence of Confirmation, the Effective Date, or consummation of the Plan.

In accordance with sections 1141(b) and 1123(b)(3) of the Bankruptcy Code, the Assets (including any causes of action) that the Debtor may hold against any person or entity shall revest in the Reorganized Debtor, and the Debtor and the Reorganized Debtor shall have the exclusive right, authority, and discretion to determine and to initiate, file, prosecute, enforce, abandon, settle, compromise, release, withdraw, or litigate to judgment any such causes of action and to decline to do any of the foregoing without the consent or approval of any third party or further notice to or action, order, or approval of the Bankruptcy Court.

G. Exculpation

To the extent permitted by law, from and after the Effective Date, the Released Parties shall neither have nor incur any liability to any Person or Entity for any act taken or omitted, or to be taken, in connection with the Chapter 11 Case, the Debtor's related case under Chapter 15 of the Bankruptcy Code, the Debtor's post-petition liquidation activity, including the filing and prosecution of any claims or causes of action, and the formulation, preparation, dissemination, implementation, Confirmation or approval of the Plan, the exhibits to the Plan, the Disclosure Statement, or any other contract, instrument, release or other agreement or document provided in connection therewith; *provided, however*, that the foregoing provisions shall not affect the liability of any Person that otherwise would result from any such act or omission to the extent that the act or omission is determined in a Final Order to have resulted from fraud, willful misconduct, gross negligence, or criminal conduct; *provided further, however*, that nothing herein shall limit the liability of the Released Parties pursuant to applicable disciplinary rules.

H. Injunction

The Plan provides that every Person or Entity holding a Claim against the Debtor that arose before the Petition Date is enjoined from taking any action to assess or collect, or commencing or continuing an action or proceeding against the Debtor on account of, any such Claim. All such Claims may be asserted in the Anguillian Proceeding.

I. Effectuating Documents and Further Transactions; Exemption from Certain Transfer Taxes

1. Effectuating Documents and Further Transactions

Prior to the Effective Date, the Debtor, and after the Effective Date, the Debtor or the Reorganized Debtor, will be authorized to execute, deliver, file or record such contracts, instruments, releases and other agreements or documents and take such actions as may be necessary or appropriate to effectuate and implement the provisions of the Plan.

2. Exemption From Transfer Taxes

Pursuant to section 1146(a) of the Bankruptcy Code, the following will not be subject to any stamp Tax, real estate transfer Tax, mortgage recording Tax or similar Tax: (a) any transfer of Assets made by the Debtor or the Reorganized Debtor to the Administrator or any other Person or Entity; (b) any sales (including, without limitation, private or public foreclosure sales) of Assets made by the Debtor or the Reorganized Debtor to liquidate such Assets and convert such assets into Cash; (c) any sales of Assets made by the Debtor or the Reorganized Debtor under section 363 of the Bankruptcy Code, to the extent that title to the Assets being sold transfers after the Confirmation Date; (d) the making or delivery of any deed or other instrument of transfer under, in furtherance of or in connection with the Plan, including any merger agreements, agreements of consolidation, restructuring, disposition, liquidation or

dissolution, deeds, bills of sale, or assignments executed in connection with any of the foregoing or pursuant to the Plan.

J. Substitution in Pending Legal Actions

On the Effective Date, the Reorganized Debtor shall be deemed to be substituted as the party to any litigation in which the Debtor is a party, including (but not limited to) pending contested matters or adversary proceedings in the Bankruptcy Court. The Reorganized Debtor and its professionals are not required to, but may take such steps as are appropriate to provide notice of such substitution.

VI. RISK FACTORS

Prior to voting on the Plan, each holder of a Claim or Interest entitled to vote should consider carefully the risk factors described below, as well as all of the information contained in this Disclosure Statement, including the exhibits hereto. These risk factors should not, however, be regarded as constituting the only risks involved in connection with the Plan and its implementation. See Article VIII for a discussion of certain tax considerations.

A. Risk of Non-Confirmation of the Plan

Even if all impaired Classes accept or could be deemed to accept the Plan, the Plan may not be confirmed by the Bankruptcy Court. Section 1129 of the Bankruptcy Code, which sets forth the requirements for Confirmation, requires, among other things: (1) that Confirmation not be followed by a need for further reorganization or liquidation not contemplated by the Plan (i.e., that the Plan is “feasible”); (2) that the value of distributions to dissenting holders not be less than the value of distributions to such holders if the Debtor was liquidated under chapter 7 of the Bankruptcy Code; and (3) that the Plan and the Debtor otherwise comply with the applicable provisions of the Bankruptcy Code. Although the Debtor believes that the Plan will meet all of the applicable requirements, there can be no assurance that the Bankruptcy Court will reach the same conclusion. See Section II.D for additional information regarding the requirements for Confirmation.

B. Nonconsensual Confirmation

Pursuant to the “cramdown” provisions of section 1129 of the Bankruptcy Code, the Bankruptcy Court can confirm the Plan at the Debtor’s request if, excluding the acceptance of any “insider,” at least one impaired Class of impaired Claims has accepted the Plan and the Bankruptcy Court determines that the Plan “does not discriminate unfairly” and is “fair and equitable” with respect to each impaired Class that has not accepted the Plan.

The Debtor reserves the right to modify the terms of the Plan, as necessary, to seek Confirmation without the acceptance of all impaired Classes. Such modification could result in less favorable treatment for non-accepting Classes of Claims or Interests than the treatment currently provided for in the Plan. Further, in the event an impaired Class of Claims or Interests fails to approve the Plan, the Debtor may determine, in its sole discretion, not to seek Confirmation of the Plan.

C. Delays in Confirmation or Effective Date

Any delay in Confirmation or the effectiveness of the Plan could result in, among other things, additional Administrative Claims. Additional Administrative Claims and any other negative effects of a delay in Confirmation or the effectiveness of the Plan could endanger the ultimate approval of the Plan by the Bankruptcy Court.

D. Litigation Risks

The ultimate amount of Cash available for distribution to the Administrator for distribution to holders of Claims and Interests in the Anguillian Proceeding also will be affected by the success of the Reorganized Debtor in pursuing claims and causes of action, including without limitation, the Recovery Actions. If the Reorganized Debtor is unsuccessful, in whole or in part, in pursuing such claims or liquidating such assets, there will less (or no) Cash available for the Administrator to distribute on account of allowed Claims and allowed Interests in the Anguillian Proceeding.

E. Avoidance Actions

In accordance with section 1123(b) of the Bankruptcy Code, even after Confirmation of the Plan, the Reorganized Debtor will retain and may enforce any claims, demands, rights and causes of action that the Debtor's estate may have against any Person or Entity, including the Recovery Action and any other claims for preference, fraudulent conveyance and setoff. All of the Debtor's claims and causes of action, including without limitation, the Recovery Actions vest in the Reorganized Debtor. Except to the extent (if any) expressly provided otherwise in the Plan, no claim or cause of action is waived or released under the Plan.

VII. DISTRIBUTIONS UNDER THE PLAN

A. Payment of Administrative Claims

1. Administrative Claims in General

Except as otherwise specified in Section II.A.1 of the Plan, and subject to the bar date provisions therein, unless otherwise agreed by the holder of an Administrative Claim and the Debtor or the Reorganized Debtor, or unless an order of the Bankruptcy Court provides otherwise, each holder of an allowed Administrative Claim will receive from the Debtor or the Reorganized Debtor, in full satisfaction of its Administrative Claim, Cash (from the Assets or other fund made available by the Administrator) equal to the amount of such allowed Administrative Claim either (i) on the Effective Date or (ii) if the Administrative Claim is not allowed as of the Effective Date, within 60 days after the date on which such Administrative Claim becomes an allowed Administrative Claim.

2. Statutory Fees

On or before the Effective Date, U.S. Trustee Fees, together with interest, if any, pursuant to 31 U.S.C. § 3717, will be paid by the Debtor in Cash equal to the amount of such Claims.

U.S. Trustee Fees accruing after the Effective Date will be paid by the Reorganized Debtor until the closing of the applicable Chapter 11 Case pursuant to section 350(a) of the Bankruptcy Code.

3. Bar Dates for Administrative Claims

a. General Administrative Claim Bar Date Provisions

Unless previously Filed, motions for payment of Administrative Claims must be Filed and served on the parties identified in Section VII.E of the Plan no later than 30 days after the Effective Date. Holders of Administrative Claims that are required to File and serve a request for payment of such Administrative Claims and that do not File and serve a motion requesting payment of such Administrative Claims by the applicable bar date will be forever barred from asserting such Administrative Claims against the Debtor the Reorganized Debtor, or the Assets (or the proceeds thereof), and such Administrative Claims will be deemed discharged as of the Effective Date. Objections to the requests for payment of post-petition Administrative Claims must be Filed and served on the parties identified in Section VII.E of the Plan and the requesting party within 120 days after the Effective Date.

b. Bar Dates for Certain Administrative Claims

Professional Compensation. Professionals or other entities asserting a Fee Claim (excluding ordinary course professionals, if any) for services rendered before the Effective Date must File and serve on the parties identified in Section VII.E of the Plan and such other entities who are designated by the Bankruptcy Rules, the Fee Order, the Confirmation Order or other order of the Bankruptcy Court an application for final allowance of such Fee Claim no later than 120 days after the Effective Date (or such later date as the Reorganized Debtor and such Professional may agree). Objections to any Fee Claim must be Filed and served on the parties identified in Section VII.E of the Plan and the requesting party by 14 days after the date upon which such Fee Claim is Filed or such date as a Professional and the United States Trustee may agree. To the extent necessary, the Confirmation Order will supersede any previously entered order of the Bankruptcy Court regarding the payment of Fee Claims.

Ordinary Course Administrative Liabilities. Holders of Administrative Claims arising from Liabilities incurred by the Debtor in the ordinary course of its business on or after the Petition Date but prior to the Effective Date must, if not paid within 20 days of the Effective Date, File with the Bankruptcy Court and serve on the parties identified in Section VII.E of the Plan no later than 40 days after the Effective Date an application for allowance and payment of such Administrative Claims asserted or the holder of such Claims shall be forever barred from asserting such Claims against the Debtor, the Reorganized Debtor, or the Assets (or the proceeds thereof).

B. Payment of Priority Tax Claims

The Debtor does not believe that it owes any priority Tax Claims.

VIII. CERTAIN FEDERAL INCOME TAX CONSEQUENCES OF CONSUMMATION OF THE PLAN

A. Tax Consequences of Plan

The Debtor does not believe that the Plan will have a material U.S. federal income Tax impact either on the Debtor or the holders of Claims against, or Interest in, the Debtor.

B. Importance of Obtaining Professional Tax Assistance

THE FOREGOING IS INTENDED ONLY AS A SUMMARY OF CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN, AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING WITH A TAX PROFESSIONAL. THE ABOVE DISCUSSION IS FOR INFORMATION PURPOSES ONLY AND IS NOT TAX ADVICE. THE TAX CONSEQUENCES ARE IN MANY CASES UNCERTAIN AND MAY VARY DEPENDING ON A HOLDER'S INDIVIDUAL CIRCUMSTANCES, INCLUDING WHETHER SUCH HOLDER IS SUBJECT TO TAXATION BY THE UNITED STATES. MOREOVER, THE ABOVE DOES NOT ADDRESS THE POSSIBLE TAX CONSEQUENCES OF ACTIONS THAT MAY BE TAKEN IN THE ANGUILLIAN PROCEEDING, WHICH COULD POTENTIALLY BE RELEVANT TO A HOLDER OF CLAIMS OR INTERESTS. ACCORDINGLY, HOLDERS OF CLAIMS OR INTERESTS ARE URGED TO CONSULT WITH THEIR TAX ADVISORS ABOUT THE FEDERAL, STATE, LOCAL AND NON-U.S. INCOME AND OTHER TAX CONSEQUENCES OF THE PLAN.

THIS DISCUSSION IS BASED ON THE INTERNAL REVENUE CODE, TREASURY REGULATIONS, JUDICIAL DECISIONS AND ADMINISTRATIVE DETERMINATIONS, ALL AS IN EFFECT ON THE DATE OF THIS DISCLOSURE STATEMENT AND ALL SUBJECT TO CHANGE, POSSIBLY WITH RETROACTIVE EFFECT. CHANGES IN ANY OF THESE AUTHORITIES OR IN THEIR INTERPRETATION COULD CAUSE THE FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN TO DIFFER MATERIALLY FROM THE CONSEQUENCES DESCRIBED BELOW.

THE FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN ARE COMPLEX AND IN IMPORTANT RESPECTS UNCERTAIN. NO RULING HAS BEEN REQUESTED FROM THE INTERNAL REVENUE SERVICE (THE "IRS"); NO OPINION HAS BEEN REQUESTED FROM COUNSEL TO THE PLAN PROPONENT CONCERNING ANY TAX CONSEQUENCE OF THE PLAN; AND NO TAX OPINION IS GIVEN BY THIS DISCLOSURE STATEMENT.

THE DISCUSSION DOES NOT COVER ALL ASPECTS OF U.S. FEDERAL INCOME TAXATION THAT MAY BE RELEVANT TO THE DEBTOR OR HOLDERS OF CLAIMS OR INTERESTS. IN ADDITION, THE DISCUSSION DOES NOT DISCUSS STATE, LOCAL, NON-U.S. OR NON-INCOME TAX CONSEQUENCES.

FOR THESE REASONS, THE DISCUSSION IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING AND PROFESSIONAL TAX ADVICE BASED UPON THE INDIVIDUAL CIRCUMSTANCES OF EACH HOLDER OF A CLAIM OR INTEREST.

IX. ADDITIONAL INFORMATION

Any statements in this Disclosure Statement concerning the provisions of any document are not necessarily complete, and in each instance reference is made to such document for the full text thereof. Certain documents described or referred to in this Disclosure Statement have not been attached as exhibits because of the impracticability of furnishing copies of these documents to all recipients of this Disclosure Statement.

X. RECOMMENDATION AND CONCLUSION

For all of the reasons set forth in this Disclosure Statement, the Debtor believes that the Confirmation and consummation of the Plan is preferable to all other alternatives. Consequently, the Debtor urges all holders of Claims and Interests in Classes entitled to vote on the Plan to vote to accept the Plan and to evidence their acceptance by duly completing and returning their ballots so that they will be received on or before the Voting Deadline.

Dated: January 26, 2018

NATIONAL BANK OF ANGUILLA (PRIVATE
BANKING & TRUST) LTD.

By: /s/ William Tacon
William Tacon, Administrator

Filed by:

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*Counsel for the Debtor and
Debtor in Possession*

EXHIBIT A

(PLAN)

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

National Bank of Anguilla (Private Banking
& Trust) Ltd.,

Debtor.

Chapter 11

Case No. 16-11806 (MG)

**MODIFIED LIQUIDATING PLAN OF REORGANIZATION OF THE
DEBTOR AND DEBTOR IN POSSESSION**

January 26, 2018

REED SMITH LLP

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TABLE OF EXHIBITS¹

Exhibit III.F.1 Nonexclusive List of Retained Causes of Action

¹ To the extent (if any) not filed with the Plan, the Debtor will File the exhibit to this Plan no later than 10 days before the Confirmation Hearing. All exhibits will be available on the Bankruptcy Court's website (<http://www.nysb.uscourts.gov>) and the website of Epiq Bankruptcy Solutions, LLC, the Debtor's Bankruptcy Court-approved noticing agent, (<http://dm.epiq11.com/NBA>) once they are Filed. The Debtor reserves the right to modify, amend, supplement, restate or withdraw any exhibits to the Plan after they are Filed and shall promptly make copies of those available upon request.

INTRODUCTION

National Bank of Anguilla (Private Banking & Trust) Ltd. (the “Debtor”), Debtor in this Chapter 11 Case proposes the following Modified Liquidating Plan of Reorganization (together with all exhibits attached hereto or referenced herein, as the same may be amended, modified or supplemented the “Plan”) for the distribution of the proceeds of the U.S. Assets (as hereinafter defined). Pursuant to 11 U.S.C. § 1528, this Plan only relates to Assets of the Debtor located in the territorial jurisdiction of the United States. The Debtor is the proponent of the Plan within the meaning of 11 U.S.C. § 1129. Reference is made to the Disclosure Statement Pursuant to Section 1125 of the Bankruptcy Code for the Plan dated January 26, 2018 (together with all exhibits attached thereto or referenced therein, as the same may be amended, modified or supplemented the “Disclosure Statement”) for a discussion of the Debtor’s history, business, Assets and Liabilities, and for a summary and analysis of the Plan.

ALL CREDITORS AND INTEREST HOLDERS ENTITLED TO VOTE ON THE PLAN ARE ENCOURAGED TO READ THE PLAN AND DISCLOSURE STATEMENT IN THEIR ENTIRETY BEFORE VOTING TO ACCEPT OR REJECT THE PLAN. SUBJECT TO CERTAIN RESTRICTIONS AND REQUIREMENTS SET FORTH IN SECTION 1127 OF THE BANKRUPTCY CODE, BANKRUPTCY RULE 3019 AND IN THE PLAN, THE DEBTOR RESERVES THE RIGHT TO ALTER, AMEND, MODIFY, REVOKE OR WITHDRAW THE PLAN PRIOR TO ITS SUBSTANTIAL CONSUMMATION.

ARTICLE I DEFINED TERMS, RULES OF INTERPRETATION AND COMPUTATION OF TIME

A. Defined Terms

1. As used in the Plan, capitalized terms have the meanings set forth below. Any term that is not otherwise defined herein, but that is defined in the Bankruptcy Code or the Bankruptcy Rules (as each such term is defined below), will have the meaning given to that term in the Bankruptcy Code or the Bankruptcy Rules, as applicable.
2. “Administrative Claim” means a Claim against the Debtor or its estate arising on or after the Petition Date and prior to the Effective Date for a cost or expense of administration in the Chapter 11 Case that is entitled to priority or superpriority under sections 364(c)(1), 365, 503(b), 503(b), 507(b) or 1114(e)(2) of the Bankruptcy Code, including: (i) the actual and necessary costs and expenses incurred after the Petition Date of preserving the Debtor’s estate; and (ii) compensation for legal, financial advisory, accounting and other services and reimbursement of expenses awarded or allowed under sections 330(a) or 331 of the Bankruptcy Code, including Fee Claims.
3. “Administrator” means William Tacon, in his capacity as administrator of the Debtor pursuant to an order of the Anguillian Court entered on February 22, 2016, or any successor administrator appointed by the Anguillian Court.
4. “Anguillian Court” means the Eastern Caribbean Supreme Court in the High Court of Justice Anguilla Circuit.

5. “Anguillian Proceeding” means the administration of the Debtor in Anguilla pursuant to section 31(2)(b) of the Financial Services Commission Act.
6. “Assets” means all property of the Debtor’s estate within the meaning of section 541(a) of the Bankruptcy Code to the extent such property is located “within the territorial jurisdiction of the United States” pursuant to section 1502(8) of the Bankruptcy Code, including, without limitation, the Recovery Actions, that are not released under this Plan.
7. “Bankruptcy Code” means title 11 of the United States Code, as now in effect or hereafter amended, as applicable to this Chapter 11 Case.
8. “Bankruptcy Court” means the United States Bankruptcy Court for the Southern District of New York.
9. “Bankruptcy Rules” means, collectively, the Federal Rules of Bankruptcy Procedure and the local rules of the Bankruptcy Court, as now in effect or hereafter amended, as applicable to this Chapter 11 Case.
10. “Business Day” means any day, other than a Saturday, Sunday or “legal holiday” (as defined in Bankruptcy Rule 9006(a)).
11. “Cash” means legal tender of the United States of America and equivalents thereof.
12. “Chapter 11 Case” means the case commenced under chapter 11 of the Bankruptcy Code by the Debtor in the Bankruptcy Court and designated Case No 16-11806 (MG).
13. “Claim” means a claim (as defined in section 101(5) of the Bankruptcy Code) against the Debtor.
14. “Class” means a class of Claims or Interests, as described in Article II.
15. “Confirmation” means the entry of the Confirmation Order on the docket of the Bankruptcy Court.
16. “Confirmation Date” means the date on which the Bankruptcy Court enters the Confirmation Order on its docket, within the meaning of Bankruptcy Rules 5003 and 9021.
17. “Confirmation Hearing” means the hearing held by the Bankruptcy Court on Confirmation of the Plan, as such hearing may be adjourned from time to time.
18. “Confirmation Order” means the order of the Bankruptcy Court confirming the Plan pursuant to section 1129 of the Bankruptcy Code.
19. “Creditor” means any entity holding a Claim against the Debtor.
20. “Disclosure Statement” has the meaning provided in the Introduction to this Plan.

21. “Disclosure Statement Order” means the Order [insert full title] entered by the Bankruptcy Court on [insert date] approving the Disclosure Statement.
22. “Effective Date” means a day, as determined by the Debtor, that is the Business Day as soon as reasonably practicable after all conditions to the Effective Date in Section V.B have been met or waived.
23. “Entity” has the meaning ascribed to it in section 101(15) of the Bankruptcy Code.
24. “Fee Claim” means a Claim under sections 328, 330(a), 331, 503 or 1103 of the Bankruptcy Code for compensation of a Professional for services rendered or expenses incurred in the Chapter 11 Case.
25. “Fee Order” means any order establishing procedures for interim compensation and reimbursement of expenses of Professionals that may be entered by the Bankruptcy Court.
26. “File,” “Filed” or “Filing” means file, filed or filing with the clerk of the Bankruptcy Court or its authorized designee in the Chapter 11 Case.
27. “Final Order” means an order or judgment of the Bankruptcy Court, or other court of competent jurisdiction, as entered on the docket in the Chapter 11 Case or the docket of any other court of competent jurisdiction, that has not been reversed, stayed, modified or amended, and as to which the time to appeal or seek certiorari or move, under Bankruptcy Rule 9023 and/or Rule 59 of the Federal Rules of Civil Procedure, for a new trial, reargument or rehearing has expired, and no appeal or petition for certiorari or other proceedings for a new trial, reargument or rehearing has been timely taken, or as to which any appeal that has been taken or any petition for certiorari that has been timely filed has been withdrawn or resolved by the highest court to which the order or judgment was appealed or from which certiorari was sought or the new trial, reargument or rehearing shall have been denied or resulted in no modification of such order.
28. “Interest” means the ownership of the 42,037 shares in the Debtor, and the rights of any entity to purchase or demand the issuance of any of such ownership or equity interest, including: (a) redemption, conversion, exchange, voting, participation and dividend rights (including any rights in respect of accrued and unpaid dividends); (b) liquidation preferences; (c) stock options and warrants; and (d) restricted stock units.
29. “IRC” means the Internal Revenue Code of 1986, as amended.
30. “IRS” means the United States Internal Revenue Service.
31. “Liabilities” means any and all Claims, obligations, suits, judgments, damages, demands, debts, rights, causes of action and liabilities, whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, arising in law, equity or otherwise, that are based in whole or in part on any act, event, injury, omission, transaction, agreement, employment, exposure or other occurrence taking place or entered into on or prior to the Effective Date.

- 32. “Person” means any individual, firm, corporation, partnership, limited liability company, joint venture, association, trust, unincorporated organization or other entity.
- 33. “Petition Date” means June 22, 2016, the date on which the Debtor Filed the voluntary petition for relief commencing the Chapter 11 Case.
- 34. “Plan” mean this Plan, as may be modified or amended, and including the exhibit(s) to the Plan, as may be modified or amended.
- 35. “Professional” means any professional employed in the Chapter 11 Case pursuant to sections 327, 328, 363 or 1103 of the Bankruptcy Code or any professional or other entity seeking compensation or reimbursement of expenses in connection with the Chapter 11 Case pursuant to section 503(b)(4) of the Bankruptcy Code.
- 36. “Recovery Actions” means, collectively and individually, all claims and causes of action held that are Assets, including, without limitation, claims and causes of action under sections 502(d), 544, 545, 547, 548, 549, 550 and 553 of the Bankruptcy Code, and any other avoidance or similar action under the Bankruptcy Code or similar state or foreign law, and the proceeds thereof, whether received by judgment, settlement or otherwise.
- 37. “Released Parties” means, collectively and individually, the Debtor, the Administrator and, in their respective capacity as counsel or financial advisor to the Debtor, FTI Consulting, Inc., Reed Smith LLP, and Weinberg Zareh Malkin Price LLP, and each of their respective partners, members, employees, and agents, in their capacities as such.
- 38. “Reorganized Debtor” means the Debtor on and after the Effective Date.
- 39. “Schedules” means the schedules of Assets and Liabilities and the statements of financial affairs Filed by the Debtor on or about August 8, 2016, as required by section 521 of the Bankruptcy Code, as the same may have been thereafter, or may be, amended, modified or supplemented.
- 40. “Tax” means: (a) any net income, alternative or add-on minimum, gross income, gross receipts, sales, use, ad valorem, value added, transfer, franchise, profits, license, property, environmental or other tax, assessment or charge of any kind whatsoever (together in each instance with any interest, penalty, addition to tax or additional amount) imposed by any federal, state, local or foreign taxing authority; or (b) any liability for payment of any amounts of the foregoing types as a result of being a member of an affiliated, consolidated, combined or unitary group, or being a party to any agreement or arrangement whereby liability for payment of any such amounts is determined by reference to the liability of any other entity.
- 41. “Treasury Regulation” means the regulations promulgated under the IRC.
- 42. “Unsecured Claim” means any Claim that is unpaid as of the Effective Date that is not an Administrative Claim.

43. “U.S. Trustee Fees” means the fees payable to the United States Trustee pursuant to 28 U.S.C. § 1930.
44. “Voting Deadline” means [_____, 2018] at 5:00 p.m. (Eastern), which is the deadline for submitting ballots to accept or reject the Plan in accordance with section 1126 of the Bankruptcy Code.

B. Rules of Interpretation and Computation of Time

1. Rules of Interpretation

For purposes of the Plan, unless otherwise provided herein: (a) whenever from the context it is appropriate, each term, whether stated in the singular or the plural, will include both the singular and the plural; (b) unless otherwise provided in the Plan, any reference in the Plan to a contract, instrument, release or other agreement or document being in a particular form or on particular terms and conditions means that such document will be substantially in such form or substantially on such terms and conditions; (c) unless the context indicates otherwise, any reference in the Plan to an existing document or exhibit Filed or to be Filed means such document or exhibit, as it may have been or may be amended, modified or supplemented pursuant to the Plan, Confirmation Order or otherwise; (d) any reference to an Entity as a holder of a Claim or Interest includes that Entity’s successors, assigns and affiliates; (e) all references in the Plan to Sections, Articles and exhibits are references to Sections, Articles and exhibits of or to the Plan; (f) the words “herein,” “hereunder” and “hereto” refer to the Plan in its entirety rather than to a particular portion of the Plan; (g) captions and headings to Articles and Sections are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of the Plan; (h) subject to the provisions of any contract, articles or certificates of incorporation, bylaws, codes of regulation, similar constituent documents, instrument, release or other agreement or document entered into or delivered in connection with the Plan, the rights and obligations arising under the Plan will be governed by, and construed and enforced in accordance with, federal law, including the Bankruptcy Code and the Bankruptcy Rules; and (i) the rules of construction set forth in section 102 of the Bankruptcy Code will apply to the extent not inconsistent with any other provision of this Section I.B.1.

2. Computation of Time

In computing any period of time prescribed or allowed by the Plan, the provisions of Bankruptcy Rule 9006(a) will apply.

ARTICLE II
CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS

All Claims and Interests, except Administrative Claims, are placed in Classes below. In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims, as described in Section II.A, are unclassified Claims.² A Claim or Interest is classified in a particular Class only to the extent that the Claim or Interest qualifies within the description of

² Priority Tax Claims also are unclassified Claims pursuant to section 1123(a)(1) of the Bankruptcy Code. The Debtor, however, does not believe that it owes any priority Tax Claims.

that Class and is classified in other Classes to the extent that any remainder of the Claim or Interest qualifies within the description of such other Classes.

A. Unclassified Claims

1. Payment of Administrative Claims

a. Administrative Claims in General

Except as otherwise specified in this Section II.A.1, and subject to the bar date provisions herein, unless otherwise agreed by the holder of an Administrative Claim and the Debtor or the Reorganized Debtor, or unless an order of the Bankruptcy Court provides otherwise, each holder of an allowed Administrative Claim will receive from the Debtor or the Reorganized Debtor, in full satisfaction of its Administrative Claim, Cash equal to the amount of such allowed Administrative Claim either (i) on the Effective Date or (ii) if the Administrative Claim is not allowed as of the Effective Date, within 60 days after the date on which such Administrative Claim becomes an allowed Administrative Claim.

b. Statutory Fees

On or before the Effective Date, U.S. Trustee Fees, together with interest, if any, pursuant to 31 U.S.C. § 3717, will be paid by the Debtor in Cash equal to the amount of such Claims. U.S. Trustee Fees accruing after the Effective Date will be paid by the Reorganized Debtor until the closing of the Chapter 11 Case pursuant to section 350(a) of the Bankruptcy Code.

c. Bar Dates for Administrative Claims

i. General Administrative Claim Bar Date Provisions

Unless previously Filed, motions for payment of Administrative Claims must be Filed and served on the parties identified in Section VII.E no later than 30 days after the Effective Date. Holders of Administrative Claims that are required to File and serve a request for payment of such Administrative Claims and that do not File and serve a motion requesting payment of such Administrative Claims by the applicable bar date will be forever barred from asserting such Administrative Claims against the Debtor, the Reorganized Debtor, or the Assets (or the proceeds thereof), and such Administrative Claims will be deemed discharged as of the Effective Date. Objections to the requests for payment of post-petition Administrative Claims must be Filed and served on the parties identified in Section VII.E and the requesting party within 120 days after the Effective Date.

ii. Bar Dates for Certain Administrative Claims

A. Professional Compensation

Professionals or other entities asserting a Fee Claim (excluding ordinary course professionals, if any) for services rendered before the Effective Date must File and serve on the parties identified in Section VII.E and such other entities who are designated by the Bankruptcy

Rules, the Fee Order, the Confirmation Order or other order of the Bankruptcy Court an application for final allowance of such Fee Claim no later than 120 days after the Effective Date (or such later date as the Reorganized Debtor and such Professional may agree). Objections to any Fee Claim must be Filed and served on the parties identified in Section VII.E and the requesting party by 14 days after the date upon which such Fee Claim is Filed or such date as a Professional and the United States Trustee may agree. To the extent necessary, the Confirmation Order will supersede any previously entered order of the Bankruptcy Court regarding the payment of Fee Claims.

B. Ordinary Course Administrative Liabilities

Holders of Administrative Claims arising from Liabilities incurred by the Debtor in the ordinary course of its business on or after the Petition Date but prior to the Effective Date must, if not paid within 20 days of the Effective Date, File with the Bankruptcy Court and serve on the parties identified in Section VII.E no later than 40 days after the Effective Date an application for allowance and payment of such Administrative Claims asserted or the holder of such Claims shall be forever barred from asserting such Claims against the Debtor, the Reorganized Debtor, or the Assets (or the proceeds thereof).

B. Classified Claims and Interests

1. Claims and Interests

- a. Unsecured Claims (Class 1) are impaired.** Class 1 is comprised of Unsecured Claims against the Debtor. No distribution will be made by the Debtor or the Reorganized Debtor to holders of Unsecured Claims. Rather, the Debtor or the Reorganized Debtor will turnover the proceeds of the Assets to the Administrator, who will distribute such proceeds in the Anguillian Proceeding in accordance with the orders of the Anguillian Court.

Holders of Unsecured Claims in Class 1 are entitled to vote.

- b. Interests (Class 2) are impaired.** Class 2 is comprised of Interests in the Debtor. No distribution will be made by the Debtor or the Reorganized Debtor to holders of Interests. Rather, the Debtor or the Reorganized Debtor will turnover the proceeds of the Assets to the Administrator, who will distribute such proceeds in the Anguillian Proceeding in accordance with the orders of the Anguillian Court; *provided, however*, that no distribution from the Assets will be made to holders of Interests in the Debtor unless and until the Debtor's Creditors have been paid in full (with any interest required by the Anguillian Court) on account of their allowed Claims against the Debtor in the Anguillian Proceeding.

Holders of Interests in Class 2 are entitled to vote.

C. Cramdown

The Debtor requests Confirmation of this Plan under section 1129(b) of the Bankruptcy Code with respect to any impaired Class that has not accepted or is deemed not to have accepted the Plan pursuant to section 1126 of the Bankruptcy Code.

**ARTICLE III
MEANS FOR IMPLEMENTATION OF THE PLAN**

A. Corporate Existence

The Debtor will continue to exist, as the Reorganized Debtor, unless and until it has been dissolved by the Administrator.

B. Reports to be Filed by the Reorganized Debtor

The Reorganized Debtor shall File with the Bankruptcy Court (and provide to any other party entitled to receive any such report pursuant to the Bankruptcy Code and the Bankruptcy Rules), no later than 60 days after December 31 of each calendar year ending after the Effective Date, an annual report regarding the administration of the Assets pursuant to the Plan, distributions made by it and other matters relating to the implementation of the Plan.

C. Fees and Expenses of the Reorganized Debtor

1. The Reorganized Debtor's expenses shall be paid from the Assets (and such other funds as the Administrator shall make available).
2. In addition, the Reorganized Debtor may employ, without further order of the Bankruptcy Court, professionals (including professionals previously employed by the Debtor) to assist in carrying out its duties hereunder and may reasonably compensate and reimburse the expenses of these professionals from the Assets (and such other funds as the Administrator shall make available), based upon the nature of the work performed by such professional, without further order of the Bankruptcy Court.

D. Indemnification

To the extent permitted by law, the Reorganized Debtor shall indemnify its professionals and the Administrator from all claims and causes of action, except to the extent such claims and causes of action are judicially determined by a Final Order to have resulted primarily from fraud, willful misconduct, gross negligence, or criminal conduct.

E. Revesting of Assets

Pursuant to section 1141(b) of the Bankruptcy Code, the Assets shall revest in the Reorganized Debtor on the Effective Date.

F. Preservation of Causes of Action; Exculpation

1. Preservation of Causes of Action

The Debtor or the Reorganized Debtor shall retain and may enforce all rights to commence and pursue any and all claims and causes of action belonging to the Debtor, whether arising before or after the Petition Date, including, but not limited to, any actions specifically enumerated in the Debtor's Schedules, the Disclosure Statement, the Plan, or Exhibit III.F.1 to the Plan, and the rights of the Debtor and the Reorganized Debtor to commence, prosecute, or settle such causes of action shall be preserved notwithstanding the occurrence of the Effective Date.

The Debtor or the Reorganized Debtor may pursue all such causes of action. No Entity may rely on the absence of a specific reference in the Schedules, the Plan, Exhibit III.F.1 to the Plan, or in the Disclosure Statement, to any cause of action against it as any indication that the Debtor or the Reorganized Debtor, as applicable, will not pursue any and all available causes of action against it. Unless any causes of action against a Person or Entity are expressly and unambiguously waived, relinquished, exculpated, released, compromised, or settled herein or in a Bankruptcy Court order, the Debtor and the Reorganized Debtor expressly reserve all causes of action, for later prosecution, settlement, or adjudication, and, therefore, no preclusion doctrine, including the doctrines of *res judicata*, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise), or laches, shall apply to such causes of action upon, after, or a consequence of Confirmation, the Effective Date, or consummation of the Plan.

In accordance with sections 1141(b) and 1123(b)(3) of the Bankruptcy Code, the Assets (including any causes of action) that the Debtor may hold against any person or entity shall revest in the Reorganized Debtor, and the Debtor and the Reorganized Debtor shall have the exclusive right, authority, and discretion to determine and to initiate, file, prosecute, enforce, abandon, settle, compromise, release, withdraw, or litigate to judgment any such causes of action and to decline to do any of the foregoing without the consent or approval of any third party or further notice to or action, order, or approval of the Bankruptcy Court.

2. Exculpation

To the extent permitted by law, from and after the Effective Date, the Released Parties shall neither have nor incur any liability to any Person or Entity for any act taken or omitted, or to be taken, in connection with the Chapter 11 Case, the Debtor's related case under Chapter 15 of the Bankruptcy Code, the Debtor's post-petition liquidation activity, including the filing and prosecution of any claims or causes of action, and the formulation, preparation, dissemination, implementation, Confirmation or approval of the Plan, the exhibits to the Plan, the Disclosure Statement, or any other

contract, instrument, release or other agreement or document provided in connection therewith; *provided, however*, that the foregoing provisions shall not affect the liability of any Person that otherwise would result from any such act or omission to the extent that the act or omission is determined in a Final Order to have resulted from fraud, willful misconduct, gross negligence, or criminal conduct; *provided further, however*, that nothing herein shall limit the liability of the Released Parties pursuant to applicable disciplinary rules.

G. Injunction

Every Person or Entity holding a Claim against the Debtor that arose before the Petition Date is enjoined from taking any action to assess or collect, or commencing or continuing an action or proceeding against the Debtor on account of, any such Claim. All such Claims may be asserted in the Anguillian Proceeding.

H. Effectuating Documents and Further Transactions; Exemption from Certain Transfer Taxes

1. Effectuating Documents and Further Transactions

Prior to the Effective Date, the Administrator, and after the Effective Date, the Debtor or the Reorganized Debtor, will be authorized to execute, deliver, file or record such contracts, instruments, releases and other agreements or documents and take such actions as may be necessary or appropriate to effectuate and implement the provisions of the Plan.

2. Exemption From Transfer Taxes

Pursuant to section 1146(a) of the Bankruptcy Code, the following will not be subject to any stamp Tax, real estate transfer Tax, mortgage recording Tax or similar Tax: (a) any transfer of Assets made by the Debtor or the Reorganized Debtor to the Administrator or any other Person or Entity; (b) any sales (including, without limitation, private or public foreclosure sales) of Assets made by the Debtor or the Reorganized Debtor to liquidate such Assets and convert such assets into Cash; (c) any sales of Assets made by the Debtor or the Reorganized Debtor under section 363 of the Bankruptcy Code, to the extent that title to the Assets being sold transfers after the Confirmation Date; and (d) the making or delivery of any deed or other instrument of transfer under, in furtherance of or in connection with the Plan, including any merger agreements, agreements of consolidation, restructuring, disposition, liquidation or dissolution, deeds, bills of sale, or assignments executed in connection with any of the foregoing or pursuant to the Plan.

I. Substitution in Pending Legal Actions

On the Effective Date, the Reorganized Debtor shall be deemed to be substituted as the party to any litigation in which the Debtor is a party, including (but not limited to) pending contested matters or adversary proceedings in the Bankruptcy Court. The Reorganized Debtor and its professionals are not required to, but may take such steps as are appropriate to provide notice of such substitution.

ARTICLE IV
PROVISIONS GOVERNING DISTRIBUTIONS OF ASSETS OR THE PROCEEDS
THEREOF

A. Transfers to the Administrator

The Reorganized Debtor will distribute the Assets or the proceeds thereof, from time to time as the Reorganized Debtor deems appropriate, to the Administrator to be distributed in the Anguillian Proceeding pursuant to order of the Anguillian Court.

ARTICLE V
CONDITIONS PRECEDENT TO CONFIRMATION
AND CONSUMMATION OF THE PLAN; EFFECT OF CONFIRMATION

A. Conditions to Confirmation

The Bankruptcy Court will not be requested to enter the Confirmation Order, unless and until the following condition has been satisfied:

1. The Plan will not have been materially amended, altered or modified unless such material amendment, alteration or modification has been made in accordance with Section VII.A.

B. Conditions to the Effective Date

The Effective Date will not occur, and the Plan will not be consummated unless and until the following conditions have been satisfied:

1. The Bankruptcy Court shall have entered the Confirmation Order in form and content acceptable to the Debtor.

2. The Plan and all exhibits to the Plan shall have been Filed and shall not have been materially amended, altered or modified from the forms confirmed by the Confirmation Order, unless such material amendment, alteration or modification has been made in accordance with Section VII.A.

C. Effect of Nonoccurrence of Conditions to the Effective Date

If each of the conditions to the Effective Date is not satisfied within 60 days of the entry of the Confirmation Order, then upon motion by the Debtor, the Reorganized Debtor, or any party in interest made before the time that each of such conditions has been satisfied and upon notice to such parties in interest as the Bankruptcy Court may direct, the Confirmation Order may be vacated by the Bankruptcy Court; *provided, however*, that, notwithstanding the Filing of such motion, the Confirmation Order may not be vacated if each of the conditions to the Effective Date is satisfied before the Bankruptcy Court enters an order granting such motion, unless the order is vacated as provided in section 1144 of the Bankruptcy Code. If the Confirmation Order is vacated pursuant to this Section V.C, then the Plan will be null and void in all respects.

D. Request for Waiver of Stay of Confirmation Order

This Plan will serve as a motion seeking a waiver of the stay of the Confirmation Order imposed by Bankruptcy Rule 3020(e). Any objection to this request for waiver shall be Filed with the Bankruptcy Court and served on the parties listed in Section VII.E on or before the Voting Deadline, or such other date as may be fixed by the Bankruptcy Court. In the event any such objections are timely Filed, a hearing with respect thereto will occur at the Confirmation Hearing.

E. Compliance with Local Bankruptcy Rule 3022-1

The Reorganized Debtor will comply with Rule 3022-1 of the Local Rules of the Bankruptcy Court.

**ARTICLE VI
RETENTION OF JURISDICTION**

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, the Bankruptcy Court will retain such jurisdiction over the Chapter 11 Case after the Effective Date to the full extent legally permissible, including jurisdiction to:

1. Grant or deny any applications for allowance of compensation or reimbursement of expenses authorized pursuant to the Bankruptcy Code or the Plan for periods ending on or before the Effective Date;
2. Ensure that the transfer of Assets or the proceeds thereof to the Administrator are accomplished pursuant to the provisions of the Plan;
3. Decide or resolve any motions, adversary proceedings, contested or litigated matters and any other matters and grant or deny any applications involving the Debtor that may be pending on the Effective Date or brought thereafter;
4. Enter such orders as may be necessary or appropriate to implement or consummate the provisions of the Plan and all contracts, instruments, releases and other agreements or documents entered into or delivered in connection with the Plan, the Disclosure Statement or the Confirmation Order;
5. Resolve any cases, controversies, suits or disputes that may arise in connection with the consummation, interpretation or enforcement of the Plan or any contract, instrument, release or other agreement or document that is entered into or delivered pursuant to the Plan or any Entity's rights arising from or obligations incurred in connection with the Plan or such documents;
6. Modify the Plan before or after the Effective Date pursuant to section 1127 of the Bankruptcy Code; modify the Disclosure Statement, the Confirmation Order or any contract, instrument, or other agreement or document entered into or delivered in connection with the Plan, the Disclosure Statement or the Confirmation Order; or remedy any defect or omission or reconcile any inconsistency in any Bankruptcy Court order, the Plan, the Disclosure

Statement, the Confirmation Order or any contract, instrument, release or other agreement or document entered into, delivered or created in connection with the Plan, the Disclosure Statement or the Confirmation Order, in such manner as may be necessary or appropriate to consummate the Plan;

7. Enforce the injunctions contained in the Plan and the Confirmation Order, enter and implement other orders or take such other actions as may be necessary or appropriate to restrain interference by any Entity with consummation, implementation or enforcement of the Plan or the Confirmation Order;

8. Enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason or in any respect modified, stayed, reversed, revoked or vacated;

9. Determine any other matters that may arise in connection with or relate to the Plan, the Disclosure Statement, the Confirmation Order or any contract, instrument, release or other agreement or document entered into or delivered in connection with the Plan, the Disclosure Statement or the Confirmation Order;

10. Enforce or clarify any orders previously entered by the Bankruptcy Court in the Chapter 11 Case;

11. Enter a final decree closing the Chapter 11 Case;

12. Determine matters concerning state, local and federal Taxes in accordance with sections 346, 505 and 1146 of the Bankruptcy Code; and

13. Hear any other matter over which the Bankruptcy Court has jurisdiction under the provisions of the Bankruptcy Code and the Bankruptcy Rules.

ARTICLE VII MISCELLANEOUS PROVISIONS

A. Modification of the Plan

Subject to the restrictions on modifications set forth in section 1127 of the Bankruptcy Code, the Debtor reserves the right to alter, amend or modify the Plan before the Effective Date.

B. Revocation of the Plan

The Debtor reserves the right to revoke or withdraw the Plan prior to the Confirmation Date. If the Debtor revokes or withdraws the Plan, or if Confirmation does not occur, then the Plan will be null and void in all respects, and nothing contained in the Plan will:

- (1) constitute a waiver or release of any Claims by or against, or any Interests in, the Debtor;
- (2) prejudice in any manner the rights of the Debtor or any other party in interest; or
- (3) constitute an admission by the Debtor or any other party in interest.

C. Severability of Plan Provisions

If, prior to Confirmation, any term or provision of the Plan is held by the Bankruptcy Court to be invalid, void or unenforceable, the remainder of the terms and provisions of the Plan will remain in full force and effect and will in no way be affected, impaired or invalidated by such holding, alteration or interpretation. The Confirmation Order will constitute a judicial determination and will provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is valid and enforceable pursuant to its terms.

D. Successors and Assigns

The rights, benefits and obligations of any entity named or referred to in the Plan will be binding on, and will inure to the benefit of, any heir, executor, administrator, successor or assign of such entity.

E. Service of Documents

Any pleading, notice or other document required by the Plan or the Confirmation Order to be served on or delivered to counsel to the parties identified below must be sent by overnight delivery service, facsimile transmission, courier service or messenger (with a copy by email, as provided, which shall not constitute service or notice) to:

1. Counsel to the Debtor

James C. McCarroll
Jordan W. Siev
Kurt F. Gwynne (pro hac vice)
REED SMITH LLP
599 Lexington Avenue
New York, NY 10022-7650
Telephone: (212) 521-5400
Facsimile: (212) 521-5450
Email: jmccarroll@reedsmith.com
jsiev@reedsmith.com
kgwynne@reedsmith.com

2. Administrator

William Tacon
c/o Ian Morton
FTI Consulting
Suite 3212
53 Market Street, Camana Bay
PO Box 30613
Grand Cayman, KY1-1203
Cayman Islands

3. United States Trustee

Serene Nakano, Esquire
Trial Attorney
U.S. Department of Justice
Office of the U.S. Trustee
Southern District of New York
201 Varick Street, Room 1006
New York, NY 10014-9998
Phone: (212) 510-0500

F. Waiver or Estoppel

Each holder of a Claim or Interest shall be deemed to have waived any right to assert any agreement made with the Debtor or its counsel, or any other Entity, if such agreement was not disclosed in the Plan, the Disclosure Statement, or an agreement executed by the Debtor and Filed before the Confirmation Date.

G. Effect of Chapter 11 Plan

Pursuant to section 1528 of the Bankruptcy Code, the effects of this Plan shall be restricted to the Assets (which are located within the territorial jurisdiction of the United States) and, to the extent necessary to implement cooperation and coordination under sections 1525, 1526, and 1527 of the Bankruptcy Code, to other assets of the Debtor that are within the jurisdiction of the Bankruptcy Court under sections 541(a) of the Bankruptcy Code, and 1334(e) of title 28 of the United States Code, to the extent that such other assets are not subject to the jurisdiction and control of the Anguillian Proceeding.

H. Entire Agreement

Except as otherwise indicated, the Plan supersedes all previous and contemporaneous negotiations, promises, covenants, agreements, understandings, and representations on such subjects, all of which have become merged and integrated into the Plan.

[remainder of page intentionally left blank]

Dated: January 26, 2018

NATIONAL BANK OF ANGUILLA (PRIVATE
BANKING & TRUST) LTD.

By: /s/ William Tacon
William Tacon, Administrator

EXHIBIT III.F.1

**(Nonexclusive List of Retained
Causes of Action)**

1. All of the Debtor's claims and causes of action asserted or to be asserted in *National Bank of Anguilla (Private Banking & Trust) Ltd. v. National Bank of Anguilla, Ltd., et al.*, Adv. Pro. No. 16-01279, pending in the Bankruptcy Court (the "Adversary Proceeding").
2. All of the Debtor's claims and causes of action against Eastern Caribbean Central Bank ("ECCB"), National Bank of Anguilla ("NBA"), the National Commercial Bank of Anguilla ("NCBA"), and the Conservator Directors (as that term is defined in the Adversary Proceeding).
3. All Recovery Actions.
4. All of the Debtor's claims and causes of action against any Person or Entity relating to the transfer, whether prior to or after the Petition Date, of any property of the Debtor to the ECCB, NBA, NCBA, the Conservator Directors or any other Person or Entity.
Note: All causes of action of the Debtor that are not located "within the territorial jurisdiction of the United States" also are retained and shall not be adversely affected by the Plan or entry of the Confirmation Order.

EXHIBIT B

(HYPOTHETICAL LIQUIDATION ANALYSIS)

Overview:

This potential Liquidation Analysis has been prepared assuming that the Debtor hypothetically converts its Chapter 11 Case to undertake a liquidation under chapter 7 of the Bankruptcy Code. Except as otherwise noted herein, the values reflected in the Liquidation Analysis are based upon the Debtor's estimate of ranges of recovery in the Recovery Actions. Although the Debtor considers the estimates and assumptions set forth herein to be reasonable under the circumstances, such estimates and assumptions are inherently subject to significant uncertainties and contingencies (as is common in litigation) beyond the Debtor's control. Accordingly, there can be no assurance that the results set forth by this Liquidation Analysis will be realized, whether in the Chapter 11 Case or in a chapter 7 case. Accordingly, actual results could vary materially from those presented herein, and the amount available to turn over to the Administrator could differ materially from the projected recoveries set forth by this Liquidation Analysis.

THIS LIQUIDATION ANALYSIS IS A HYPOTHETICAL EXERCISE THAT HAS BEEN PREPARED FOR THE SOLE PURPOSE OF PRESENTING A REASONABLE GOOD FAITH ESTIMATE OF THE PROCEEDS THAT WOULD BE REALIZED IF THE DEBTOR WERE LIQUIDATED IN ACCORDANCE WITH CHAPTER 7 OF THE BANKRUPTCY CODE. THIS LIQUIDATION ANALYSIS IS NOT INTENDED AND SHOULD NOT BE USED FOR ANY OTHER PURPOSE. THIS LIQUIDATION ANALYSIS DOES NOT PURPORT TO BE A VALUATION OF THE DEBTOR'S ASSETS AND THERE MAY BE A SIGNIFICANT DIFFERENCE BETWEEN THE VALUES AND RECOVERIES REPRESENTED IN THIS LIQUIDATION ANALYSIS AND THE VALUES THAT MAY BE REALIZED IN THE SUBJECT LIQUIDATION.

NOTHING CONTAINED IN THIS LIQUIDATION ANALYSIS IS INTENDED TO BE, OR CONSTITUTES, A CONCESSION, ADMISSION, OR ALLOWANCE OF ANY CLAIM BY OR AGAINST THE DEBTOR. THE DEBTOR RESERVES ALL RIGHTS TO SUPPLEMENT, MODIFY, OR AMEND THE ANALYSIS SET FORTH HEREIN.

The Debtor believes, as summarized in the following analysis, that Confirmation of the Plan will provide a recovery amount, to be turned over to the Administrator, that is equal to or greater than what would otherwise be available if the Debtor was liquidated under chapter 7 of the Bankruptcy Code.

National Bank of Anguilla (Private Banking & Trust) Ltd. Hypothetical Liquidation Analysis

26-Jan-18

Assets	<u>Potential Chapter 11 Recovery</u> ¹			<u>Potential Chapter 7 Liquidation Recovery</u>		
	Low	Mid	High	Low	Mid	High
Causes of Action Against NBA, NCBA, and ECCB ²	\$0.00	\$13,786,223.20	\$27,572,446.40	\$0.00	\$13,786,223.20	\$27,572,446.40
TOTAL ASSETS:	\$0.00	\$13,786,223.20	\$27,572,446.40	\$0.00	\$13,786,223.20	\$27,572,446.40
Less Costs:						
Administrative Claims as of the Effective Date ³	\$405,286.00	\$405,286.00	\$405,286.00	\$405,286.00	\$405,286.00	\$405,286.00
Reorganized Debtor's Professional Fees through trial ⁴	\$1,800,000.00	\$1,800,000.00	\$1,800,000.00			
U.S. Trustee's fees ⁵	\$3,900.00	\$3,900.00	\$3,900.00			
Chapter 7 Trustee Statutory Commission ⁶				\$0.00	\$436,836.70	\$850,423.39
Chapter 7 Legal Fees (Estimated) ⁷				\$2,800,000.00	\$2,800,000.00	\$2,800,000.00
TOTAL COSTS:	\$2,209,186.00	\$2,209,186.00	\$2,209,186.00	\$3,205,286.00	\$3,642,122.70	\$4,055,709.39
AMOUNT AVAILABLE TO TURNOVER TO ADMINISTRATOR:	\$0.00	\$11,577,037.20	\$25,363,260.40	\$0.00	\$10,144,100.50	\$23,516,737.01

Note 1: The analysis is presented in three columns; low, mid and high, which represents potential liquidation values of the Debtor's Assets. The amounts reported in the low column represent the least favorable outcome that would occur if the Debtor were unsuccessful in the assertion of all Recovery Actions. The amounts reported in the high column represent the most favorable outcome that would occur if the Debtor prevailed on all Recovery Actions and collected in full the amounts sought in the Recovery Actions.

Note 2: *National Bank of Anguilla (Private Banking & Trust) Ltd. v. National Bank of Anguilla Ltd., et al.*; Adv. Pro. No. 16-01279-mg.

Note 3: Administrative Claims as of the Effective Date including holdback and other amounts earned but not paid to the Debtor's Professionals through November 30, 2017 in the approximate amount of \$350,000 *plus* estimated professional fees through the Effective Date in the amount of \$150,000 *minus* the retainer (\$94,713.77) held by Reed Smith.

Note 4: Estimate of fees and expenses from the Effective Date through and including trial of the adversary proceeding identified in Note 2 including, without limitation, consulting and testifying expert costs.

Note 5: Assumes two (2) quarters post-Effective Date fees pursuant to 28 U.S.C. § 1930(a)(6) at \$1,950/quarter (i.e., disbursements greater than or equal to \$225,000, but less than \$300,000). The Debtor anticipates that the Reorganized Debtor will seek to have the Chapter 11 Case closed promptly, with the Bankruptcy Court retaining jurisdiction over the adversary proceeding identified in Note 2. In the event the Reorganized Debtor is unable to obtain an order closing the Chapter 11 Case, and assuming that the adversary proceeding continues for two (2) years, U.S. Trustee fees may total as follows: "Low" - \$15,600; "Mid" - \$26,650; "High" - \$33,650.

Note 6: The Chapter 7 trustee's fees are calculated pursuant to 11 U.S.C. § 326(a).

Note 7: This estimate assumes that the Chapter 7 Trustee's professional fees will be the same as those incurred by the Reorganized Debtor for prosecuting the adversary proceeding (\$1,800,000), plus approximately \$1,000,000 in aggregate fees and expenses for the Chapter 7 Trustee and its professionals to surmount what would be a relatively steep learning curve with respect to factual and legal issues, so that the Chapter 7 Trustee and its counsel obtain the knowledge currently possessed by the Administrator and the Debtor's Professionals with respect to the factual and legal issues involved in the Chapter 11 Case and the Recovery Actions.