

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

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In re	: Chapter 11
	:
CHINA FISHERY GROUP LIMITED	: Case No. 16-11895 (JLG)
(CAYMAN), et al.,	:
	: (Jointly Administered)
Debtors.¹	:
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THIRD ORDER EXTENDING EXCLUSIVE PERIODS DURING WHICH ONLY DEBTORS MAY FILE A CHAPTER 11 PLAN AND SOLICIT ACCEPTANCES THEREOF

Upon the Motion, dated March 24, 2017 (the “**Motion**”),² of China Fishery Group Limited (Cayman) and certain of its affiliated debtors and debtors-in-possession (collectively, the “**Debtors**”),³ for entry of an order (this “**Order**”) extending (a) the exclusive period of time during which only the Debtors may file a plan of reorganization (the “**Exclusive Filing Period**”)

¹ The Debtors in these chapter 11 cases are as follows: China Fishery Group Limited (Cayman), Pacific Andes International Holdings Limited (Bermuda) (“**PAIH**”), N.S. Hong Investment (BVI) Limited, South Pacific Shipping Agency Limited (BVI), China Fisheries International Limited (Samoa), CFGL (Singapore) Private Limited, Chanery Investment Inc. (BVI), Champion Maritime Limited (BVI), Growing Management Limited (BVI), Target Shipping Limited (HK), Fortress Agents Limited (BVI), Ocean Expert International Limited (BVI), Protein Trading Limited (Samoa), CFG Peru Investments Pte. Limited (Singapore), Smart Group Limited (Cayman), Super Investment Limited (Cayman), and Pacific Andes Resources Development Limited (Bermuda) (“**PARD**”), Nouvelle Foods International Ltd. (BVI), Golden Target Pacific Limited (BVI), Pacific Andes International Holdings (BVI) Limited, Zhonggang Fisheries Limited (BVI), Admired Agents Limited (BVI), Chiksano Management Limited (BVI), Clamford Holding Limited (BVI), Excel Concept Limited (BVI), Gain Star Management Limited (BVI), Grand Success Investment (Singapore) Private Limited, Hill Cosmos International Limited (BVI), Loyal Mark Holdings Limited (BVI), Metro Island International Limited (BVI), Mission Excel International Limited (BVI), Natprop Investments Limited, Pioneer Logistics Limited (BVI), Sea Capital International Limited (BVI), Shine Bright Management Limited (BVI), Superb Choice International Limited (BVI), and Toyama Holdings Limited (BVI).

² Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to such terms in the Motion.

³ As used herein, the term “Debtors” shall not include CFG Peru Investments Pte. Limited (Singapore), (“**CFG Peru Singapore**”) unless otherwise stated.

and (b) the period of time during which only the Debtors may solicit acceptances of a plan of reorganization (the “**Exclusive Solicitation Period**,” and, together with the Exclusive Filing Period, the “**Exclusive Periods**”), all as more fully described in the Motion; and this Court having jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 157 and 1334 and Amended Standing Order of Reference M-431, dated January 31, 2012 (Preska, C.J.); and venue of these Chapter 11 Cases and the Motion in this district being proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this matter being a core proceeding pursuant to 28 U.S.C. § 157(b); and this Court having found that proper and adequate notice of the Motion and the relief requested therein has been provided in accordance with the Bankruptcy Code, Bankruptcy Rules and the Local Rules, and that, except as otherwise ordered herein, no other or further notice is necessary; and all objections or reservations of rights with respect to the Motion, including those filed at ECF Nos. 430, 505, 506, 507, and 508, having been withdrawn, resolved, or overruled on the merits; and a hearing having been held to consider the relief requested in the Motion; and upon the record of the hearing and all of the proceedings had before the Court; and this Court having found and determined that the relief sought in the Motion, as modified as set forth herein, is in the best interest of the Debtors, their estates, their creditors and all other parties in interest; and that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED as set forth herein.
2. Subject to paragraph 3 of this Order, pursuant to section 1121(d) of the Bankruptcy Code, the Exclusive Filing Period is hereby extended through and including

November 1, 2017, and the Exclusive Solicitation Period is hereby extended through and including January 22, 2018.

3. The Debtors shall comply with the obligations set forth on **Exhibit 1** hereto (the “**Exclusivity Protocol**”). If any party in interest contends that there has been a default with respect to any milestone or obligation set forth in the Exclusivity Protocol (other than paragraph B.5) and to the extent such default was within the Debtors’ control, any such non-defaulting party may notify the Debtors in writing (which notification may be delivered via email) and provide adequate details of the alleged breach. If any dispute arising from such alleged default cannot be resolved in three (3) business days of such notice, the non-defaulting party may settle an order, on five (5) business days’ notice, terminating the Exclusive Periods. Any such order must be accompanied by a supporting affidavit or other certification, setting forth the alleged default, as well as the efforts taken with the Debtors to resolve the alleged default. All rights to support or oppose such order, including those of the Debtors, are preserved. Exclusivity shall remain intact until the Court rules otherwise.

4. Any Lender (as defined in the Exclusivity Protocol) may receive information under and in accordance with this Order by executing a copy of the *Confidentiality and Non-Disclosure Stipulation and Order Among China Fishery Group Limited (Cayman) and Certain Affiliated Companies, as Debtors And Debtors In Possession, and Certain Lender Parties, For Disclosure Other Than Under Cash Management Order* previously approved by this Court [ECF No. 326], which order shall govern the use of the information provided and its confidentiality; provided, however, that any Lender that has already executed a stipulation in the same or substantially similar form agreed to by the Debtors need not execute another copy of such Stipulation. Notwithstanding the foregoing, this paragraph does not apply to information

provided pursuant to paragraph A.2 of the Exclusivity Protocol to the extent that information is filed with the Court.

5. This Order is without prejudice to the Debtors' ability to seek further extensions of the Exclusive Periods pursuant to section 1121(d) of the Bankruptcy Code with respect to: (i) PARD; (ii) any Debtor that commenced a case under chapter 11 of the Bankruptcy Code on March 27, 2017, April 17, 2017, or May 2, 2017; or (iii) any affiliate of the Debtors that commences a case under chapter 11 of the Bankruptcy Code after entry of this Order.

6. The Debtors are authorized and empowered to take all actions necessary to implement the relief granted in this Order.

7. The requirements set forth in Local Rule 9013-1(b) are satisfied.

8. This Court shall retain jurisdiction with respect to any matters, claims, rights or disputes arising from or related to the Motion or the implementation of this Order.

Dated: June 8, 2017
New York, New York

/s/ James L. Garrity, Jr.
HONORABLE JAMES L. GARRITY, JR.
UNITED STATES BANKRUPTCY JUDGE

Exhibit 1

Exclusivity Protocol

A. Professional Budget & Director Fees

1. No later than ten (10) business days after entry of the *Third Order Extending Exclusive Periods During Which Only Debtors May File a Chapter 11 Plan and Solicit Acceptances Thereof* [ECF No. ____] (the “**Order**”),¹ the Debtors will provide the Lenders,² a proposed budget for all professionals retained in connection with the chapter 11 cases.
2. No later than June 5, 2017, the Debtors shall provide and file³ a list of all directors of the Debtors and non-Debtor affiliates for the past 24 months. Such list shall include the fees paid to each director over the last 24 months and the source of each payment. Where any director also served during that period as an employee, the list shall indicate as such and designate the amount of compensation paid to said director in his/her capacity as an employee and the source of that compensation. For all directors, the Debtors, using independent compensation experts, shall confirm the reasonableness of all of the fees and compensation paid to directors of the Debtors for that last 24 months; provided that such confirmation shall be without prejudice to the rights (if any) of any party to challenge the compensation paid, or proposed to be paid, to any director.

B. Information and Meeting Requests

1. The Chief Operating Officer of the Pacific Andes Group shall conduct monthly conference calls with the Lenders to provide an update of his

¹ Capitalized terms have the meaning given to them in the Order, unless defined in the Motion or the context requires otherwise.

² For the purposes of this Exclusivity Protocol, the term “**Lenders**” shall mean: (i) the Club Lenders (including in their non-Club Lender capacity), (ii) Malayan Banking Berhad, Hong Kong Branch, (iii) Bank of America, N.A.; (iv) TMF Trustee Limited, in its capacity as indenture trustee for the 9.75% Senior Notes due 2019 (the “**Senior Notes**”), (v) the ad hoc committee of holders of Senior Notes, and (vi) the legal advisors for each of the foregoing entities in clauses (i) through (v). In addition, the following persons or entities may become “Lenders” to the extent such persons or entities execute a confidentiality agreement in a form acceptable to the Debtors and the respective persons or entities: (a) Friedrich von Kaltenborn-Stachau, in his capacity as Foreign Representative of Pickenpack Holding Germany GmbH, Pickenpack Europe GmbH, Pickenpack Production Lüneburg GmbH, and TST The Seafood Traders GmbH; (b) Fubon Bank (Hong Kong) Limited; and (c) China CITIC Bank International Limited.

³ Names shall be redacted from any version filed with the Court. Lenders will receive a non-redacted version and a non-redacted version may be made available to other parties upon request, subject to a confidentiality agreement in a form acceptable to the Debtors.

activities for the Pacific Andes Group and shall otherwise make himself available upon reasonable request.

2. No later than June 5, 2017, the Debtors shall provide the Lenders with a reasonably detailed overview of existing businesses operated by the Pacific Andes Group in the People's Republic of China (the "**PRC Businesses**"); provided that the Debtors' compliance with the milestone contained in this paragraph is without prejudice to the rights (if any) of any Lender to seek further information or discovery of the Debtors, in accordance with the Bankruptcy Rules.
3. No later than June 23, 2017, the Debtors shall provide the Lenders with details and documentation of any significant intercompany claims, and the Debtors' assessment (even if preliminary) of the validity and priority of such claims.
4. No later than June 30, 2017, the Debtors shall provide the Lenders with a business plan for future PRC Businesses and a preliminary estimate of the value of the PRC Businesses; provided that the Debtors shall provide the Lenders with a draft of the business plan for future PRC Businesses and preliminary estimate of the value of the PRC Businesses no later than June 15, 2017; provided, further that the Debtors' compliance with the milestone contained in this paragraph is without prejudice to the rights (if any) of any Lender to seek further information or discovery of the Debtors, in accordance with the Bankruptcy Rules.
5. The Debtors shall make a good faith effort to timely furnish to the Lenders all additional documents and information reasonably requested by the Lenders, to the extent such additional documents and information are reasonably necessary to evaluate an economic restructuring, such as, for example but not limited to, updated financial information for the collective PAIH and PARD groups that is at least equal to the type of information included in the Status Report of the Chapter 11 Trustee [ECF No. 481].

C. RSM Investigation

1. No later than June 15, 2017, the Debtors shall deliver to the Lenders the report prepared by RSM regarding its investigation on behalf of the independent review committees of the boards of directors of Pacific Andes International Holdings Limited (Bermuda) and Pacific Andes Resource Development Limited (the "**RSM Report**") in accordance with the provisions of paragraphs 3–5 of the *Order Extending the Exclusive Period During Which Certain Debtors May File a Chapter 11 Plan and Solicit Acceptances Thereof* [ECF No. 256]; provided that the RSM Report shall be subject to any limitations there might be with regard to Singapore

Exchanged Limited and any other nondisclosure requirements that may exist.

D. Chapter 11 Plan

1. The Debtors shall meet with the Lenders between June 15, 2017 and June 30, 2017, subject to Lender availability, and shall present economic restructuring proposals at such meeting.
2. No later than July 15, 2017, the Debtors shall provide a plan term sheet addressing the distribution of proceeds or value of the Debtors' estates, including with respect to Peruvian operations and the PRC Businesses, and including all Debtors whose cases currently are filed before the Court, which term sheet shall include proposed treatment of the following:
 - a) Distribution to the Club Lenders and the holders of CFG senior notes in satisfaction of their claims, including interest and fees, against the Debtors, unless such Lenders agree to other treatment;
 - b) Distribution to other Lenders in satisfaction of their claims, including interest and fees, against the Debtors, unless such Lenders agree to other treatment;
 - c) Treatment of intercompany and affiliated claims against any of the Debtors;
 - d) Distribution of remaining proceeds or value in excess of the amounts necessary to pay the creditors, unless the Lenders agree to other treatment; and
 - e) Any proposed treatment of stakeholders, including contributions made or proposed to be made by, and whether any releases are proposed to be given to, such stakeholders.
3. By September 29, 2017, the Debtors shall file their disclosure statement and chapter 11 plan.