

**Subject:** Harlequin Property (SVG) Limited - Creditor Update - October 17, 2018

**Date:** October 17, 2018

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Dear Sir

**Private and Confidential**

As you are aware I was appointed as Bankruptcy Trustee over the Estate of Harlequin Property (SVG) Limited ('HPSVG' or the 'Estate'). Since my appointment I have been working on a number of different work streams, and I am proposing to shortly circulate a creditor report containing a full update on all aspects of our work. In the meantime however I would like to communicate an important update with respect to the principle asset, Buccament Bay Resort.

**Buccament Bay Resort Limited**

You will be aware that considerable Estate resources have been used to maintain Buccament Bay Resort. I have concluded a focussed marketing approach and have been in negotiations with two parties regarding a possible sale of the resort. Those parties submitted offers to purchase the resort which I subsequently presented to the Inspectors. Following their review the Inspectors sanctioned me to enter into exclusive negotiations and enter a heads of terms agreement summarising the key aspects of the transaction.

**I am pleased to announce that I entered the heads of terms agreement with the prospective purchaser yesterday, October 16, 2018. This is an important step with respect to realising the Buccament Bay Resort. I will now continue to work with the purchaser in progressing this sale to completion.**

As you may be aware the sales process has been prolonged as the legal title of several parcels of land at the resort are not registered in the name of HPSVG. One of the largest plots of land is 'Lot 20' which sits in the middle of the fully constructed section of the resort. The title of this land is held by a third party company. However, it is our position that HPSVG investors' monies were used to pay for the land as well as the construction that was undertaken on it.

**To protect the Estate and any future monetary claim the Estate may have over any sales proceeds of this plot I applied to the High Court of St. Vincent and the Grenadines for an Order preventing any future transfer of these plots by the third party purported owner of Lot 20. The Court approved the order.**

We are working with the Government of Saint Vincent and Grenadines and the purchaser to complete this transaction, further updates will be provided in the creditors' report which will be circulated shortly. Once a sale has been completed we expect that the purchaser will begin works towards reopening the resort.

If you have any questions regarding this update or the bankruptcy process in general please contact the KPMG Harlequin inbox ([harlequin\\_trustee@kpmg.bb](mailto:harlequin_trustee@kpmg.bb)) or the KPMG Harlequin hotline (+44 (0)207 311 3465).

In addition, for further information please visit our website at: [www.kpmg.com/harlequin](http://www.kpmg.com/harlequin).

Kind regards,

Brian Glasgow

As Bankruptcy Trustee of the Estate of Harlequin Property (SVG) Limited (and not in his personal capacity)\*

\*Brian Glasgow was appointed as Bankruptcy Trustee pursuant to the Laws of Saint Vincent and the Grenadines on March 3, 2017. He nor KPMG, its partners, employees or agents shall incur any personal liability pursuant to his appointment or the performance of his duties as Bankruptcy Trustee.