

Kingate Euro Fund, Ltd - in Liquidation

Frequently Asked Questions

As a result of the significant number of investor queries relating to the liquidation of Kingate Euro Fund, Ltd (the **Fund**), we have detailed the answers to the most frequently asked questions (**FAQs**) below in order to minimise the costs to the estate of dealing with shareholder queries.

It would be much appreciated if you could please review these questions to check whether they include the answer to your query before contacting us. If your query is entirely dealt with in these FAQs we will not respond to your correspondence.

Shareholding confirmations, share transfers and requests for other information

1) Can confirmation of the number of shares held be provided?

Yes, provided you advise of the name of the registered shareholder as it appears on the Fund's share register (**Registered Shareholders**) and you are an authorised contact in relation to that shareholding. We can only release information to authorised persons. Written authorisation will be required from the shareholder of record for us to liaise with you regarding the shareholding and the liquidation.

We are happy to confirm shareholdings once every six months. If, however, confirmations are required more frequently than this, we will request that the party requesting the confirmation pays for the time incurred in dealing with the enquiry. Our assessment is that costs in the amount of \$240 (at least) are incurred in relation to each such confirmation. You will be billed in advance on an annual basis according to the number of confirmations required annually.

It is important to note that your shareholding will not change unless you transfer your shares.

2) Audit confirmations

It is not the liquidators' current policy to complete documentation for the purposes of investor audit confirmations. If confirmation of your shareholding is required, please see above at point 1.

3) What are the rules regarding share transfers?

Please refer to the share transfer policy document, which is available on the Fund's liquidation [website](#).



Please note that the liquidators do not allow partial transfers and, as such, if you wish to transfer share you must transfer your entire shareholding.

4) *Can you send me my transaction history, copies of subscription and redemption documents?*

No, we do not provide details of transaction histories to investors.

5) *Can you send me copies of the Fund's financial statements?*

As the Fund remains in liquidation financial statements are not prepared.

6) *Can you provide me with a contract note for the Funds?*

As the Fund remains in liquidation contract notes are not produced and it is the Liquidators' policy to not provide these.

The course of the liquidation

7) *How long will the liquidation last?*

It is very difficult for us to estimate when the liquidation will be concluded.

The Liquidators are working through a number of complex issues to enable them to move towards commencing claims adjudication which, in turn, will lead to distributions to creditors and Registered Shareholders (together the **Stakeholders**) as soon as is practically possible. The Liquidators had asked the BVI Court to permit them to start the process of resolving many of those issues several years ago, however the BVI Court directed the Liquidators to refrain from doing so until the claim by the Trustee of BLMIS was resolved. As you will be aware, that litigation was resolved in late 2019 and, since that time, the Liquidators have been working toward resolving those issues.

In addition, the Fund is defending substantive on-going litigation, which may impact upon the matters above and the timing of the conclusion of the liquidation.

We will continue to update Stakeholders on the progress made and will provide updated timescales in our periodic interim reports when appropriate.

8) *Can you update me on the liquidation?*

The Liquidators set out the current position in their most recent periodic report to Registered Shareholders (which is available on the Fund's website <https://www.kingateeuro-liquidation.vg/>)



If you hold your beneficial investment in the Fund through a custodian or nominee, that entity will receive the Liquidators' updates and reports in their capacity as Registered Shareholder, and it is wholly their responsibility to circulate those communications to you.

It is also the Registered Shareholder's responsibility to remit any distribution received by them to you (if applicable). You should contact your custodian or nominee with all queries regarding your beneficial shareholding and the liquidation generally.

Valuations and distributions

9) *What is the current NAV?*

Prior to entering liquidation, the Fund published a net asset value per share (**NAV**) on a monthly basis. The NAV for October 2008 was US\$175.68.

One of the issues being investigated and considered is the correct valuation of any outstanding creditor and investor claims.

Furthermore, we are unable to provide indicative trade values for Kingate shares.

10) *When will the first distribution be paid?*

In late June 2019 the claim against the Fund by the Madoff Trustee was settled, subject to obtaining the necessary court permissions.

Since then, various steps have been taken to effect the parties' settlement (including securing the sanction of the relevant supervising Courts in the BVI, Bermuda and the USA in September and October 2019). The Joint Liquidators also sought recognition of the BVI liquidation of the Fund in the USA pursuant to Chapter 15 of the US Bankruptcy Code. That recognition was obtained in October 2019.

The Joint Liquidators and their team are now working on the distribution phase of the liquidations of the Fund. At the end of this process, Stakeholder claims will be adjudicated and, thereafter, distributions will be paid from the funds then available to the Liquidators, in accordance with BVI law. If additional sums are recovered at a later date (the Fund may receive further payments from the BLMIS estate), it may be that further distributions will be paid to Stakeholders.

The Joint Liquidators will provide further information to the Fund's Stakeholders in due course. They will keep Stakeholders apprised of their progress via their periodic Reports and via letters and announcements posted on the Kingate websites.



11) Can you confirm the status of redemption requests submitted to the Fund before redemptions were suspended in December 2008?

The Joint Liquidators have yet to verify investor redemption claims. Such claims will be considered as part of the ongoing distribution and adjudication process. Stakeholders will be notified of the applicable mechanism to advance their claims in due course.

12) What is my current position in relation to the Fund and am I eligible for distribution?

The Joint Liquidators and their team are now working on the distribution phase of the liquidations of the Fund and are not in a position to confirm whether you will be entitled to a distribution from the estate of the Fund, nor say when distributions will be made. It is too early to provide even a broad estimation of the potential outcomes.

The Joint Liquidators will write to the Stakeholders to provide details of the assessment process and the information and documentation required. We expect this process to commence by early 2021.

Administration matters

13) Can you update me on my claim with the Madoff Victim Fund (“MVF”)?

The MVF is a separate and distinct entity to the Fund and accordingly we have no control over the steps taken by the Special Master of the MVF and whether or when the MVF will make payments to you, nor can we comment on whether you are eligible to receive payments from the MVF.

From publicly-sourced information, the Joint Liquidators believe that the Special Master of the MVF has indicated that he has stopped making payments to Kingate investors in order to assess the potential "collateral recoveries" (e.g. payments from other sources) that MVF claimants may receive as distributions out of the Fund's Estate.

The Joint Liquidators have no knowledge of whether and when the Special Master of the MVF will make further distributions out of the MVF to victims and all enquiries regarding the MVF should be directed to the Special Master and his customer service team. Their contact details can be found on the MVF website: www.madoffvictimfund.com.

14) Claw back

We cannot currently comment on the risk of “claw back” of share redemption monies received from the Fund.



15) Who are the Fund's liquidators?

The current Joint Liquidators are Paul Pretlove and Charlotte Caulfield both of whom are licensed Insolvency Practitioners and Managing Directors in our BVI office.

16) What should I do if my contact details change?

It is important that you keep us informed of your current contact details. We contact Stakeholders by email, using the address provided. It is therefore imperative that you ensure that you provide an active email address which is regularly monitored. Please inform any changes in your contact details by email to kingateeuro@kaloadvisors.com.

Claims involving the Fund

17) What is the status of the litigation with Deutsche Bank?

Please refer to the U. S. Bankruptcy Court Documents section of the website for the most recent [documents](#).

18) What is the status of the other litigation involving the Funds?

The Funds were involved in two other claims, both litigated in Bermuda. Those claims have both been disposed of. Due to the Joint Liquidators' legal obligations no further details can be provided.

The Liquidators' intention is to report all sums recovered from third parties in the Liquidators' regular [Reports](#) to Stakeholders (as appropriate).

Miscellaneous

19) Who do I contact if my query has not been answered in these FAQ's?

You can contact us via email at kingateeuro@kaloadvisors.com or by telephone on +1 284 442 2408.

Please note we are based in the British Virgin Islands and our office hours are 8.30am to 5.30pm, Monday to Friday. We aim to provide responses to queries not addressed in these FAQs within two business days from the day upon which your email was received in the BVI.