

Company information : Nacar Holding N.V. (Chamber of Commerce no. 34289478)
La Perla Living Holding B.V.
(Chamber of Commerce no. 27136678)
La Perla Investments B.V.
(Chamber of Commerce no. 34202210)

Bankruptcy number : 12/843F, 12/841F and 12/842F

Bankruptcy pronounced : 26 November 2012 (after conversion moratorium of payments)

moratorium of payments as of: 26 January 2010 (Nacar Holding N.V. and La Perla Living Holding B.V.) and 9 February 2010 (La Perla Investments B.V.) until conversion on 26 November 2012.

Trustee : *mr.* A.W. de Man

Bankruptcy Judge : *mr.* M.J.E. Geradts

Company activities

Nacar Holding N.V.: holdings and financing activities.

La Perla Living Holding B.V.: holdings and financing activities

La Perla Investments B.V.: development and sale of real property projects.

Total hours spent to date since the moratorium

Nacar Holding N.V. 10/495	-	577
La Perla Living Holding B.V. 13/138	-	148
La Perla Investments B.V. 79/1403	-	2,432

1. Inventory

1.1 Management and Organization

Mr Geerlings is statutory director of Nacar Holding N.V.. Nacar Holding N.V. is director under the articles of association of La Perla Living Holding B.V. and La Perla Investments B.V..

Mr G. Duizendstraal is the *de facto* policymaker.

1.2 Profit and Loss

See previous reports.

1.3 Cause and History of Bankruptcy

As far as the history of the La Perla group and the causes of the moratorium of payments and the later bankruptcy are concerned, we refer to the first report in the moratorium of payments. The main provisional conclusion is that the following circumstances (*inter alia*) have been an important cause of the moratorium and the bankruptcy that followed afterwards:

- too high funding costs. Millions have been borrowed from mostly informal lenders, who received sky-high interests in return. This funding construction would only be tenable if available locations would have been developed and sold at high speed;
- insufficient development of available locations. Nothing has been developed in Panama and hardly anything in Vietnam and Antigua;
- the funding costs were no longer proportionate to the real value of the assets. As far as this last aspect is concerned, the trustee found that value increases were created, especially of the assets in Antigua, within a short time through transactions with affiliated companies;
- upon the restructuring in 2007 all debts were transferred to the new structure, but not all assets;
- high costs of the sales system;

- non-transparent accounting, in which the capitals of Mr Duizendstraal, his companies, the various affiliated trusts and the capital of the bankrupt La Perla companies melted into each other. As a result, a conflict of interests arose too;
- it looks as if they were playing on too many chessboards at once, and lost control over the assets in the process;
- the credit crisis is also a cause, since it made the marketability of locations go down.

The following is still observed about the investigation into the causes of the moratorium and the bankruptcy.

Investigation Krüger & Partners

See also the previous reports. Krüger & Partners in Rotterdam performed an investigation into the cash flows within the La Perla group and from and to Mr Duizendstraal or entities wholly or partially controlled by him. On 19 July 2013 Krüger & Partners delivered an interim report. It has appeared that a much bigger investigation is necessary to follow the cash flows completely. Following the review of the report and the oral explanation to the report to the trustee, creditors' committee and bankruptcy judge, it was decided to perform only further investigations in sub-areas for the time being. These investigations have started, but without much progress.

Besides this, the role of PWC is being investigated, which drafted and approved the annual accounts of the La Perla group of 2007. A correspondence with PWC is currently ongoing with the cooperation of Krüger & Partners.

1.4 Situation of Mr Duizendstraal in private

See also the first and second public bankruptcy report. On 28 November 2012 Mr Duizendstraal was declared bankrupt as a private person in England.

The limitations of the insolvency proceedings have meanwhile been lifted. Besides, it has appeared from the public report of the English trustee in the bankruptcy of Duizendstraal dated 18 July 2014 that the English trustee could

hardly find any assets of Duizendstraat. As yet the proceedings seem to generate no proceeds for the creditors of Duizendstraat, including the estate in the bankruptcies of La Perla.

1.5 Way of Settlement

Arrangement

It has not proved possible to offer the joint creditors an arrangement within the term of the moratorium granted. It is excluded that an arrangement will still be offered to the creditors.

Foreclosure of the locations

In chapter 3. the state of affairs with regard to the various locations will be discussed.

2. Staff

2.1 Number at the time of the bankruptcy : N.A.

The staff for La Perla was employed by Nacar Management B.V. (bankrupt since 26 January 2010).

3. Assets

General

Together with Bureau Zanders from Bussum ("Zanders"), an inventory has been made of all assets, of their net value (being the sales value less the debts on a local level, which can be recovered from the relevant assets), and an estimate has been made of the marketability of these assets.

Zanders' findings were set out in a report dated 1 July 2011, which was amended on 17 August 2011 ("Zanders Report").¹

3.1 Spain

See also the previous reports.

¹ The report of 17 August 2011 can be inspected through the website www.kvdl.nl.

For an extensive description of the Spanish projects we also refer to the report of 18 May 2012 and the Zanders Report.

As indicated in earlier reports, the arrangements about the distribution of net sales proceeds of the assets concerned (Monte Mayor and Istán) are as follows, referring to the sales proceeds:

- 1. up to amount of credits drawn : 10%(5% estate/5% GLS)
- 2. after 1. up to amount of investment : 15%(8.33% estate/6.67% GLS)
- 3. after 2. : 50%(25% estate/25% GLS)

Sales are proceeding with extreme difficulty. Only one sale has been effected since the last report, namely at the end of August 2015. The settlement thereof is still to take place.

In the previous report, the sale of the golf course was mentioned and the possibility that it would be reopened. The golf course has not been reopened, nor is this expected to happen any time soon.

To date, the Spanish assets have yielded EUR 35,507, exclusive of the latest sale.

3.2 Antigua

For a description of the positions of Caribbean Developments (Antigua) Ltd. (CDAL) and the Pearn Point project we also refer to the Zanders Report.

Sales of Assets Antigua

See also the previous reports. On 25 September 2014, the assets attached to Antigua were sold to APAC for USD 4,500,000.

The purchase price has been paid up to an amount of USD 1,200,000 through set-off of the short-term loan that was made available to the bankruptcy estate of La Perla by APAC of USD 1,000,000 plus interest agreed.

The remainder of USD 3,300,000 will be paid in instalments in accordance with the agreement. Meanwhile, the principal amount of USD 1,950,000 has been received, and interest amounting to USD 150,306. The parties have agreed that the remainder of the principal amount of USD 1,350,000, plus interest, will be paid by 15 March 2016. Initially it had been agreed that the latest instalment would be paid by March 2017.

For the benefit of the estate, security rights will also be vested in locations on Pearn's Point as an additional security for performance of the payment obligations. In that connection, the trustee has established a Foundation that will be keeping the security rights for the estate. The vesting of the security rights has been delayed for several reasons, especially because of a lack of clarity about the requirements for this due to contradictory messages from Antiguan lawyers and the burning down of the land registry in Antigua. It is expected that this process can be completed in the coming reporting period.

3.3 Panama

See also the previous reports. For an extensive description of the project we also refer to the Zanders Report.

In light of the position of the bank with regard to Natural Synergy B.V. (see paragraph 5.1 below), the trustee has been negotiating with the bank at the end of 2014 about the way of settling the location in Panama. There was an urgent need to pay several taxes to the Panamese tax authorities, as well as several other payments. In the absence of agreement with the bank and a loan granted by the bank, the Panamese tax authorities threatened to foreclose the lands held by the Panamese companies of La Perla.

On 18 December 2014 the trustee and ABN AMRO bank reached agreement about the provision of a short-term preferential loan by the bank for Panama of a maximum of USD 550,000, and also about the division of proceeds of the sale (if any) of the Panamese locations. On 19 December 2014 the bankruptcy judge gave permission for this.

The arrangement with the bank for the division of the proceeds from the sale consists mainly of – after settlement with a number of Panamese creditors (see footnote 2 below), (i) the bank and the estate first receiving a nominal payment, (ii) a next part 50/50, and (iii) the major part of the proceeds in the proportion 22.5% for the estate and 77.5% for the bank.

Since December 2014 the following events happened:

- Agreement was reached with creditors Kilborn, Haines and Friedman, under which they will receive a percentage of the proceeds from the sale;
- Agreement was reached with creditor Arias², under which he will receive a percentage of the proceeds of the sale;
- Agreement was reached with the tax authorities in Panama about the tax debt, which resulted in one of the Panamese holdings having on balance a claim of almost USD 700,000, which is not distributable in money, but is eligible for set-off against future tax debts. In the future, taxes will remain due, but they will be lower and can be set off against the credit balance;
- The Dutch Tax Administration has filed a notice of appeal pursuant to Section 67 of the Dutch Bankruptcy Act against the approval granted on 19 December 2014 by the bankruptcy judge, arguing that the settlement was not sufficiently beneficial for the estate. On 14 January 2015 the Court of Amsterdam dismissed this appeal. The Tax Administration then appealed to the Supreme Court. The Supreme Court dismissed the appeal of the Tax Administration on 26 June 2015;
- A right of mortgage has been vested in the Panamese assets for the benefit of Stichting Security Agent Panama, a foundation that was established for that purpose, to ensure the claims of the estate, the bank and the Panamese creditors;

² Both Kilborn, Haines and Friedman and Mr Arias are persons from whom La Perla had purchased and been delivered the lands at the time, without having (fully) paid them.

- The short-term preferential loan with the interest due on it has meanwhile been paid back to the bank in early September 2015. This amount was EUR 345,196 in total.

At present, the trustee is talking to a number of parties who may assist in the sale of the Panamese assets. The trustee does this in cooperation with the bank, and expects to be able to give more information about this in the next report.

Group Informals Panama

See the previous report. Because of the proceeds from Antigua the trustee has been able to pay back the group of informals who had made available for the benefit of Panama a short-term preferential loan at the end of 2011, beginning of 2012.

France

See previous reports.

Vietnam

See previous reports.

Other Assets

4.1 Debtors

See the first moratorium report.

4.2 Tax Refund

See also the previous reports.

- The Dutch tax authorities were asked for a VAT refund in connection with invoices paid by the estate. In total, this amounts to EUR 43,254. This amount has already been paid into the estate account of Nacar Holding N.V.

- Besides, an amount of EUR 1,868 has been credited to the estate account of La Perla Investments B.V.
- In the coming reporting period, the trustee will make a new request for a repayment of estate VAT.

5. Bank

5.1 Claim of bank(s)

See also the previous reports and above under 3.3. (Panama).

ABN AMRO Bank has filed a claim of EUR 5,619,639, to be increased by the interest due on that amount.

All companies that this report relates to are jointly and severally liable for this claim. The bank has not received any collateral.

Another important aspect here is that ABN AMRO Bank has a claim against Natural Synergy B.V.. Natural Synergy B.V. is the Dutch holding company of the Panamese companies in which the Panamese assets are held. Incidentally, the bank's claim is interest-bearing in respect of Natural Synergy B.V., so that the total claim of the bank now exceeds an amount of EUR 9 million.

5.2 Estate Loans

APAC	:	USD 1,000,000 (+ 7% interest as of May 2011) (repaid)
Informal Lenders Panama	:	EUR 365,000 (+ 7% interest as of October 2011) (repaid)
Slot Consultancy B.V.	:	EUR 35,934, EUR 55,000 and EUR 8,544 EUR 142,875 ³ . This is a total amount of EUR 242,353 ⁴
Jewel Holdings Service Ltd.	:	USD 200,000 ⁵ (repaid)

³ For various advanced costs (such as rents, eviction costs, travel costs), advance to salary of administrator (EUR 100,000 plus VAT), advanced taxes Panama.

⁴ The claim of Slot Consultancy B.V. has been assigned to Global Living Services Ltd., which has assigned the greater part of the claim to third parties.

⁵ For advanced taxes Panama.

Balance short-term preferential loans : Out of the various short-term preferential loans granted during the moratorium, payments have been made for, inter alia, foreign taxes, advisors in the Netherlands, Antigua, Panama and Spain, and salary of the trustee. The remainder of EUR 10,628 has meanwhile been paid into the estate account of La Perla Investments B.V. and EUR 1,074 has been paid into the estate account of Nacar Holding N.V.

6. Current Liabilities

There are no current liabilities at present.

7. Lawfulness

See also the previous reports. No other legal acts have been declared void.

On 2 June 2015 the trustee reported Mr G. Duizendstraal to justice as (de facto) director of La Perla, since he is presumably guilty of bankruptcy fraud. The Fiscal Information and Investigation Service (FIOD) is investigating this under the supervision of the Public Prosecutor's Office.

8. Creditors

8.0 Creditors' Committee

At the request of the trustee dated 2 January 2013, the Court in Amsterdam appointed, in a decision of 20 February 2013, a creditor's committee for Nacar Holding N.V. and La Perla Investments B.V. consisting of:

1. Mrs Y. Snijders - ABN AMRO Bank N.V.
2. Mr F. Marree - F. Marree Beheer B.V.
3. Mr F. van Belle - Name 'n Number B.V.

Mrs Snijders has meanwhile been succeeded by her colleague, Mr W. Keuning.

8.1 Estate Claims

See also 5.2 (short-term preferential loan).

Several estate claims have been paid out of the estate accounts of Nacar Holding N.V. and La Perla Investments B.V., such as Crowe Horwath (tax lawyer), various advisors regarding Panama and Antigua, attorney in the Netherlands in proceedings before the Supreme Court, and fees of the trustee.

During the bankruptcy, the following amounts have been transferred as fees for the trustee:

Nacar Holding N.V.	EUR 2,093
La Perla Investments B.V.	EUR 405,900

This is exclusive of the amounts that were paid as fees of the administrator during the moratorium. We refer to the previous reports.

8.2 Preferential Claim from the Tax Authorities

The tax authorities have a claim against:

- Nacar Holding N.V.	EUR 653,172
- La Perla Living Holding B.V.	EUR 171,171

In addition, the tax authorities have imposed retrospective collections. See below.

Investigation tax department

See also the previous reports. The Tax and Customs Administration and the trustee are still discussing a settlement in which the level of the claim of the Tax Administration is determined. The trustee is receiving assistance in this process from tax lawyers of Crowe Horwath. It is expected that agreement can be reached within the next reporting period.

8.3 Preferential Claim of the UWV

Unknown.

8.4 Other	Preferential	Creditors
Nacar Holding N.V.	:	EUR 97,028 (former employees)
La Perla Investments B.V.	:	EUR 17,000 (former employee)

These are the amounts that have been notified and been placed on the list of provisionally recognized creditors.

8.5 Number of Ordinary Creditors

Notified and provisionally recognized :

Nacar Holding N.V. 32 (out of which 27 Informal Lenders)

La Perla Living Holding B.V. [] 16

La Perla Investments B.V. 63 (out of which 58 Informal Lenders)

8.6 Amount of Ordinary Creditors

-	<u>Nacar Holding N.V.:</u>	
	ordinary creditors	EUR 13,025,898
	informal lenders	EUR 14,650,359
-	<u>La Perla Living Holding B.V.:</u>	
	ordinary creditors	EUR 6,180,709
-	<u>La Perla Investments B.V.:</u>	
	ordinary creditors	EUR 5,677,572
	informal Lenders	EUR 33,444,316 en USD 9,894,358

The informal lenders also have the status of ordinary creditors.

These are the amounts that have been notified and been placed on the list of provisionally recognized creditors.

In these amounts the interest has been included up to the date of the moratorium.

In the amounts listed under the unsecured debts, the claim of ABN AMRO Bank of EUR 5,619,639 has always been included in connection with the alleged joint and several liability (see also 5.1).

The chance that it will be possible to make a distribution to the ordinary creditors is very small, given the state of the estate, the proceeds still to be expected, and the amount of the (preferential) claim of the tax department.

8.7 403 Declarations

See previous reports. Given the proceeds and division of debts, the 403 declarations no longer seem relevant.

9 Action Plan

In the coming reporting period the trustee will be busy with, *inter alia*:

- sale of assets in Panama, also depending on negotiations with the bank
- collection of further proceeds from Spain
- collection of next instalment from Antigua
- completing talks with tax department about retrospective collection
- discussion with PWC about reporting

10 Estate Account

Today, the balance on the estate account of Nacar Holding N.V. amounts to 22.31.14.499: EUR 60,846

The balance on the estate account of La Perla Investments B.V amounts to:
22.31.14.480: EUR 479,270
22.84.53.674: USD 155,060:

mr. A.W. de Man,
Trustee

