

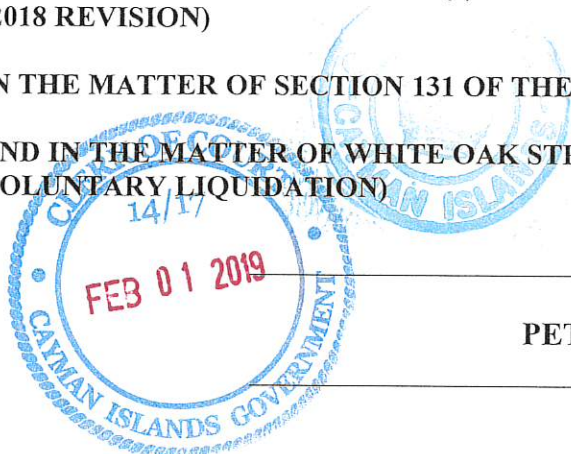
IN THE GRAND COURT OF THE CAYMAN ISLANDS
FINANCIAL SERVICES DIVISION

CAUSE NO. FSD 14 OF 2019 ()

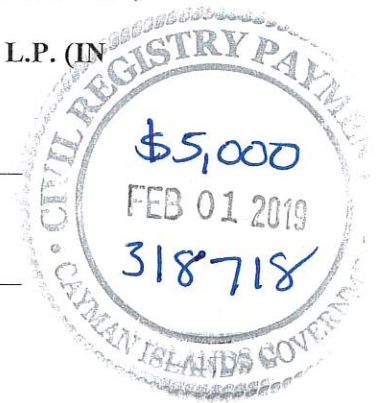
IN THE MATTER OF SECTION 36(3) OF THE EXEMPTED LIMITED PARTNERSHIP LAW
(2018 REVISION)

IN THE MATTER OF SECTION 131 OF THE COMPANIES LAW (2018 REVISION)

AND IN THE MATTER OF WHITE OAK STRATEGIC MASTER FUND, L.P. (IN
VOLUNTARY LIQUIDATION)



PETITION



TO THE GRAND COURT

THE HUMBLE PETITION of LUKE OLIVER ALMOND and COSIMO BORRELLI (“**Petitioners**”) of Borrelli Walsh (Cayman) Limited and Borrelli Walsh Limited respectively (together “**Borrelli Walsh**”) whose addresses are 3rd Floor, Strathvale House, 90 North Church Street, PO Box 30847, George Town, Grand Cayman KY1-1204 Cayman Islands and Level 17, Tower 1, Admiralty Centre, 18 Harcourt Road, Hong Kong respectively, shows that:

Incorporation, Group Structure & Voluntary Liquidation

- 1 White Oak Strategic Master Fund, L.P. (in Voluntary Liquidation) (“**Master Fund**”) was incorporated as an exempted limited partnership on 6 July 2007 under registration number 20572.
- 2 The current registered office of the Master Fund is c/o Borrelli Walsh, 3rd Floor, Strathvale House, 90 North Church Street, PO Box 30847, George Town, Grand Cayman KY1-1204 Cayman Islands.
- 3 The Master Fund is the master fund in a master-feeder fund structure. The Master Fund has two feeder funds and two related funds (together “**Funds**”), as follows:

- 3.1 White Oak Strategic Fund, Ltd. (In Voluntary Liquidation) ("**Offshore Feeder Fund**"), an exempted limited partnership under the laws of the Cayman Islands;
 - 3.2 White Oak Strategic Fund, L.P. (In Liquidation) a limited partnership organised under the laws of Delaware, United States of America ("**Onshore Feeder Fund**");
 - 3.3 White Oak Opportunity SRV, L.P. (In Liquidation) a limited partnership organised under the laws of Delaware, United States of America ("**SRV I**"); and
 - 3.4 White Oak Strategic II SRV, L.P. (In Liquidation) a limited partnership organised under the laws of Delaware, United States of America ("**SRV II**").
- 4 The Master Fund was placed into Voluntary Liquidation on 16 May 2017 by written resolutions of its general partner and a majority of the limited partners of the Master Fund (together "**Resolutions**"), with Margot MacInnis and Nilani Perera of Borrelli Walsh appointed Joint Voluntary Liquidators ("**JVLs**") of the Master Fund pursuant to the Resolutions.
 - 5 Borrelli Walsh also appointed liquidator of the Onshore Feeder Fund, SRV I and SRV II (together "**Delaware Entities**") pursuant to written resolutions of the general partner of each of the Delaware Entities on the same date.
 - 6 On 31 May 2017, Ms MacInnis and Ms Perera were appointed JVLs of the Offshore Feeder Fund pursuant to written resolutions of a majority of the shareholders of the Offshore Feeder Fund.
 - 7 On 12 January 2018, Ms MacInnis resigned from Borrelli Walsh and, on the same date, confirmed her intention to resign as Liquidator of the Master Fund and Offshore Feeder Fund (together "**Cayman Entities**"). Ms Perera also agreed to resign as Liquidator of the Cayman Entities on the basis that the liquidations had predominantly been managed by Samantha Wood and Mr Almond, and her involvement had been limited.

8 At extraordinary meetings of the Master Fund and the Offshore Feeder Fund held on 4 April 2018, Ms Wood and Mr Almond were appointed as JVLs of the Cayman Entities, and Ms MacInnis and Ms Perera's resignations were confirmed shortly thereafter.

Petition for Supervision of the Voluntary Liquidations

9 Since their appointment as liquidators of the Master Fund (and the other Funds), the JVLs have identified evidence which indicates that the assets of the Master Fund may have been overvalued.

10 White Oak Global Advisors, LLC ("**WOGA**") was the original investment manager of the Funds, pursuant to Investment Management Agreements dated 12 June 2007, 1 September 2007, 1 November 2007, 30 June 2011 and 30 June 2011 ("**IMAs**"). Per the IMAs, WOGA was engaged to act as the investment manager and investment advisor for the Funds and to manage the investment and reinstatement of the cash, securities and other properties comprising the assets of the Funds.

11 Crestline Kirschner ("**Crestline**") was appointed as investment manager to the Funds on 7 December 2015, replacing WOGA, with a view to winding up the Funds and its (at the time) four remaining illiquid assets under management ("**AUM**"). WOGA was retained as sub-advisor to Crestline. Crestline issued its resignation with an effective date of 5 June 2017 following the appointment of the JVLs.

12 Crestline reported that the net asset value ("**NAV**") of the remaining three AUM at the date of the Master Fund's liquidation was approximately USD84 million. The JVLs estimate that these same AUM are likely to generate recoveries for the liquidation estate of between USD7 million and USD8 million.

13 Following their appointment, the JVLs established a committee of investors ("**Investor Advisory Committee**" or "**IAC**") for the purposes of reporting and seeking the views of the investor body. Given the nature of and background to the Funds' remaining assets and difference in the reported and estimated to realise NAVs of these assets the IAC

expressed an interest in the JVLs investigating whether any claims may exist against third parties.

14 The JVLs received initial legal advice from US legal counsel regarding whether claims may exist against third parties, and the evidentiary requirements and other considerations to bring a successful claim. The JVLs do not consider they have sufficient evidence from the limited books and records collected to date to assert any claims against third parties at this stage and are of the view that the broad discovery powers granted to liquidators under a supervision order will enable them to undertake the further investigations necessary to establish if meritorious claims exist.

15 The IAC is supportive of the JVLs taking steps (including filing this petition to seek supervision of the Court) to further investigate whether claims may exist against third parties.

16 The JVLs believe that bringing this liquidation under the supervision of the Court will facilitate a more effective, economic and expeditious investigation and liquidation of the Master Fund in the interests of the investors such that supervision of the Court should be ordered pursuant to section 131(b) of the Companies Law (2018 Revision) (“**Companies Law**”).

17 A petition for Court supervision of the liquidation of the Offshore Feeder Fund is being filed simultaneously with the Petition.

18 Based on their findings to date the JVLs believe that the liquidations of the Master Fund and the Offshore Feeder Fund will remain solvent liquidations.

The Petitioners

19 In November 2018, Ms Wood resigned from her position Borrelli Walsh. Ms Wood remains a JVL of the Funds but Mr Borrelli of Borrelli Walsh Limited is now proposed (with the consent to the IAC) to be a Joint Official Liquidator (“**JOL**”) of the Master Fund together with Mr Almond.

20 Both Mr Borrelli and Mr Almond are qualified, willing and properly able to accept appointments as JOLs of the Master Fund, if so approved by this Honourable Court and have filed the affidavits required by the Companies Winding Up Rules 2018, Order 3, rule 4.

21 Mr Almond meets the independence, residency, eligibility and insurance requirements of the Insolvency Practitioners Regulations 2018 (“IPR”). Mr Borrelli meets the independence, eligibility and insurance requirements of a foreign practitioner under the IPR.

Conclusion

22 In the circumstances, the Petitioners seek an order pursuant to section 131(b) of the Companies Law that the liquidation of the Master Fund continue under the supervision of the Court and that the Petitioners be appointed as the JOLs of the Master Fund.

23 Due to the sensitive nature of these investigations, the JVLs request that the First Affidavit of Mr Almond be sealed.

YOUR PETITIONERS THEREFORE HUMBLY PRAY THAT:

- (1) The liquidation of the Master Fund be continued under the supervision of the Court.
- (2) Cosimo Borrelli of Borrelli Walsh, Level 17, Tower 1, Admiralty Centre, 18 Harcourt Road, Hong Kong and Luke Oliver Almond of Borrelli Walsh, 3rd Floor, Strathvale House, 90 North Church Street, PO Box 30847, Grand Cayman KY1-1204 Cayman Islands, be appointed as JOLs. In addition, the requirement, if any, for Samantha Wood to file a final report and accounts pursuant to section 132(2) of the Companies Law be dispensed with.
- (3) The JOLs shall not be required to give security for their appointment.
- (4) The JOLs are hereby authorised jointly and severally to exercise any of the following powers without further sanction of the Court:
 - a. the power to bring or defend or continue any action or other legal proceeding in the name and on behalf of the Master Fund;
 - b. the power to pay any class of creditor in full;
 - c. the power to make any compromise or arrangement with creditors or persons claiming to be creditors or having or alleging themselves to have any claim (present or future, certain or contingent, ascertained or sounding only in damages) against the company or for which the company may be rendered liable;
 - d. the power to compromise on such terms as may be agreed all debts and liabilities capable of resulting in debts, and all claims (present or future, certain or contingent, ascertained or sounding only in damages) subsisting, or supposed to subsist between the Master Fund and a

limited partner or alleged limited partner or other debtor or person apprehending liability to the Master Fund; and

e. the power to engage attorneys and other professionally qualified person to assist the JOLs in the performance of their functions, whether in the Cayman Islands or elsewhere.

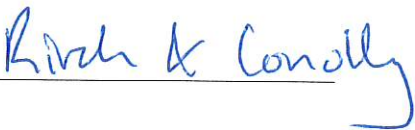
(5) The JOLs be authorised, if they think fit, to take any such action as may be necessary or desirable to commence, or to cause the Master Fund to commence, proceedings in the United States including recognition and relief proceedings under Chapter 15 of the United States Bankruptcy Code, and to take such steps arising in connection therewith that the JOLs may consider appropriate.

(6) The Petitioners' costs of this Petition shall be paid out of the assets of the Master Fund as an expense of the liquidation.

AND YOUR PETITIONERS WILL EVER PRAY ETC.

Dated this 31 day of January 2019

Filed this 1 day of February 2019



RITCH & CONOLLY

ATTORNEYS-AT-LAW FOR THE PETITIONERS

This PETITION was presented by Ritch & Conolly, Attorneys for the Petitioner whose address for service is, 4th Floor, Queensgate House, PO Box 1994, Grand Cayman KY1-1104 Cayman Islands. Telephone: +1 345 949 7366

NOTICE OF HEARING

TAKE NOTICE THAT the hearing of this petition will take place at the Law Courts, George Town, Grand Cayman, on [] day of [] at 10.00am.

Any correspondence or communication with the Court relating to the hearing of this petition should be addressed to the Registrar of the Financial Services Division of the Grand Court at PO Box 495, Grand Cayman, KY1-1106, telephone 345 949 4296.