



# CHRIS JOHNSON ASSOCIATES LTD.

Chartered Accountants & Insolvency Practitioners

22 August 2019

**To all known Creditors and Shareholders**

Dear Investor / Creditor,

**Direct Lending Income Feeder Fund, Ltd. – In Official Liquidation (the “Company”)  
Grand Court FSD Cause No: 108 of 2019 (NSJ)**

We write further to the Joint Voluntary Liquidators’ (“JVLs”) letter dated 31 May 2019 notifying you of the JVLs’ intention to apply to the Grand Court of the Cayman Islands (“Court”) for an order that the Company’s liquidation continue as an official liquidation and that the JVLs be appointed as the Company’s official liquidators.

In that letter, the JVLs invited stakeholders to notify them of any objection to that application being made without the need for a hearing, or to the JVLs being appointed as official liquidators of the Company. The JVLs received no objections in response to that letter and consequently, on 18 June 2019, the JVLs filed an application for supervision and invited the Court to make orders on that application without a hearing pursuant to Order 15, rule 5(1) of the Companies Winding Up Rules, 2018 (“CWR”).

On 25 July 2019, the Supervision Order was made by the Court and Chris Johnson of Chris Johnson Associates Ltd. and Bradley Sharp of Development Specialists Inc. were appointed as Joint Official Liquidators (“JOLs”) of the Company. A copy of the Supervision Order is enclosed.

Under Cayman Islands law, the JOLs are required to summarily determine the Company's solvency position. The JOLs have summarily determined that the Company is of doubtful solvency and the relevant certificate has been filed in Court. This determination has been made because it is not clear at this stage based on the information available to the JOLs that there will be sufficient realisations to satisfy all creditor claims in full so as to justify the exclusion of any class of stakeholders from the consultation process. The JOLs will keep their determination of solvency under review as their investigations into the Company's affairs progress.

**NOTICE OF CREDITORS’ AND CONTRIBUTORIES’ MEETINGS**

The JOLs are required to convene meetings of creditors and contributories (i.e. shareholders/investors) for the purpose of allowing creditors and shareholders of the Company the opportunity to elect a liquidation committee and to deal with such other matters or resolutions as the JOLs think fit.

Accordingly, we hereby confirm and invite you to attend the first meetings of creditors and contributories, which will be held concurrently by teleconference at 11:30 am (Cayman Islands time) / 4:30pm (GMT) on Tuesday, 8 October 2019. Dial-in details for the teleconference will be circulated in due course to those creditors and contributories who confirm that they wish to attend.

Creditors wishing to attend the creditors' meeting should complete the attached proxy form (if a corporate creditor) and proof of debt form (creditors) and forward the completed forms by email to Jill Zadny on [jz@cjacayman.com](mailto:jz@cjacayman.com) by no later than 5:00 pm on 28 September 2019 (Cayman Islands time). If you are an investor who submitted a redemption request on or before 7 February 2019, please complete a proof of debt form and provide the accompanying documentation as requested on the form. Please be advised that an acceptance of your proof of debt form by the JOLs does not constitute an admission of your claim or an agreement by the JOLs that your claim will be paid in part or in full. The proof of debt form is accepted by the JOLs at this stage solely for the purposes of determining your entitlement to attend and vote at any creditors' meetings.

Shareholders wishing to attend the contributories' meeting are not required to submit documentation to support their shareholding but should notify Jill Zadny of their intention to attend the meetings by no later than 5:00 pm on 28 September 2019 and corporate shareholders should complete and submit the attached proxy form. Upon receipt of the required documents, we will provide you with the dial in details for the meetings. Ms. Zadny can be contacted by telephone on +1 (345) 946 0820 or by e-mail on [jz@cjacayman.com](mailto:jz@cjacayman.com).

In advance of the meeting, and no later than 21 September 2019, the JOLs will circulate a report and accounts on the affairs of the Company and the progress of the liquidation to date ("First Report and Accounts"). The purpose of the meetings will be:

1. To receive the First Report and Accounts;
2. To consider, and if thought fit to adopt, a resolution establishing a liquidation committee; and
3. To address, as far as possible, the questions of creditors and shareholders.

#### **LIQUIDATION COMMITTEE ("LC")**

Presuming the technical requirements are met, the JOLs intend to have creditors and shareholders elect an LC at the creditors' and contributories' meetings, in accordance with Order 9 of the CWR.

The LC, if established, must have not less than three and not more than six members, must include at least one contributory, and must be elected by a majority of creditors / contributories present, in person or by proxy, and voting at the creditors' / contributories' meeting.

The primary function of the LC is to consult with the JOLs on behalf of all Company stakeholders.

Any shareholder of the Company is eligible to be a member of the LC. Any creditor of the Company (other than one whose debt is fully secured) is eligible to be a member of the LC so long as they have lodged a proof of debt which has not been wholly disallowed or rejected by the JOLs. Corporate members of the LC must be represented at LC meetings by an individual duly authorised in writing and notified to the JOLs at least 7 days before the relevant meeting.



If you wish to be considered for appointment to the LC please send your curriculum vitae, containing details of any experience you may have that would be relevant to such an appointment, to the JOLs by email to [jz@cjacayman.com](mailto:jz@cjacayman.com) by no later than 5:00 pm on 28 September 2019 (Cayman Islands time). Please note that the contact details of all persons putting themselves forward for election to the LC will be circulated to the stakeholders in advance of the meeting.

**OTHER MATTERS**

The JOLs' responsibility is to ensure the Company's assets are collected, maintained and preserved for eventual realisation and distribution to the body of creditors, and if there is a surplus to the Company's shareholders, in accordance with the laws of the Cayman Islands. If you have any information which might assist the JOLs with their duties and/or investigations please contact us.

Yours faithfully,



Chris Johnson  
Joint Official Liquidator



Bradley D. Sharp  
Joint Official Liquidator

Enclosed:      Supervision Order  
                    Proof of debt form  
                    Proxy form

