

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

**China Fishery Group Limited (Cayman) *et al.*,
Debtors.¹**

:
: **Chapter 11**
:
: **Case No. 16-11895 (JLG)**
: **Related Doc # 2686 and 2688**
: **(Jointly Administered)**
:

**ORDER REFERRING TO MEDIATION CERTAIN PLAN DISPUTES AND
REMAINING LIQUIDATOR DISPUTES**

WHEREAS, on January 29, 2020, the Court entered its *Order (A) Granting Mediation Motion, (B) Referring Matters to Mediation, And (C) Authorizing Taking Corporate Governance Actions Necessary to Enable Non-debtor CFG Investments S.A.C. to Participate in Mediation* (“Mediation Order”) [Docket No. 1938], a copy of which is attached hereto as Exhibit A;

WHEREAS, by Order dated February 12, 2020, the Honorable Robert D. Drain of the United States Bankruptcy Court for the Southern District of New York was appointed as Mediator [Docket No. 1957];

WHEREAS, the Mediation Order referred to Mediation², *inter alia*, the following matters, (a) *the claims and defenses of and against the Ng Family and Ng Entities in the action pending before the High Court of the Hong Kong Special Administrative Region, Court of First*

¹The Debtors are China Fishery Group Limited (Cayman), Pacific Andes International Holdings Limited (Bermuda), N.S. Hong Investment (BVI) Limited, South Pacific Shipping Agency Limited (BVI), China Fisheries International Limited (Samoa), CFGL (Singapore) Private Limited, Chanery Investment Inc. (BVI), Champion Maritime Limited (BVI), Growing Management Limited (BVI), Target Shipping Limited (HK), Fortress Agents Limited (BVI), Ocean Expert International Limited (BVI), Protein Trading Limited (Samoa), CFG Peru Investments Pte. Limited (Singapore), Smart Group Limited (Cayman), Super Investment Limited (Cayman), Pacific Andes Resources Development Limited (Bermuda), Nouvelle Foods International Ltd., Golden Target Pacific Limited, Pacific Andes International Holdings (BVI) Limited, Zhonggang Fisheries Limited, Admired Agents Limited, Chiksano Management Limited, Clamford Holding Limited, Excel Concept Limited, Gain Star Management Limited, Grand Success Investment (Singapore) Private Limited, Hill Cosmos International Limited, Loyal Mark Holdings Limited, Metro Island International Limited, Mission Excel International Limited, Natprop Investments Limited, Pioneer Logistics Limited, Sea Capital International Limited, Shine Bright Management Limited, Superb Choice International Limited, Toyama Holdings Limited (BVI) and Pacific Andes Enterprises (Hong Kong) Limited.

² Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Mediation Order.

Instance (the “Hong Kong Court”) under HCA 688/2019 (the “Ng Lawsuit”) and (b) proofs of claim that have not heretofore been disallowed, withdrawn or expunged filed in the Chapter 11 Cases by companies in liquidation proceedings (the “Liquidation Companies”) before the Hong Kong Court or the Eastern Caribbean Supreme Court in the High Court of Justice, British Virgin Islands (the “Proofs of Claim”, and together with the Ng Lawsuit and CFGI Lawsuit, the “Liquidator Disputes.”);

WHEREAS, on September 27, 2021, the Debtors filed their respective Disclosure Statements and Plans [*see* Docket No. 2684; Docket No. 2685], and the hearing on the Debtors’ motions to approve the Disclosure Statements was scheduled for October 27, 2021;

WHEREAS, on October 20, 2021, the Liquidation Companies filed their objections to approval of the Debtors’ Disclosure Statements [*see* Docket No. 2755, Docket No. 2756] (the terms of the Plans and the Liquidation Companies’ objections to the Debtors’ motions to approve the Disclosure Statements, the “Plan Disputes”);

WHEREAS, by letter request (the “Letter Request”) to the Court dated October 22, 2021, the Debtors indicated their understanding that meaningful discussions have been held in Hong Kong and Singapore between the Debtors, the Liquidators and certain of the major creditors of the estates of both the Debtors and the Liquidation Companies, and while these settlement discussions have progressed, including recently when the Debtors’ Disclosure Statements and Plans were filed, no agreement has been reached by the parties;

WHEREAS, by the Letter Request, the Debtors requested that the Court direct the parties to mediation with respect to the Plan Disputes and the Liquidator Disputes identified in the Mediation Order that have not previously been resolved (the “Remaining Liquidator Disputes”); and

WHEREAS, recognizing the benefit that mediation might provide, the Liquidation Companies have agreed to participate in Renewed Mediation in accordance with the terms of the Letter Request and this Order.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that:

1. The Plan Disputes and the Remaining Liquidator Disputes are referred to mediation (the “Renewed Mediation”). The scope of the Renewed Mediation may not be expanded without the prior written consent of all Mediation Parties (defined below).
2. Only the following parties and their respective counsel (the “Mediation Parties”) shall be entitled to participate in the Renewed Mediation in accordance with the terms set forth herein: (a) The Debtors other than CFG Peru Singapore; (b) the Ng Family and Ng Entities; (c) the liquidators of the Liquidation Companies. No other parties shall participate in the Renewed Mediation except upon unanimous agreement of the Mediation Parties and consent of the Mediator. For avoidance of doubt, participation in the Renewed Mediation will not give standing to any Mediation Party to appear in the Liquidator Disputes.
3. The Honorable Robert D. Drain is hereby appointed as Mediator and the Renewed Mediation shall be held on November 12, 2021, via videoconference and/or as otherwise directed by the Mediator. All parties shall appear by videoconference at the Renewed Mediation except as may be agreed by the parties with the consent of the Mediator. No party shall be required to appear in-person at the Renewed Mediation.
4. The Mediation Parties shall submit to the Mediator and exchange mediation statements, if any, as may be directed by the Mediator.
5. The Motions to approve the Debtors’ Disclosure Statements [Docket Nos. 2686, 2688] and the Hong Kong Plaintiffs’ motion to dismiss the chapter 11 case of Pacific Andes

Enterprises (Hong Kong) Limited [21-11588 Docket No. 2] are hereby adjourned until December 14, 2021, at 11:00 a.m., or such earlier date as directed by the Court. In accordance with Local Rule 9006-1(b), replies in support of the motions shall be due by 4:00 p.m. (ET) three days prior to the rescheduled hearing date.

6. The Renewed Mediation shall automatically terminate on November 30, 2021, unless concluded or extended by agreement of the Mediation Parties with the consent of the Mediator.

7. Paragraphs 11-15 and 18-22 of the Mediation Order are incorporated herein by reference as though fully set forth herein.

8. The Stipulation And Order Governing the Disclosure of Confidential Documents and Authorizing the Filing of Certain Documents Under Seal dated June 16, 2020 [Docket No. 2073] shall apply to the Renewed Mediation.

9. Notwithstanding anything in the Plans or Disclosure Statements to the contrary, no provision of the Plans, nor any future plan filed by the Debtors or their affiliates in these chapter 11 cases, shall be deemed to release, exculpate, or otherwise impair or affect in any manner whatsoever any claim that any party (including, for the avoidance of doubt, the Liquidators or the Liquidation Companies) may assert or be entitled to assert, directly or indirectly, against any entity which conducted audits of Pacific Andes Group, including any affiliates of any entity which conducted such audits. Clarifying language shall be incorporated into the Plans consistent with this paragraph; provided, that this paragraph shall be binding and enforceable in accordance with its terms regardless of whether such language is incorporated into the Plans.

Dated: October 26, 2021
New York, New York

/s/ *James L. Garrity, Jr.*

HON. JAMES L. GARRITY, JR.
UNITED STATES BANKRUPTCY JUDGE

Exhibit A