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

In re: : **Chapter 11**
:
CHINA FISHERIES GROUP LIMITED (CAYMAN), : **Case No.: 16-11895 (JLG)**
et al., :
: **(Jointly Administered)**
Debtors.¹ :
:

In re: : **Chapter 11**
:
CFG Peru Investments Pte. Limited (Singapore), : **Case No. 16-11914 (JLG)**
Debtor. : **(Jointly Administered)**
:

¹ The 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, and Toyama Holdings Limited (BVI).

**RESERVATION OF RIGHTS OF WILLIAM A. BRANDT, JR., IN HIS INDIVIDUAL
CAPACITY, TO CONFIRMATION OF THE CREDITOR PLAN PROPONENTS'
CHAPTER 11 PLAN FOR CFG PERU INVESTMENTS PTE. LTD.
(SINGAPORE) AND SMART GROUP LIMITED (CAYMAN)**

William A. Brandt, Jr., in his individual capacity (“Brandt”), hereby files this reservation of rights concerning confirmation of the Creditor Plan Proponents’ Chapter 11 Plan for CFG Peru Investments Pte. Ltd. (Singapore) and Smart Group Limited (Cayman) (the “Plan”). This reservation of rights is presented solely in Brandt’s individual capacity, and not in his capacity as chapter 11 trustee of CFG Peru Investments Pte. Limited (Singapore) (the “Debtor”) in the above-captioned chapter 11 cases, to address a matter that affects Brandt in his individual capacity, and remains subject to the parties’ ongoing negotiations.

RESERVATION OF RIGHTS²

As a general matter, Brandt supports confirmation of the Plan, provided that the parties can come to agreement on the terms of the Administrative Claims Reserve for administrative expense claims, including his own commission/fees/expenses. The parties have agreed to a reserve in the amount of \$30 million, but are continuing to discuss the manner by which certain payments will reduce that reserve.

Footnote 4 of the Plan notes that the “Parties [are] to finalize schedule of payments that reduce Administrative Claims Reserve Amount.” *See* Plan, at footnote 4. This Reservation of Rights is filed to preserve the parties’ positions pending those ongoing discussions.

In order for the Plan to satisfy 11 U.S.C. § 1129(a)(9) and (a)(11), it must provide a sufficient reserve to protect payment of all allowed administrative expense claims, before any

² Capitalized terms not otherwise defined in this Preliminary Statement have the meaning ascribed to them in the Plan.

unsecured creditors may receive payments under the Plan.³ As the Plan provides for substantial interim payments to unsecured creditors, and their counsel, the question of whether or not the Plan sufficiently protects the interests of Brandt and other administrative claimants remains at issue, and will be substantially impacted by any reductions to the reserve.

Brandt intends to continue discussions with the Plan Proponents, pursuant to Footnote 4, and reserves all rights to object to confirmation of the Plan on the grounds described herein if the parties are unable to come to an agreement.

Dated: June 1, 2021

Respectfully submitted,

BAKER & HOSTETLER LLP

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³ See, e.g., *Davis v. Elliot Mgmt. Corp. (In re Lehman Bros. Holdings Inc.)*, 508 B.R. 283, 289 (S.D.N.Y. 2014) (import of Section 1129(a)(9) is that "(i)n Chapter 11 cases, such as this one, all administrative expenses must be paid in full," and a plan that will fail to satisfy this requirement on the effective date is unconfirmable); *In re Christopher*, 28 F.3d 512, 516 (5th Cir. 1994) ("[T]he plan of reorganization cannot be confirmed under § 1129(a)(9)(A) unless the plan provides for the payment in cash and in full of persons holding "claims" for administrative expenses under §§ 503 and 507.").