



# Soft Wind Down Solutions

## A solution that investors want

- Replacement Investment Management
- Investment Advisory Service
- Asset Resolution Company

FFP offers a compelling option for maximising the value for investors when a fund has come to the end of its life or finds itself in distress. We're an experienced, dynamic and independent firm, which has enabled us to create a holistic approach to dealing with funds looking for an alternative to the more traditional liquidation options.

Taking a sophisticated soft wind down approach has many benefits not least of which is the ability to retain the original corporate governance and administrative structure intended for the fund. In addition, soft wind downs are often more appropriate and cost-effective where a long run-off period to realise illiquid securities or complete litigation is required.

Depending on the circumstances of the fund, its investors and its key stakeholders, we can offer several approaches. Each approach has its own benefits and some situations may warrant the application of multiple approaches concurrently.

- Replacement Manager** – FFP Advisors, as a Cayman Islands based SIBL registered Investment Manager, we are well positioned to replace the existing investment manager or GP and facilitate the orderly wind down of the fund's remaining assets. We may also act as an interim caretaker manager while a more permanent fund manager is sought by the fund's directors. The introduction of a replacement investment manager is particularly effective where funds find themselves in a state of limbo. The directors or service providers of the fund can achieve dramatic cost savings through the appointment of a new manager who endeavours to liquidate hard-to-sell positions or holds positions restricted by litigation. Further savings can be achieved by eliminating certain service providers and surplus costs and administering estates on a fixed fee or percentage of realisations basis.
- Investment Advisor** – We have a strong and proven track record in assisting stakeholders, in particular fund directors and GPs, with the sale of fund assets in our capacity as qualified and highly experienced investment advisors specialising in the disposal of hard-to-sell illiquid assets. FFP Advisors can assist clients across a multitude of asset classes including debt, equity and more obscure positions. The team of investment managers has deep experience in the implementation and coordination of disciplined unwinding procedures for illiquid or tightly held securities within a fund. In addition, they can assist in the well-ordered exiting of portfolios of illiquid assets to third parties.
- Asset Repository** – If appropriate, we can facilitate the transfer of non-liquid assets out of a fund structure to allow for a timely fund closure, utilising our asset repository SPC – ARC. This creative method of re-housing illiquid securities and litigation claims, which may otherwise prevent an efficient closure of a legacy entity, also acts as a cost-effective mechanism to hold such assets until value can be realised. ARC is able to absorb worthless or low value securities allowing the closing fund to terminate its custodian and trading accounts, remove assets from their books, and complete their dissolution. Where investors wish to retain economic exposure to the original assets ARC can form segregated portfolios tailored to needs of those investors on a fixed or known fee basis.

These innovative solutions have been welcomed by investment managers, law firms, directors and auditors, and when coupled with voluntary liquidation, have been able to help clients complete the closure process in a timely and cost effective manner.



## Soft Wind Down Solutions key contacts



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