

TRANSITION: PROVIDING POSITIVE STRATEGIES FOR CRITICAL SITUATIONS



Since the 2008 global financial crisis, directors and managers of financial services companies, hedge funds, and other investment vehicles, have struggled to address the fall-out from the recession. Traditional solutions such as voluntary and compulsory liquidations have been utilized with varying degrees of success. However, these stock insolvency tools offer a blunt edged approach that is often ill-suited to the unique situation at hand. Financial professionals must be armed with the proper tools to effectuate a successful transition.



KRYs Global has developed Transition, a solution for managers to assist with illiquid investments or ownership conflicts – without the stigma or reputational risks associated with traditional liquidations.

WHAT IS TRANSITION:

Transition focuses on the particular issues that the company is facing and implements a tailored solution that allows the management team to continue to oversee the non-problematic areas of the business. We provide an experienced Transition Director or a Chief Transition Officer (“CTO”) with the knowledge and skills required to address any issues. He/ she will work collaboratively with the existing management team to ensure that the company can continue to remain focused on achieving value for its stakeholders. Additionally, the CTO takes the responsibility associated with making decisions that a manager, director, or other officer may not want to make for political or reputational reasons.

HOW DOES A CTO OPERATE?

A CTO will first analyse the company's current situation, making a preliminary assessment of the seriousness of the challenges facing the company and determining whether realistic solutions exist, offering a seasoned perspective to the management team.

If plausible solutions exist, the CTO will then proceed to implement the measures necessary to come to address the issues, most often functioning as an “organizational medic” - handling problems with the urgency, freedom, and practicality required by the circumstances. Therefore, the CTO will serve as the company's beacon, providing emergency guidance combined with steadfast composure and professionalism.

As an officer of the company, the CTO will take a very “hands-on” role when dealing with the company's most difficult challenges.

WHAT SKILLS ARE NEEDED?

The CTO will be experienced, with the appropriate skill set, a successful track record, and the ability to both lead and collaborate with diverse parties in difficult situations. The CTO will engage with the team and provide a sense of security that will be a source of strength for all stakeholders who are impacted by the issues. The CTO will liaise with all parties such as investors, lenders, other debtors, lawyers, and insolvency experts; to create a cohesive alliance, working to achieve the best results.

MISSION ACCOMPLISHED

The CTO will persevere until the company's problems have been resolved. The average time will typically range from 3 to 18 months. The CTO will work with the management team at the outset to set benchmarks to measure the success of the engagement. The CTO will be in constant communication with the management team throughout the engagement regarding the performance vis-à-vis those benchmarks and will make adjustments as necessary or as directed.



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Grant has served in executive positions in both publicly traded and private companies. His experience includes engagements as debtor financial advisor, expert witness, unsecured creditors committee advisor, solvency expert, chapter 11 trustee, liquidating trustee, Chief Restructuring Officer, court-appointed independent representative, among others. Grant has extensive board experience, serving as director on 11 different boards and currently serves as a director for Mesa Airlines.



STUART PLACE

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With one of the most diverse backgrounds of any professional in the offshore world, Stuart has the experience, knowledge and contacts to take complex issues and develop a plan for a positive outcome. A combination of skills in crisis management, mediation and strong communication, Stuart is able to carefully navigate difficult environments. With both executive and non-executive director experience, he is able to provide practical advice when a company is facing difficulties.



JOHN GREENWOOD

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John is a legal, insolvency and compliance professional in the BVI with over 20 years' experience as a banking, insolvency, corporate restructuring and financial services lawyer, in both onshore and offshore jurisdictions. He has extensive experience in setting up and restructuring Hedge Funds and Alternative Investment structures and as a licensed insolvency practitioner. He is a trained mediator and a qualified Trust and Estate Practitioner and is a member of STEP.



TIMOTHY LE CORNU

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Tim has been consulting to companies in financial and operational distress for over twenty years. He has acted for both debtors and creditors in formulating strategies for improvement in financial and operational performance in companies in Australasia, Europe and in offshore financial centres. Tim has advised banks, directors and other stakeholders in a range of industries and within the financial services sector, including acting as a director on corporate restructuring projects.



CHRISTOPHER SMITH

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Chris is a UK qualified insolvency professional with over 15 years' experience specializing in Recovery and Reorganization. He has worked in both offshore and onshore jurisdictions advising clients in all areas of business, with specific emphasis on insurance and financial services. In Gibraltar, he was involved with the first Administrations pursuant to the newly implemented Financial Services (Temporary Administration of Companies) Act 2010 dealing with the wind down of a number of licensed entities in liaison with the local regulator.



MATHEW CLINGERMAN

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Mathew has acted for the benefit of investors and creditors on a number of offshore funds to resolve issues such as shareholder right disputes, redemption issues, NAV and valuation concerns, realization of illiquid assets, contingent liabilities, and litigation. Mathew has assisted with and acted as expert witness on firm assignments including the valuation a large investment manager having over \$3b in assets and specialized in financial statement audits of hedge funds, investment managers, and broker-dealers (including SEC registrants).

