



**RECEIVER'S REPORT ON EURO PACIFIC INTERNATIONAL BANK, INC.
LIQUIDATION PROCESS
JUNE 15, 2023**

As you may have followed the communications and reports published at Euro Pacific International Bank, Inc., (“EPB”) website portal, since August 29, 2022, EPB entered into, with the Puerto Rico Office of the Commissioner of Financial Institutions (“OCIF”), a consented liquidation process that concluded all banking operations of the entity.

Upon agreement entered with EPB’s Directive Board, the voluntary liquidation process was to be implemented through the transfer of all customers deposits, cash and physical precious metals, as well as ownership of EPB’s four wholly owned subsidiaries, to a global financial services technology company headquarter in the United States (“GFST”).

By virtue of the Joint Consent Order (the “Consent Order”) entered by OCIF, the undersigned was appointed Receiver-Trustee mainly to oversee that the liquidation process was completed following the provisions detailed in the Order and in the agreement reached.

Notwithstanding that all preparatory documents and target transactions commenced as intended, due to different external and internal reasons, the Voluntary Plan of Liquidation has not been implemented to this date. Among the main reasons that have precluded this implementation was the fact that EPB’s main account at its correspondent bank was the subject of an administrative proceeding that resulted in a temporary freeze of the funds required to fund this transaction. On the other hand, additional problems have been encountered with the inability to transfer customers to the GFST given other regulatory limitations imposed by foreign countries’ regulations.

Under the present circumstances and given the delays and inability to conclude the liquidation process commenced in August 2022, on the terms provided in the Voluntary Liquidation Plan, EPB jointly with the GFST have determined to modify and revert to the alternative procedural provisions detailed in the Consent Order and work on an amended Plan of Liquidation that should cure those issues experienced to this date.

As the process has been substantially discussed, EPB by way of the Receiver and the GFST will both work towards drafting an amended liquidation plan geared to complete the reimbursement or transfer to customers deposits on a new workplan to be approved by OCIF. Upon this arrangement and the negotiations advanced to this date among the parties the adjusted timeline to finally complete this process is projected as follows.



Euro Pacific Bank

Milestone	Key Persons	Time Period	Date Achieved
EPB Funds Realization and Reconciliation with Preparation of Liquidation Report	Receiver, GFST and OCIF	No More than 45 Days from June 15 th , 2023.	Subject to Recovery of All Funds from the correspondent bank, Liquidation Report should be ready for publication to customers by July 30, 2023. By this date, Opt-In customers will be transferred to the GFST.
Opportunity for Review and Objections to the Liquidation Report	Only Opt-Out Customers and Stakeholders not Transferred to Assuming Entity	No more than 60 Days from Publication of Report.	Opt-Out customers will be entitled to review and reply to the Liquidation Proposal submitted no later than September 30, 2023.
Opt-Out Customer Deposits Distributions	Receiver	30 Days from Last Date to Comment on Liquidation Report.	Opt-Out customers should receive their distributions as detailed in the Liquidation Report no later than October 31, 2023.

As part of the changes adopted to continue with the Liquidation Process the Receiver will now undertake an active role in communicating customers and creditors of EPB developments on this matter. The next progress report by the Receiver should be filed no later than **July 15, 2023**.

Finally, while I understand the frustration and uncertainty caused by the time incurred since the entry of the Liquidation Order, the changes, and modifications to be implemented in the upcoming weeks should result on a fair and expedited treatment of customers' accounts through process compliant with the statutory provisions of the Commonwealth of Puerto Rico.

Wigberto Lugo Mender

Trustee Appointed by The Office of the Commissioner of Financial Institutions, Puerto Rico