

COURT BATTLE

LFP I battle reaches new peak with rival owner meetings

One shareholder meeting aims to sack the directors that have organised another

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Court buildings in Luxembourg City, in a photo taken in February

Photo: Anouk Antony

Luxembourg is set to host the spectacle of two rival shareholder meetings battling it out over a defunct fund out of which up to €100 million in investor money has disappeared without a trace.

The three directors of LFP I - who have launched a flurry of lawsuits to retrieve the money since they were brought in two years ago - have called the first meeting, on 23 November, seeking to renew their mandate.

But a dissident group of shareholders - backed by a recent victory in court - is seeking their dismissal and seek to achieve that goal in a meeting at a different date, which is yet to be determined.

LFP I functioned for almost a decade after it was set up in 2009. But most of the sub-funds under the umbrella structure folded under the reign of the previous directors, causing millions in losses.

Shareholders in 2018 appointed a trio of new directors to try and retrieve the money. The family of funds has since become the subject of almost 30 cases of civil and criminal complaints [between directors, shareholders, custodian and auditing firms in Luxembourg and Belgium](#), mostly instigated by David Mapley, one of the new directors.

Yet in May, Mapley himself was suspended for a period of four years by Luxembourg's regulator, the CSSF, which said he had provided "incomplete and incorrect" information to get authorised to work in the Grand Duchy's financial sector.

Mapley is appealing that decision, but the fund will nevertheless need to replace him - regardless of whether the rival shareholders will manage to dismiss him and his two fellow directors, Tudor Fedeles and Jacques Bossuyt, at their later meeting.

The group of rival shareholders is centered around one of LFP I's subfunds, the Equipty Power Fund (EPF), which was set up in 2013. Some of the [main players in the subfund are the target of a criminal complaint by LFP I in an Antwerp court](#) and one businessman linked to EPF, Levi Dewaegenaere, was given [a 30-months jail sentence in an unrelated case](#) earlier this year, though he has said he will appeal that verdict.

The rival shareholder group won a victory in Luxembourg court on 31 October, making the current directors responsible for mishandling their mandate and for €40 million in losses. The court sided with that complaint, appointing an administrator and instructing him to organise a shareholder meeting to dismiss the three current directors.

(Additional reporting by Julie Edde)