

IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO: 287/2009

IN THE MATTER OF SECTIONS 92 AND 104 OF THE COMPANIES (AMENDMENT)
LAW 2007

AND IN THE MATTER OF FOUNDING PARTNERS GLOBAL FUND, LTD

PETITION

TO: The Grand Court of the Cayman Islands

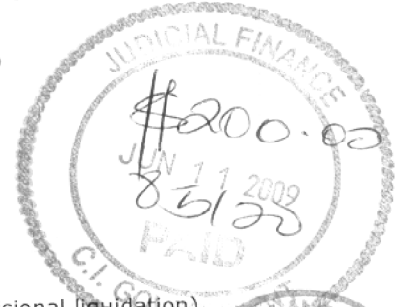
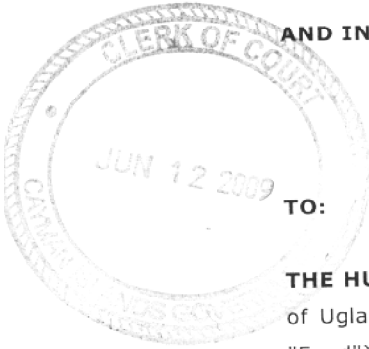
THE HUMBLE PETITION of Founding Partners Global Fund Inc (in provisional liquidation) of Ugland House, PO Box 309, South Church Street, George Town, Grand Cayman (the "Fund") (the "Petitioner") shows that:

Background

1. Founding Partners Global Fund Ltd (the "Master Fund") was incorporated on 5 August 1997 as an exempted company organized under the laws of the Cayman Islands.
2. The registered office of the Master Fund is situated at Ugland House, PO Box 309, South Church Street, George Town, Grand Cayman, Cayman Islands.
3. The Master Fund has issued:
 - 3.1.1 153.057 Class A shares
 - 3.1.2 81,833.409 Class B shares
 - 3.1.3 6,240.727 Class E share.
4. The principal object for which the Master Fund was established is to carry on the business of a private investment fund for the benefit of non US persons.

The Petitioner

5. The Fund is an investor and shareholder in the Master Fund. The Fund hold 153.057 Class A shares, 79,936.042 Class B Shares and 6,240.727 Class E Shares in the Master Fund. William Gunlicks ("Gunlicks") and Howard Gordon act as Directors. The Fund's investment manager is Founding Partners Capital Management Co, a corporation organized under the laws of the State of Florida ("Capital Management").



The Master Fund

The Board

6. William Gunlicks ("Gunlicks") and Howard Gordon act as directors of the Master Fund. The Master Fund's investment manager is Capital Management.

The Master Fund's Investment Manager and Administrator

7. The Master Fund's investment management is undertaken by Capital Management. Gunlicks is the President and Chief Executive Officer and the sole shareholder of Capital Management.
8. The Administrator of the Master Fund is Grosvenor Fund Administration Ltd.

Redemption of shares in the Master Fund

9. The Master Fund is required by its Confidential Offering Memorandum ("Offering Memorandum") to redeem participating shares at the redemption price. The redemption price is calculated as the net asset value per share of the relevant class of shares at the redemption date which, unless otherwise determined by the Board, is the last business day of each calendar quarter.
10. Written notice of the redemption must be received 60 days prior to the applicable redemption date.
11. Pursuant to Article 36(6) of the Articles of Association of the Master Fund, the Master Fund may declare a temporary suspension of redemptions in order to effect the liquidation of the Master Fund's assets necessary to effect redemptions.
12. On 31 December 2008, the Master Fund temporarily suspended redemptions.

Investment Strategy of the Fund

13. The Petitioner's investment in the Master Fund is governed by, inter alia, the Offering Memorandum dated August 1997 and the Supplement to the Offering Memorandum dated December 2000 (the "Supplementary Memorandum").
14. The Master Fund's initial investment objective as set out in the Offering Memorandum, was to achieve above average to superior rates of return in the long term while preserving capital and its purchasing power in the short term.

15. The Master Fund proposed to accomplish the objective by allocating the Master Fund's assets primarily amongst eight to fifteen US and non US investment funds ("Portfolio Funds") believed to have superior investment histories and/or investment potential. The Portfolio Funds were to be managed by unaffiliated experienced portfolio managers ("Portfolio Managers").
16. The Master Fund also made provision whereby it may invest its assets directly with the Portfolio Managers, granting them discretionary trading authority pursuant to investment advisory agreements.
17. By utilizing a "*multi-style, multi manager diversification*" philosophy of investment, the assets of the Master Fund would be invested in Portfolio Funds or pursuant to investment advisory agreements with different Portfolio Managers, resulting in a diversified portfolio of securities with overall volatility lower than the markets in which the Fund was exposed.
18. It was the Petitioner's legitimate expectation, as dictated by the Offering Memorandum, that the Master Fund would invest in eight to fifteen Portfolio Funds managed by the Portfolio managers. Alternatively it was the Petitioner's legitimate expectation that monies would be invested directly with Portfolio Managers subject to investment advisory agreements with the Master Fund.
19. By the Supplementary Memorandum the Master Fund altered the investment strategy in respect of Class B shares, seeking to accomplish the investment objective through the implementation of a "*stable value investment strategy*" that had no correlation to the equity and bond markets.
20. The Master Fund proposed to enter into a participation agreement ("Participation Agreement") with Founding Partners Multi-Strategy Fund L.P., which subsequently has changed its name to Founding Partners Stable Value Fund L.P. ("Stable Value"). Stable Value is the Limited Partner to Capital Management which acts as General Partner.
21. Pursuant to the Participation Agreement, Stable Value would offer from time to time to the Master Fund one or more participations comprising an undivided interest in one or more loans made by Stable Value to Sun Capital Healthcare, Inc ("Sun Capital"). The loans between Stable Value and Sun Capital were to be governed by a Credit Agreement (the "Credit Agreement").
22. Pursuant to the Supplementary Memorandum, it was averred that pursuant to the Credit Agreement Sun Capital agreed to use "*the proceeds of the Loans to finance [the] purchase of receivables arising out of the delivery of medical, surgical,*

diagnostic or other health care related goods or service." Such receivables being referred to collectively as "Health Care Receivables".

23. The Supplementary Memorandum provided that "Eligible Accounts" were defined in the Credit Agreement as "Purchased Receivables that satisfy certain criteria, including that fewer than 120 days have passed since the date upon which the applicable services were provided to the applicable patient". Accordingly, it was represented in the Supplementary Memorandum that the proceeds of loans in which the Master Fund would participate pursuant to the Participation Agreement would only be used to finance the purchase of receivables with a collection time of less than 120 days ("120 day Receivables").
24. The Supplementary Memorandum sets out at page 4 a flow chart illustration which demonstrates the investment model. The flow chart represents, inter alia, that:
 - (i) Health care providers such as hospitals, nursing homes and physicians provide medical services to patients;
 - (ii) Health care providers submit claims to third party payors such as insurance companies, Blue Cross/ Blue Shield plans such as Medicare and Medicaid, for payment of such medical services;
 - (iii) Lender makes loans to Borrower, Sun Capital, secured by Borrower's rights in health care receivables;
 - (iv) Borrower purchases health care receivables from healthcare provider.
25. It was in reliance on the terms of the Supplementary Memorandum that the Fund decided to continue to invest in the Master Fund.
26. According to an SEC Complaint (as set out below) it is alleged that as of December 2008, 84% of the Master Fund's portfolio was invested through Stable Value.

Recent Events

Complaint of Securities and Exchange Commission ("SEC")

27. On 20 April 2009, the SEC filed a complaint in the US District Court for injunctive relief freezing the assets of the Master Fund and appointing a Receiver.

28. The Complaint names Capital Management and Gunlicks as defendants (together the "Defendants"). The assets of the Defendants have been frozen and a Receiver appointed.
29. The Complaint names Sun Capital Inc, Sun Capital, Stable Value, Founding Partners Stable Value II LP ("Stable Value II), the Master Fund and Founding Partners Hybrid Value Fund LP ("Hybrid") as relief defendants. No Freezing Order or Receiver is in place with respect to Sun Capital Inc or Sun Capital.
30. Stable Value II and Hybrid are limited liability Delaware partnerships of which Capital Management is the General Partner. Stable Value II's portfolio was entirely invested through Stable Value as of December 2008. Approximately 21% of Hybrid was invested through Stable Value.
31. The Receiver initially appointed has been replaced due to a conflict of interest.
32. The SEC has sought to restrain the Defendants from committing fraud in violation of s.17(a)(1)(2)(3) of the Securities Act, fraud in violation of s.10(b) of the Exchange Act and fraud in violation of s.206(1), 206(2) and 206(4) of the Advisors Act. The SEC also seeks to preserve approximately US\$550 million of loans made to Sun Capital by Stable Value.

The Allegations

33. The SEC allege that Stable Value has loaned US\$550 million to Sun Capital, but that only 32% of these loans have been invested in 120 day (or 150 day) Receivables. The US\$550 million loan to Sun Capital represents 99% of Stable Value's portfolio.
34. In contravention of the terms of the Supplementary Memorandum, it is alleged that in December 2004, the Defendants caused or permitted Stable Value to advance monies for the purchase of workers-compensation receivables. The receivables carry greater risk because they are based on un-adjudicated workers compensation. The average collection time for workers compensation receivables is 1,065 days.
35. It is alleged that by February 2009 Sun Capital held approximately US\$53 million worth of workers-compensation receivables.
36. At no point did the Supplementary Memorandum allow for investment in workers-compensation receivables. Any such investment breached the investment strategy of the Master Fund as set out in the Supplementary Memorandum.

37. It is further alleged that the Defendants permitted Stable Value to advance monies for the purchase of a healthcare receivable called "Disproportionate Share" receivables, commonly known as DSH ("DSH Receivables").
38. DSH Receivables are a Medicare receivable which the US Government pays in two parts to healthcare providers in poor areas. The first payment is made at the normal rate within the required collection period. The second is paid in excess of the normal rate within two years, provided the healthcare provider is still operating. The average collection time for a DSH Receivable is 550 days.
39. It is alleged that by February 2009 Sun Capital held approximately US\$158 million worth of DSH receivables.
40. At no point did the Supplementary Memorandum allow for investment in DSH Receivables. Any such investment breached the investment strategy of the Master Fund as set out in the Supplementary Memorandum.
41. In contravention of the terms of the Supplementary Memorandum, it is alleged that the Defendants caused or permitted Stable Value to advance monies to provide working capital loans to the hospitals from which the DSH Receivables had been purchased and hospitals which were owned or affiliated to Sun Capital.
42. It is alleged that by February 2009 Sun Capital had approximately US\$63 million in such loans, US\$24 million of which was advanced after Stable Value had suspended redemptions.
43. At no point did the Supplementary Memorandum allow for the investment in working capital loans to hospitals. Any such investment breached the investment strategy of the Master Fund as set out in the Supplementary Memorandum.
44. In contravention of the terms of the Supplementary Memorandum, it is alleged that the Defendants caused or permitted Stable Value to advance US\$450,000 as a loan to Sun Capital's CFO for the purchase of a house.
45. At no point did the Supplementary Memorandum allow for investment in loans to officers of Sun Capital for the purchase of residential property. Any such investment breached the investment strategy of the Master Fund as set out in the Supplementary Memorandum.
46. In addition, the SEC complaint alleges that:

- (i) the Defendants failed to disclose that Sun Capital invested in workers-compensation receivables or DSH Receivables;
 - (ii) the Defendants failed to disclose that as of January 2008 the total amount of receivables was less than the balance of the loans to Sun Capital;
 - (iii) the Defendants failed to disclose that since early November 2008 monies had been used to make working capital advances to protect DSH Receivables; and
 - (iv) the Defendants failed to disclose that in December 2007 the Commission entered an order against them finding that Capital Management caused several of its funds to engage in transactions inconsistent with their offering memorandum.
47. The SEC allege in a later filing that Sun Capital have invested US\$12 million of loans in commercial receivables, US\$333 million in Healthcare receivables, US\$53 million in workers-compensation receivables, US\$48 million in real estate and US\$120 million directly in hospitals owned by Sun Capital or affiliated to it.
48. On 5 May 2009, Gunlicks filed a motion to discharge the injunction. The application was rejected by the Court on 7 May 2009. The US District Court ruled that *"the SEC has established a prima facie case ie: has presented sufficient evidence to withstand a directed verdict and the defendant has not identified material which significantly undermines the SEC's likelihood of success on the merits."*

Consequences of recent events

49. In Autumn 2008, Stable Value received US\$382 million in redemption requests. Stable Value was unable to meet these requests and suspended redemptions.
50. As a result of the suspension, Stable Value alerted Sun Capital on 27 January 2009, that it was unable to provide further borrowing. Sun Capital has ceased making interest payments on the outstanding loans.
51. Pursuant to a deposition given to the SEC by Howard Koslow, President of Sun Capital ("Koslow"), Sun Capital has no other sources of funding. As a result, Sun Capital no longer carry on any factoring business.
52. Sun Capital now owes US\$550 million of loans made through Stable Value (including those in which the Fund has participated) of which only 32% is invested in investments permitted by the Master Fund's investment strategy as set out in the Supplementary Memorandum.

53. The viability of Sun Capital is in question. Koslow admits that Stable Value's inability to extend credit "*caused grave financial harm to Sun Capital*". The former Receiver in an ultimately unsuccessful application to extend its powers to Sun Capital, alleges that Sun Capital in correspondence dated 3 February 2009 project a cash deficit of US\$53.8 million dollars from 26 January 2009 to 3 July 2009.

Consequences on Investors

Breach of legal bargain

54. As a result of the matters set out above, the legal bargain between the Master Fund and its investors, including the Fund, has been breached. In particular, the Master Fund has breached the investment strategy set out in the Supplementary Memorandum and invested in unauthorized investments.

Investigation

55. As a result of the ruling of the US District Court, prima facie, the Defendants have been involved in what is considered in the United States to be fraudulent activity.
56. This activity and the allegations of fraud relate directly to the activities of the Defendants in managing the Master Fund. A proper investigation is required into the Defendants' conduct and its consequences for the Master Fund and its investments.

Loss of Substratum

57. The investment strategy of the Master Fund, as set out in the Supplementary Memorandum, provides loans to Sun Capital for the purpose of investing in 120 day Receivables. Sun Capital is no longer conducting factoring business and it is no longer possible for the Master Fund to pursue its investment strategy.
58. For the reasons set out above, the Master Fund can no longer carry out the business for which it was formed and the substratum has failed.

Just and Equitable winding up

59. In the premises it is just and equitable for the Fund to be wound up.

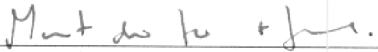
YOUR PETITIONER THEREFORE HUMBLY PRAYS THAT

1. David Walker and Ian Stokoe of PWC Corporate Finance & Recovery (Cayman) Limited, PO Box 258, Strathvale House, George Town, Grand Cayman KY1-1104, Cayman Islands be appointed Official Liquidators of the Master Fund (the "Official Liquidators").
2. The Official Liquidators shall not be required to give security for their appointment.
3. The Official Liquidators are hereby authorised to take such steps as may be necessary or expedient for the protection of the Master Fund's assets, and for that purpose may exercise any of the powers specified in Part I and II of the Third Schedule to the Companies Law (2007 Revision) (as amended); and for the avoidance of doubt such powers may be exercised within and outside the Cayman Islands. Specifically, but without prejudice to the generality of the foregoing, the Official Liquidators shall have power:
 - a) to bring or defend any action, suit, prosecution or other legal proceedings, whether criminal or civil, by way of court process or arbitration in the name and on behalf of the Master Fund including commencing proceedings for recognition and/or ancillary relief in Bermuda.
 - b) to take possession of, collect and get in all property or assets (of whatever nature) to which the Master Fund is or appears to be entitled;
 - c) to do all things as may be necessary or expedient for the protection of the Master Fund's assets;
 - d) to do all things (including the carrying on of the business of the Master Fund) so as may be necessary or expedient for the beneficial realisation of the property or assets of the Master Fund (including power to borrow money);
 - e) to appoint attorneys, solicitors, counsel and other professional advisers both in the Cayman Islands and elsewhere to assist in the performance of their duties;
 - f) to appoint agents both in the Cayman Islands and elsewhere to do any business which they are unable to do themselves or which can more conveniently be done by an agent and power to employ and dismiss officers and employees of the Company;
 - g) to open and maintain bank accounts in the name of the Master Fund or themselves anywhere in the world as may be necessary for the better performance of their duties.

4. The Official Liquidators shall be at liberty to apply for further directions concerning their functions and the exercise or proposed exercise of their powers.
5. The Official Liquidators shall within 7 business days notify all known creditors and shareholders of their appointment and there shall be no other requirement to advertise.
6. No suit, action or other proceeding shall be proceeded with or commenced against the Master Fund except with the leave of the Court and subject to such terms as the Court may impose.
8. No disposition of the Company's property by or with the authority of the Official Liquidators in carrying out of their duties and functions and exercise of their powers under this Order shall be voided by virtue of section 99 of the Companies Law (2007 Revision).
9. The remuneration and expenses of the Official Liquidators shall be paid out of the assets of the Master Fund.
10. The costs of and incidental to these applications shall be paid from the assets of the Master Fund as expenses within the liquidation.

YOUR PETITIONER WILL EVER PRAY ETC:

Dated the 11th day of June 2009



Mourant du Feu & Jeune

This Petition was filed by Mourant du Feu & Jeune, Attorneys-at-Law for the Petitioner, whose address for service is 2nd Floor, Harbour Centre, 42 North Church Street, PO Box 1348, Grand Cayman KY1-1108(Ref: 2044866/DICKI/MdFJ/1962823/5)