

IN THE GRAND COURT OF THE CAYMAN ISLANDS  
IN THE FINANCIAL SERVICES DIVISION

CAUSE No FSD 0156 of 2011

IN THE MATTER OF THE COMPANIES LAW (2010 REVISION)

AND IN THE MATTER OF FRANCISCO ILLARAMENDI KENWOOD CAPITAL MANAGEMENT, LLC AND RELATED AFFILIATES

PETITION

To the Grand Court

The humble petition of John J Carney, Esq., of 45 Rockefeller Plaza, New York, New York 10111 shows that:-

1. Michael Kenwood Capital Management, LLC ("MK Capital Management") is a limited liability company located in Stamford, Connecticut that was majority owned and controlled by Francisco Illaramendi prior to the events shown in paragraph 4 hereof.
2. The nature of MK Capital Management's business and its affiliates was that of investment manager, operator and adviser of hedge funds, including inter alia the Short Term Liquidity Fund, I Ltd., MK Venezuela Ltd. and the MK Special Opportunities Fund, Ltd.
3. The principal place of business of MK Capital Management and its affiliates is Stamford, Connecticut, USA.
4. The Petitioner was appointed Receiver over the various entities listed in the schedule attached hereto ("Receivership Entities") in the action captioned SEC v Illaramendi et al., Case No 11-CV-00078 (JBA) currently pending in the United States District Court for the District of Connecticut ("District Court") by Orders dated 3 February 2011, 1 March 2011, and 22 June 2011.
5. Under United States and Connecticut State law the principal duties and powers of the Petitioner as Receiver over the receivership estate are:
  - a. The determination of the nature, location and value of all property interests of the Receivership Entities, including all property that falls within the definition of "Receivership Property", as defined in the Amended Order Appointing Receiver dated 1 March 2011 ("Receivership Property");
  - b. To take custody, control and possession of all Receivership Property and relevant records from the Receivership Entities and from third parties;
  - c. To manage, control, operate and maintain the Receivership Estate and hold in his possession, custody and control all Receivership Property;

- d. To use Receivership Property for the benefit of the Receivership Estate, making payments and incurring expenses as necessary in the ordinary course of business in discharging his duties;
  - e. To take any action which, prior to the Petitioner's appointment as Receiver, could have been taken by the officers, directors, partners, managers, trustees and agents of the Receivership Entities;
  - f. To engage and employ persons in his discretion to assist him in carrying out his duties and responsibilities;
  - g. To take action as necessary and appropriate for the preservation of the Receivership Property and/or to prevent the dissipation or concealment of same;
  - h. The Petitioner is authorized in the United States to issue subpoenas for documents and testimony consistent with the Federal Rules of Civil Procedure;
  - i. To bring legal actions in any Federal, State or Foreign Court as necessary to discharge his duties;
  - j. To pursue or defend all actions, claims or demands which may be pending or are to be brought in the future by or against the Receivership Estate; and
  - k. To take such other action as may be approved by the District Court.
6. The reason for seeking a declaratory order is that an economic and expeditious administration of the Receivership Estate is thereby best assured as the same is consistent with the several factors set forth in paragraphs (a) to (g) of section 242 of the Companies Law (2010 Revision).

Your Petitioner therefore humbly prays that:-

1. the court make a declaratory order under section 241(1)(a) of the Companies Law (2010 Revision) recognizing the right of Your Petitioner to act in the Islands on behalf of or in the name of the Receivership Entities;
2. the court make such additional and/or alternative orders as it may deem fit; and
3. there be no order as to the costs of this petition.

Dated the 9<sup>th</sup> day of September 2011

*Higgs & Johnson*  
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Higgs & Johnson

This petition is intended to be served on Mourant Ozannes and Ogier (counsel for MK Special Opportunities Fund, Ltd. and Short Term Liquidity Fund I Ltd., respectively)

This petition was presented by John J. Carney whose address for service is Higgs & Johnson, PO Box 866, Fifth Floor, Anderson Square Building, Shedden Rd. George Town, KY1 1103, Grand Cayman, Cayman Islands.