

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

CAUSE NO FSD ⁰¹⁰⁵ OF 2013 (A.I.J)

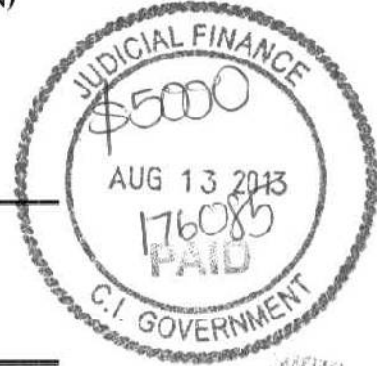
IN THE MATTER OF THE COMPANIES LAW (2012 REVISION)

AND

IN THE MATTER OF BLUE RIDGE CHINA DFSS HOLDINGS



WINDING UP PETITION



TO THE GRAND COURT



1. The humble petition of Blue Ridge China Partners II L.P. of Maples Corporate Services Limited, P.O. Box 309 Ugland House, South Church Street, Grand Cayman, KY1-1104, Cayman Islands (the "Petitioner") shows that:

Introduction

- 2. The Petitioner presents this petition for the winding up of Blue Ridge China DFSS Holdings (the "Company") and the appointment of official liquidators.
- 3. The Petitioner is an exempted limited partnership domiciled in the Cayman Islands. The Petitioner is a creditor of the Company and seeks the winding up of the Company pursuant to section 92(d) of the Companies Law (2012 Revision) (as amended) (the "Companies Law") on the grounds that the Company is unable to pay its debts.

Background and Corporate Structure of Company

4. The Company was incorporated on 4 December 2007 in the Cayman Islands as an exempted limited company, under registration number 200517. The registered office of the Company is at Maples Corporate Services Limited, P.O. Box 309, Ugland House, Grand Cayman, KY1-1104 Cayman Islands.

00201918-1

This Petition was presented by **SOLOMON HARRIS** of 3rd Floor, FirstCaribbean House, P.O. Box 1990, Grand Cayman, KY1-1104, Cayman Islands, Attorneys-at-law for and on behalf of the Petitioner whose address for service is that of their said Attorneys.

5. The authorised share capital of the Company is US\$500.00, divided into:
 - 5.1. 40,000,000 Common Shares at par value 0.00001 per share
 - 5.2. 10,000,000 Series A Preferred Shares at par value 0.00001 per share
6. The objects for which the Company was established are unrestricted and as more particularly set out in its amended and restated memorandum of association dated 12 November 2008.
7. The Company operates as a holding company and its sole asset is its holding of all of the issued shares of Color Zone Limited, a Hong Kong domiciled special purpose vehicle. Color Zone Limited is, in turn, the parent company of Haojing Education, Ltd and Hoijing-Shanfu which are companies domiciled in the People's Republic of China ("PRC") engaged in the provision of education services in the PRC.

The Debt

8. On or about 7 November 2008 the Petitioner was issued with 3,333,333 Series A Preferred Shares of the Company (the "Preferred Shares") for which it paid RMB 250,000,000. No other Series A Preferred Shares have been issued by the Company.
9. The Preferred Shares carry certain redemption rights as set out in the amended and restated memorandum and articles of association of the Company dated 12 November 2008 ("the Articles"). Specifically Article 26 provides:

"26. At any time and from time to time on or after the fourth anniversary of the Closing Date, unless the Company has consummated a Qualified Public Offering of its Shares, the holders of a majority of the outstanding Series A Preferred Shares may, by written notice given to the Company (a "Redemption Notice") require the Company to redeem any or all Series A Preferred Shares held by such holders (to the extent that such redemption shall not violate any applicable provisions of the laws of the Cayman Islands) at a per Share price in cash equal to the sum of (x) 150% of the Original Series A Issue Price, and (y) any accrued, accumulated and unpaid dividends or distributions thereon (such sum of clauses (x) and (y) is hereinafter referred to as the "Article 26 Redemption Price"). Such redemption shall occur on a date (the

00201918-1

This Petition was presented by **SOLOMON HARRIS** of 3rd Floor, FirstCaribbean House, P.O. Box 1990, Grand Cayman, KY1-1104, Cayman Islands, Attorneys-at-law for and on behalf of the Petitioner whose address for service is that of their said Attorneys.

"Redemption Date") that is within thirty (30) days of the date on which the Company receives the Redemption Notice. The Article 26 Redemption Price shall be paid in RMB. If the Company is unable at any Redemption Date to redeem any Series A Preferred Shares then to be redeemed because such redemption would violate the applicable laws of the Cayman Islands, then the Company shall redeem such shares as soon thereafter as redemption would not violate such laws."

10. As a part of the process by which Series A Preferred shares are to be redeemed, the Petitioner is ordinarily required to surrender its original share certificate on or before the Redemption Date (as that term is defined in Article 26) however the Articles also provide that an affidavit may be provided in lieu of an original share certificate where that share certificate has been lost or destroyed. Specifically Article 34 provides:

"34. In each case in which the holder of a certificate representing Series A Preferred Shares is permitted or required to deliver such certificate to the Company hereunder, including, without limitation, any conversion or redemption of Series A Preferred Shares pursuant to these Articles, such holder may, if any such certificate has been lost or destroyed, deliver to the Company in its place an affidavit stating that such certificate has been lost or destroyed and an indemnity in favour of the Company in respect of any liability, loss, damage and expense of every kind and nature whatsoever arising as a result of the making of any payment, transfer, delivery or exchange for such certificate."

11. By notice dated 12 November 2012, and served on the Company's registered office on 13 November 2012, the Petitioner gave written notice pursuant to Article 26 requiring the Company to redeem the Preferred Shares in accordance with the Articles (the "Redemption Notice").
12. Under cover of letter dated 20 December 2012, the Petitioner provided the Company with an affidavit in accordance with Article 34 confirming that the Petitioner's original share certificate for the Preference Shares had been lost and/or destroyed and requiring the Company to immediately pay the Redemption Price (as that term is defined in Article 26) which was then due and owing.
13. The Petitioner received no response to the Redemption Notice and the Redemption Price was not paid in accordance with the Articles.
14. On or about 2 January 2013 the Petitioner served on the Company's registered office a statutory demand in accordance with Order 2 of the Companies Winding Up Rules 2008

00201918-1

This Petition was presented by **SOLOMON HARRIS** of 3rd Floor, FirstCaribbean House, P.O. Box 1990, Grand Cayman, KY1-1104, Cayman Islands, Attorneys-at-law for and on behalf of the Petitioner whose address for service is that of their said Attorneys.

(as amended) (the "Statutory Demand") for payment of the Redemption Price of RMB 375,000,000 (the "Debt").

15. No response to the Statutory Demand has been received, and as of the date of this petition the Debt remains due and owing.
16. In the premises, the Company is unable to pay its debts, is insolvent and should be wound up.

YOUR PETITIONER THEREFORE HUMBLY PRAYS THAT:

1. The Company be wound up in accordance with the Companies Law.
2. Matthew Wright and Christopher Kennedy, each of RHSW (Cayman) Ltd, whose business address is Windward 1, Regatta Office Park, Grand Cayman KY1-1103, be appointed as joint official liquidators ("JOLs") of the Company with power to act jointly and severally.
3. The JOLs shall not be required to give security for their appointment.
4. The JOLs be at liberty to meet all disbursements reasonably incurred in connection with the performance of their duties and such payments shall be made as and when they fall due out of the assets of the Company and shall be expenses in the liquidation.
5. The JOLs be authorised to take such steps as may be necessary or expedient for the protection of the Company'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 (2012 Revision) without further sanction of the Court or otherwise as the Court may direct.
6. The costs of this Petition shall be paid out of the assets of the Company, as an expense of the liquidation, to be taxed if not agreed.
7. The JOLs be at liberty to apply for further directions relating to the winding up of the affairs of the Company.

00201918-1

This Petition was presented by **SOLOMON HARRIS** of 3rd Floor, FirstCaribbean House, P.O. Box 1990, Grand Cayman, KY1-1104, Cayman Islands, Attorneys-at-law for and on behalf of the Petitioner whose address for service is that of their said Attorneys.

8. Such further or other relief be granted as the Court deems appropriate.

AND your Petitioner will ever pray etc.

DATED the 23rd day of July 2013



SOLOMON HARRIS
ATTORNEYS-AT-LAW FOR THE PETITIONER

NOTE: This Petition is intended to be served on the Company at its registered office at c/o Maples Corporate Services Limited, P.O. Box 309, Ugland House, Grand Cayman KY1-1104, Cayman Islands.

00201918-1

This Petition was presented by **SOLOMON HARRIS** of 3rd Floor, FirstCaribbean House, P.O. Box 1990, Grand Cayman, KY1-1104, Cayman Islands, Attorneys-at-law for and on behalf of the Petitioner whose address for service is that of their said Attorneys.

NOTICE OF HEARING

TAKE NOTICE THAT the hearing of this petition will take place at the Law Courts,
George Town, Grand Cayman, on 20 September 2013 at
10:00 a.m.

Any correspondence or communication with the Court relating to the hearing of this petition should be addressed to the Registrar of the Financial Services Division of the Grand Court at PO Box 495, Grand Cayman, KY1-1106, telephone 345 949 4296.

00201918-1

This Petition was presented by **SOLOMON HARRIS** of 3rd Floor, FirstCaribbean House, P.O. Box 1990, Grand Cayman, KY1-1104, Cayman Islands, Attorneys-at-law for and on behalf of the Petitioner whose address for service is that of their said Attorneys.