

IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO. ³⁸³ OF 1997

IN THE MATTER OF THE COMPANIES LAW
(1995 REVISION)

and

IN THE MATTER OF JACONREY LIMITED

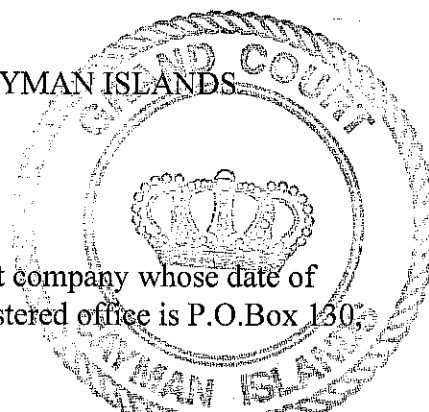
PETITION

JUN. 19. 1997

TO: HER MAJESTY'S GRAND COURT OF THE CAYMAN ISLANDS

The humble petition of Jim L. Considine showeth that:

1. The company is a Cayman Islands ordinary resident company whose date of incorporation is the 27th day of May 1980 and registered office is P.O.Box 130, Savannah, Grand Cayman, Cayman Islands.
2. The authorised share capital of the company is CI\$300,000.00 divided into 300,000 shares of CI\$1.00 each. The present issued share capital of the company is CI\$100.00 divided into 100 shares of CI\$1.00 each.
3. The objects for which the Company is established are unrestricted and the Company has full power and authority to carry out any object not prohibited by any law as provided by section 6(4) of the Companies Law (1995 Revision). The Company has at all material times been the holder of a Trade and Business Licensing Law licence which has been issued subject to a Local Companies (Control) Law Licence.
5. The registered shareholders of the Company are one Caymanian and three non-Caymanians all of whom hold an equal number of issued shares of the Company.
6. The primary objective of the shareholders initially establishing the Company was as an investment vehicle for the development of a certain piece of land in Savannah, Grand Cayman as a residential subdivision known as Jackson Wall Manor ("the property"). The property comprises of twenty-nine acres; the development of which began in and about 1984.
7. The property was planned to be developed in two phrases. The first phrase was installed with roading and utilities and contains forty-two subdivided lots of approximately one-third of an acre each. The second phrase remains undeveloped.



8. Following the death of one of the non-Caymanian shareholders, the Company continued to run, as before, on a management consensus basis by the three remaining shareholders who are also its directors. However, a certain shareholders meeting in January 1997 the management consensus approach ceased. The remaining shareholders individual objectives and goals for the Company radically diverged. Therefore, the Company's initial objective of development of phrases I and II of the property has been lost. The Company is not in a position to continue its business in the future without further capital from its shareholders and the prospect of the shareholders providing such further capital are minimal and, in reality, non-existent. Accordingly, the Company is not in the position to continue its business either now or sometime in the near future. The compulsory winding up of the Company provides the best method of satisfying any concerns and of eventually making distributions to shareholders.

9. On the grounds that:

- (a) The company is no longer in a position to continue business as it has lost its core management consensus agreement. JUN. 19 1997
- (b) There is a surviving shareholder's deadlock
- (c) The Company currently does not have sufficient cash deposits to meet all outstanding creditors' claim and demands and is technically insolvent.
- (d) A Liquidator would be best placed to realise a fair market value of the Company's assets.

it is in the circumstances just and equitable that the Company be wound up.

YOUR PETITIONER THEREFORE HUMBLY PRAYS that:-

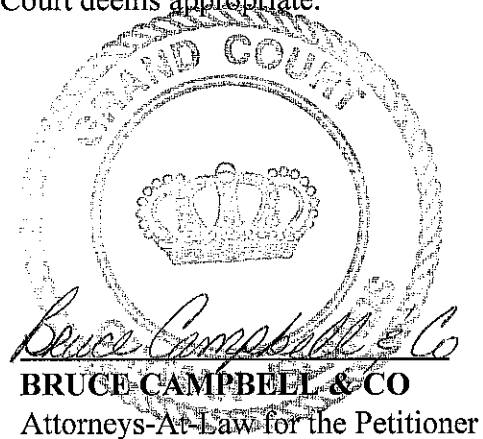
- (a) Jaconrey Limited be wound up by this Honourable Court pursuant to the provisions of the Companies Law (1995 Revision).
- (b) John Benbow and Peter Anderson, Chartered Accountants of Benbow and Anderson, George Town, Grand Cayman be appointed Joint Official Liquidators of the Company and that they be authorised to do any acts or things considered by them to be necessary or desirable in connection with the liquidation of the Company and the winding up of its affairs.
- (c) The Joint Official Liquidators be authorised to exercise all the powers set out in section 108 of the Companies Law (1995 Revision) without the further sanction or intervention of this Honourable Court.

- (d) The Joint Official Liquidators do file with the Clerk of the Court a report in writing as to the position of and the progress made with the winding up of the Company and with the realisation of the assets thereof and as to any other matters connected with the winding up of the Company, every six calendar months or as the Court may from time to time direct.
- (e) The Joint Official Liquidators be at liberty to employ attorneys, counsel and professional advisers whether in the Cayman Islands or elsewhere as they may consider necessary to advise and assist them in the performance of their duties and on such terms as they may think fit.
- (f) Such further and/or other relief as this Honourable Court deems appropriate.

AND YOUR PETITIONER will ever pray etc.

DATED 19th June 1997.

JUN. 19. 1997



Bruce Campbell & Co
BRUCE CAMPBELL & CO
Attorneys-At-Law for the Petitioner

NOTE: This petition is intended to be served on Jaconrey Limited.

INDORSEMENT

This petition, having been presented to the Grand Court of the Cayman Islands on the 20th day of June 1997 will be heard at the Grand Court of the Cayman Islands on:

DATE: 20th October 1997

TIME: 10:00 am/pm

(or as soon thereafter as the petition can be heard).

THIS PETITION is filed by Messrs Bruce Campbell & Co., Attorneys-at-Law for the Petitioner herein whose address for service is Fourth Floor, Bank of Nova Scotia Building, PO Box 884, George Town, Grand Cayman (Telephone 949 2648 - Facsimile 949 8613) (S. T. McCann)