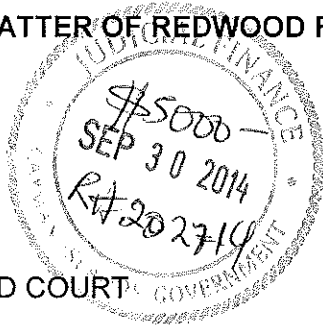


IN THE GRAND COURT OF THE CAYMAN ISLANDS
FINANCIAL SERVICES DIVISION

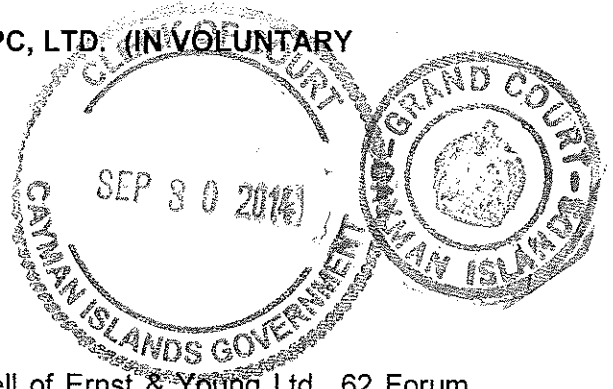
CAUSE NO. FSD 0108 OF 2014 -

IN THE MATTER OF THE COMPANIES LAW (2013 REVISION)

AND IN THE MATTER OF REDWOOD REINSURANCE SPC, LTD. (IN VOLUNTARY
LIQUIDATION)



PETITION



TO THE GRAND COURT

The humble petition of Keiran Hutchison and Claire Loebell of Ernst & Young Ltd., 62 Forum Lane, Camana Bay, P.O. Box 510, Grand Cayman KY1-1106, Cayman Islands as joint voluntary liquidators of Redwood Reinsurance SPC, Ltd. (In Voluntary Liquidation) (the "Company") shows that:

Incorporation

1. The Company is a Cayman Islands exempted segregated portfolio company incorporated on 15 January 2008 (Company No.: 203486) pursuant to the Companies Law (as amended) (the "Law").
2. The Company was registered with the Cayman Islands Monetary Authority on 14 February 2008 and holds a Class B insurance licence (number 2836).
3. The registered office of the Company is care of Aon Insurance Managers (Cayman) Ltd., P.O. Box 69, 94 Solaris Avenue, George Town, Grand Cayman, Cayman Islands.
4. The objects for which the Company was established are unrestricted.
5. The Company has an authorised share capital of US\$50,000.00 divided into 1,000 voting ordinary shares of a nominal or par value of US\$1.00 each and 49,000 non-voting redeemable segregated portfolio shares of a nominal or par value of US\$1.00 each.

Commencement of voluntary winding up

6. On 26 September 2014, the following special resolutions were passed by the sole voting shareholder of the Company, Lonestar Holdco, LLC (the "**Shareholder**"), that:
 - (a) the Company to be wound up voluntarily and placed into voluntary liquidation (the "**Voluntary Liquidation**") and pursuant to Section 92(a) of the Companies Law ultimately be wound up by the Court;
 - (b) Keiran Hutchison and Claire Loebell of Ernst & Young Ltd., 62 Forum Lane, Camana Bay, P.O. Box 510, Grand Cayman KY1-1106, Cayman Islands be appointed as the joint and several voluntary liquidators in respect of the Company (the "**JVLs**");
 - (c) the JVLs have the power to act jointly and severally;
 - (d) the JVLs shall apply to the Grand Court of the Cayman Islands (the "**Grand Court**") for an order that Voluntary Liquidation continue under the supervision of the Grand Court;
 - (e) the JVLs to be remunerated in accordance with their usual commercial rates (subject to applicable Cayman Islands law).
7. In the premises:
 - (a) the Company duly resolved by special resolution that it be wound up voluntarily, pursuant to section 116(c) of the Law and pursuant to Section 92(a) of the Law ultimately be wound up by the Court; and
 - (b) the voluntary winding up of the Company is deemed to have commenced on 26 September 2014, pursuant to section 117(1) of the Law.
8. The JVLs have filed consents to act as voluntary liquidators of the Company with the Registrar of Companies pursuant to section 119(3) of the Law, such filing occurring on 26 September 2014.

No Declaration of Solvency

9. On 26 September 2014, the date on which the voluntary liquidation commenced, the directors of the Company were Glenn Weber and Darren Fortunato.
10. The Company's directors have confirmed that they will not be providing a declaration of solvency pursuant to section 124 of the Law.

The Company's insolvency

11. The Company's sole asset comprises the sum of US\$70,000 held in bank accounts controlled by the Company.
12. On 9 September 2014, the Company was served with a statutory demand (the "**Demand**") by Companion Property & Casualty Insurance Company ("**Companion**"), pursuant to which Companion demanded the payment of US\$70,000 in respect of sums due in accordance with the terms of a commutation and settlement agreement entered into between the parties on 17 April 2014. The Demand has not been satisfied by the Company and the sum claimed remains outstanding in full.
13. In addition to the sums claimed by Companion pursuant to the Demand, the Company also has the following outstanding liabilities to various of its professional service providers:
 - (a) US\$112,648.15 due to the Company's auditors, PricewaterhouseCoopers LLP;
 - (b) US\$83,945.10 due to the Company's Cayman Islands counsel, Walkers, in respect of, amongst other things, advice provided in relation to the proposed winding-up of the Company;
 - (c) US\$70,355.45 due to AON in respect of various services undertaken as registered agent of the Company; and
 - (d) US\$17,085.31 to US Bank.
14. It therefore appears that the Company is insolvent on both a cash flow and balance sheet basis.

Supervision will result in a more effective, economic and expeditious liquidation process

15. The Shareholder has resolved that: (i) the Company be wound up by the Court; and (ii) an application should be made to bring the Voluntary Liquidation under the supervision of the Court.
16. In doing so, the JVLs believe that the supervision of the Court will result in a more effective, economic and expeditious liquidation process. There are a number of reasons for this, specifically that having a court supervised process will:
 - (a) allow the liquidators to carry out a comprehensive investigation into the Company's affairs, including any claims that may vest in the Company for the benefit of creditors;
 - (b) result in the imposition of a stay of proceedings against the Company, particularly in respect of any actions that may be brought against the Company by its creditors; and
 - (c) assist in the orderly distribution of the Company's assets.
17. In the premises, the JVLs seek an order pursuant to section 92(a), section 124(1) or alternatively s.131 of the Law that the liquidation of the Company continue under the supervision of the Court and that the JVLs be appointed as the joint official liquidators of the Company.

Consent to appointment as Official Liquidators

18. The JVLs are qualified insolvency practitioners and consent to their appointment as Official Liquidators of the Company.


Your petitioners therefore humbly pray that:

1. The liquidation of the Company continue under the supervision of the Court;
2. The appointment of: (i) Keiran Hutchison and (ii) Claire Loebell as the joint and several voluntary liquidators in respect of the Company be confirmed;

3. Keiran Hutchison and Claire Loebell of Ernst & Young be appointed as Joint Official Liquidators of the Company (the "JOLs") and have the power to act jointly and severally;
4. The JOLs be authorised to do any acts or things considered by them to be necessary in connection with the dissolution of the Company and the winding up of its affairs;
5. The costs incidental to this Petition be paid forthwith from the assets of the Company;
6. Such other orders or directions shall be made as the Court deems fit.

AND your Petitioners will ever pray etc.

DATED the 29th day of September, 2014



WALKERS
Attorneys at Law for the Petitioners

This petition is intended to be served on:

1. The Cayman Islands Monetary Authority;
2. Companion Property & Casualty Insurance Company; and
3. All known creditors of the Company.

This Petition is presented by Walkers, Attorneys at Law, 190 Elgin Avenue George Town, Grand Cayman KY1-9001, for the JVLs whose address for service is care of their said Attorneys at Law.