

IN THE GRAND COURT OF THE CAYMAN ISLANDS
FINANCIAL SERVICES DIVISION

CAUSE NO. FSD 3 of 2015 (AJJ)

IN THE MATTER OF THE COMPANIES LAW (2013 REVISION)
AND
IN THE MATTER OF THE LIFE PREMIUM FUND, SPC (IN LIQUIDATION)

DRAFT/ ORDER

UPON the application of Andrew Richard Victor Morrison and David Martin Griffin, joint liquidators
(*Joint Liquidators*) of Life Premium Fund SPC (in liquidation) (the *Company*); and

AND UPON reading correspondence sent by representatives instructed by the Joint Liquidators
dated 23 September 2015 in the form annexed hereto.

IT IS HEREBY ORDERED THAT:

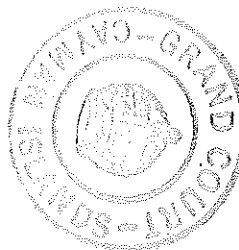
1. The hearing listed on 13 October 2015 pursuant to paragraph 5 of the directions order dated 21 August 2015 for the purposes of the Liquidators' application for approval of their remuneration for the period ended 31 August 2015 is adjourned until 30 Mar 2016.

Dated this 25th day of September 2015

Filed this 25th day of September 2015



The Honourable Mr Justice Jones QC
Judge of the Grand Court
Financial Services Division



23 September 2015
BY HAND

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The Secretary to the Honourable Justice Jones QC
The Court House
Edward Street
George Town
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Grand Cayman KY1-1106



Dear Madam

**IN THE MATTER OF THE LIFE PREMIUM FUND, SPC
CAUSE NO. FSD 3 OF 2015 (AJJ)**

We write in relation to the above matter further to the hearing on 21 August 2015 and order of the same date (*Directions Order*), a copy of which is enclosed for ease of reference.

Paragraph 2 of the Directions Order states the following:

"The Liquidation committee established in respect of the Company shall be discharged and reconstituted as liquidation committees of the LS2 and LS3 Portfolios unless the Liquidators determine that either of the LS2 or LS3 Portfolios are insolvent or of doubtful solvency, in which case the Liquidators are directed to convene meetings of the contributories and/or creditors of the LS2 and/or LS3 Portfolios in accordance with CWR Order 9 rule 3 for the purposes of reconstituting the liquidation committee of the LS2 and LS3 Portfolio (as the case may be)..."

In addition to the above, paragraph 5 of the order requires that *"...the Liquidators' remuneration shall be allocated amongst the Portfolios in such a manner as they consider fair and equitable and the Liquidators shall apply to the Court for approval of their remuneration for the period ended 31 August 2015 on 13 October 2015..."*

As required by paragraph 2 of the order, having established that the LS2 Portfolio is insolvent, the JOLs convened a meeting of creditors of LS2 for the purposes of reconstituting the liquidation committee. However, no nominees were proposed during the meeting and it has therefore not been possible for a committee to be

formed with the minimum number of members required by CWR O.9 r.1. In the absence of a creditors' committee the JOLs are seeking to form an ad-hoc committee of investors; to date they have received one nomination in respect of this committee. In the meantime, committees in respect of the remaining Portfolios have been formed.


In circumstances where there is no liquidation committee, the JOLs are mindful of the requirement of Regulation 12(1)(b) of the Insolvency Practitioner's Regulations (*IPR*) to convene a meeting of creditors in accordance with CWR Order 8 for the purposes of the JOLs' proposing a resolution approving the basis of their remuneration and the amount of remuneration for which they intend to seek the Court's approval (*Fee Approval Application*) on 13 October 2015 (*Hearing Date*). However, in order to convene such a meeting in accordance with these requirements, pursuant to CWR O.8 r.4(4) the JOLs are required to provide 21 days' notice to creditors of the meeting taking place, meaning that it will not be possible for such a meeting to be convened and the remuneration considered prior to the Hearing Date.

In the circumstances, in order to comply with paragraph 5 of the order it will be necessary for the JOLs to make the Fee Approval Application in respect of LS1, LS3 and LS4, to be dealt with on the Hearing Date, and thereafter seek approval of their fees in respect of LS2 by means of a separate application, to be heard once the requisite notice has been provided and a creditors' meeting convened. In our view it would be an inappropriate use of the JOLs' time and the estate's assets to make separate applications and incur separate hearing fees for the Fee Approval Applications. Accordingly, we should be grateful if the Hon. Judge would direct that the Hearing Date in respect of the Fee Approval Application for all of the Portfolios be adjourned to the next available date in the Hon. Judge's list for hearing fee approval applications, as a means to enable the JOLs to provide the necessary notice to convene a meeting in respect of LS2 and address the remuneration in the manner prescribed by the CWR and IPR.

We enclose a draft order for the convenience of the Hon. Judge, should he be minded to make the order sought.

We look forward to hearing from you.

Yours faithfully



Harney Westwood & Riegels