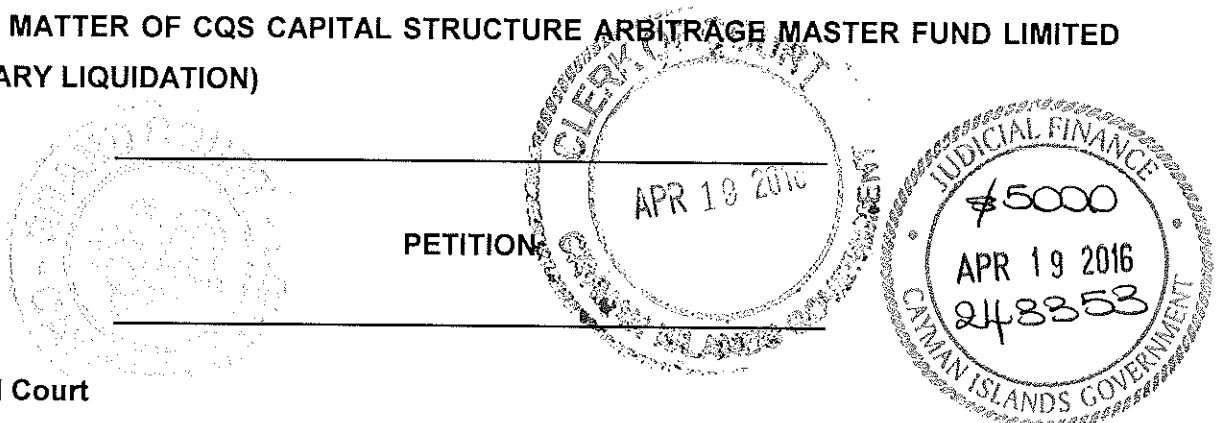


IN THE GRAND COURT OF THE CAYMAN ISLANDS
FINANCIAL SERVICES DIVISION

CAUSE NO: FSD/14 OF 2016 []

IN THE MATTER OF SECTION 151(3) OF THE COMPANIES LAW (2013 REVISION)
AND IN THE MATTER OF CQS CAPITAL STRUCTURE ARBITRAGE MASTER FUND LIMITED
(IN VOLUNTARY LIQUIDATION)



To the Grand Court

The humble petition of CDL Company Ltd, PO Box 31106, Grand Cayman, KY1-1205, Cayman Islands, as voluntary liquidator ("VL") of CQS Capital Structure Arbitrage Master Fund Limited (In Voluntary Liquidation) (the "Company") shows that:

- 1 The purpose of this Petition is to seek an order that the date on which the dissolution of the Company is to take effect, being 20 April 2016 (the "Dissolution Date"), be deferred until 20 April 2017 pursuant to Section 151(3) of the Companies Law (2013 revision) (the "Companies Law").

Background to the Application

- 2 The Company was registered as an exempted company on 11 September 2002 with the Company's Cayman Islands registration number being 119902.
- 3 The registered office of the Company is situated at P.O. Box 309, Ugland House, South Church Street, George Town, Grand Cayman KY1-1104, Cayman Islands.
- 4 Prior to its liquidation, the Company carried out the business of an open-ended mutual fund, being the master fund in a master/feeder structure. The Company invested primarily in asset

backed securities, corporate bonds, convertible bonds, leveraged loans, credit default swaps and interest rate swaps.

5 Since 30 December 2014, the sole member of the Company has been Mulcaster Trustees Ltd as Trustee of the CQS (Global Services) Intl Retirement Plan H003 ("**Shareholder**").

6 As at the date of this petition, the Shareholder remains the sole registered member of the Company, and it holds:

6.1 0.042788 ordinary shares; and

6.2 100 founder shares.

7 The Company was placed into voluntary liquidation on 26 November 2015 by a Special Resolution of the Shareholder.

8 Immediately prior to the commencement of the liquidation, the VL was advised that:

8.1 the entire investment portfolio had been disposed of or transferred and the Company no longer had title to any financial instrument, nor was it a party to any financial instrument that could give rise to an asset or liability; and

8.2 the Company's only asset was cash in the amount of approximately US\$54,000.

9 A creditors notice was placed in the Gazette dated 7 December 2015 calling for any creditors to notify their claims by 7 January 2016. The only creditor claims submitted were by the Company's legal advisors.

10 Following payment in full of all creditor claims, the Company had a surplus of US\$43,952.65 which was distributed to the Shareholder on 14 January 2016.

11 The final general meeting of the Company (the "**FGM**") was held on 18 January 2016. The VL filed its final return with the Registrar of Companies on 30 January 2016.

12 Pursuant to section 151 the Companies Law, the Company will be deemed to be dissolved on 20 April 2016 (the "**Dissolution Date**").

- 13 Since the FGM was held, on or around 7 April 2016 the VL was notified that in fact there may be an amount payable to the Company (the "**Settlement Amount**") as a result of the Company being a member of a settlement class in a United States class action lawsuit entitled *In re: Credit Default Swaps Antitrust litigation*, Master Docket No.: 13 MD 2476 (DLC) before the United States District Court Southern District of New York (the "**Class Action**").
- 14 In essence, the Class Action has been brought by certain purchasers of credit default swaps ("**CDS**") (the "**Class Action Plaintiff**") against, amongst others, various banks (the "**Class Action Defendants**") alleging that the Class Action Defendants had engaged in anti-competitive acts that affected the price of CDS in violation of Section 1 of the Sherman Act, 15 U.S.C. §1 and which resulted in the Class Action Defendants becoming unjustly enriched.
- 15 The VL was informed by the Company's manager, CQS Cayman Limited Partnership on 7 April 2016, as follows:
- 15.1 The Class Action had been settled subject to court approval on terms that the Class Actions Defendants will make the sum of US\$1,864,650,000 available to the settlement class.
- 15.2 The Company is part of the settlement class and is estimated to receive in the region of US\$700,000.
- 15.3 At this stage, it is unclear when this amount will be paid.
- 16 On 15 April 2016, the settlement was given final approval by the United States District Court Southern District of New York which approved the settlement and all objections were overruled.
- 17 As at the date of the FGM, the Company and the VL were unaware of the Class Action and the Company's entitlement to claim as a member of the settlement class. The existence of the Class Action was brought to the attention of the Company's investment adviser, CQS (UK) LLP (the "**Investment Adviser**"), through an article published in the Wall Street Journal on 10 January 2016. The Investment Adviser then contacted the law firm Quinn Emanuel ("**QE**") which is advising the Class Action Plaintiff on the Class Action. QE explained that the Company would need to wait to receive a formal notice from the Class Action Claims

Administrator to confirm whether it had entered into CDS transactions covered by the Class Action ("**Covered Transactions**"). On 10 March 2016, the Investment Adviser was informed by the Class Action Claims Administrator that the Company had entered into Covered Transactions. The Investment Adviser filed a claim form on behalf of the Company in the Class Action on 23 March 2016.

18 Until such time as the Settlement Amount is received, the VL considers it to be in the best interest of the Company and its stakeholder (being the Shareholder) that the Company continue to be kept in existence. No prejudice to any person would arise from deferring the dissolution date of the Company until such time as the Settlement Amount has been received by the Company. The VL can then proceed with a final distribution to the Shareholder of the Company.


19 The Shareholder supports this petition.

Your Petitioner therefore humbly prays that:

- (1) The Dissolution Date of the Company be deferred to 20 April 2017 or such other date as the Court may subsequently Order (the "**New Dissolution Date**").
- (2) The VL has liberty to apply to further extend the Dissolution Date, provided such application must be filed prior to the New Dissolution Date.
- (3) The VL's costs of and incidental to this Petition be paid out of the assets of the Company as an expense of the voluntary liquidation.
- (4) Such further and other orders as the Court thinks fit.

AND your Petitioner will ever pray etc.

DATED this 19th day of April 2016


Maples and Calder
Attorneys for the Petitioner

NOTE: This Petition is not intended to be served.