

IN THE GRAND COURT OF THE CAYMAN ISLANDS

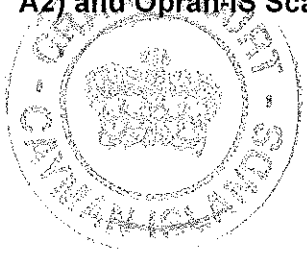
FINANCIAL SERVICES DIVISION



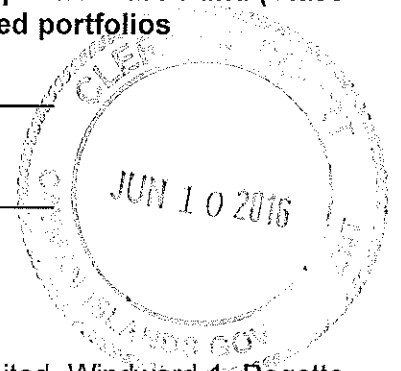
CAUSE NO: 0682/2016

IN THE MATTER OF SECTION 124 OF THE COMPANIES LAW (2013 REVISION)

AND IN THE MATTER OF OPRAH FUND SPC (IN VOLUNTARY LIQUIDATION) for and on behalf of the Metropolitan US Dollar Fund (Class A1), Oprah-IS Metropolitan Euro Fund (Class A2) and Oprah-IS Scala International Euro Fund (Class E2) segregated portfolios



PETITION



To: The Grand Court of the Cayman Islands

The humble petition of **Matthew James Wright** of RHSW (Cayman) Limited, Windward 1, Regatta Office Park, P.O. Box 897, West Bay Road, Grand Cayman, KY1-1103, Cayman Islands as voluntary liquidator of Oprah Fund SPC (In Voluntary Liquidation) ("**Oprah**") and **Christopher Barnett Kennedy** of RHSW (Cayman) Limited, Windward 1, Regatta Office Park, P.O. Box 897, West Bay Road, Grand Cayman, KY1-1103, Cayman Islands (collectively the "**Petitioners**") shows that:

A. BACKGROUND

1. Oprah is a Cayman Islands Monetary Authority ("**CIMA**") registered, open-ended, exempted, limited liability segregated portfolio company which was incorporated in the Cayman Islands on 23 February 2006 (registration number CB-163022).
2. Oprah is registered as a mutual fund under section 4(3) of the Mutual Funds Law (2003 Revision).
3. Oprah offered the subscription of shares to sophisticated investors by way of updated offering memoranda, in the following three segregated portfolios:
 - 3.1 Oprah-IS Metropolitan US Dollar Fund (Class A1) (The "**A1 Portfolio**");
 - 3.2 Oprah-IS Metropolitan Euro Fund (Class A2) (the "**A2 Portfolio**"); and

3.3 Oprah-IS Scala International Euro Fund (Class E2) (the "E2 Portfolio")

(together, the "Portfolios").

4. Oprah operated as a feeder fund for Herald SPC Limited (In Official Liquidation) ("Herald"). Herald in turn was a feeder fund for Bernard L. Madoff Investment Services ("BLMIS"), which was incorporated under the laws of New York. BLMIS was owned and operated by Bernard L. Madoff.
5. On 11 December 2008 Bernard Madoff was arrested by the FBI and criminally charged with a multi-billion dollar securities fraud scheme. On 12 March 2009 Bernard Madoff pleaded guilty to 11 counts of fraud and admitted that BLMIS had been an elaborate Ponzi scheme.
6. On 12 December 2008 Herald suspended the calculation of its NAV and the issue and redemption of shares.
7. On 30 December 2008 the directors of Oprah resolved to suspend the setting of the NAV for each Portfolio, in accordance with the Oprah's Articles of Association. On the same day, Oprah ceased to carry on business as a mutual fund under the Mutual Funds Law (2003 Revision).
8. On or around 25 November 2013 the board of directors of Oprah held a meeting, where it was resolved, *inter alia*, to recommend to the sole voting shareholder, IS Asset Management Limited ("ISam"), that Oprah's affairs should be wound up and that it should be placed into voluntary liquidation as expeditiously as possible.
9. On 25 November 2013 ISam resolved, *inter alia*, to place Oprah into voluntary liquidation, appointing Matthew James Wright and Peter David Anderson as joint voluntary liquidators ("JVLs").
10. On 25 November 2013, the directors of Oprah signed a declaration of solvency.
11. At the date of filing this Petition, Oprah has no general assets and liabilities and the solvency status of each Portfolio is as follows:

11.1 The A1 Portfolio is considered by the Petitioners to possess sufficient assets to satisfy its liabilities;

11.2 The A2 Portfolio is considered by the Petitioners to possess sufficient assets to satisfy its liabilities; and

11.3 The E2 Portfolio is considered by the Petitioners to not currently possess sufficient assets to satisfy its liabilities as they become due and owing.

12. As Oprah had already entered into liquidation when the Petitioners became aware of the solvency issue facing the E2 Portfolio, the Petitioners considered that an application for the supervision of this Honourable Court would be appropriate in all the circumstances.

THE PETITIONERS

13. The Petitioners are qualified insolvency practitioners and are resident in the Cayman Islands.

14. The Petitioners:

14.1 consent to being appointed as the official liquidators of Oprah;

14.2 comply with the independence and insurance requirements of the Insolvency Practitioners' Regulations 2008; and

14.3 are willing and properly able to accept appointments as official liquidators of Oprah.

15. The Petitioners humbly seek an Order that the voluntary liquidation of Oprah be continued under the supervision of the Honourable Grand Court.

B. THE ORDERS HUMBLY SOUGHT

The Petitioners therefore humbly pray that:

1. The liquidation of Oprah continues under the supervision of the Court.
2. The Petitioners are hereby appointed as joint official liquidators (the "JOLs") of Oprah.
3. The JOLs shall not be required to give security for their appointment.

4. In addition to the powers prescribed in Part II of the Third Schedule to the Companies Law (2013 Revision) (the “**Companies Law**”) which are exercisable without sanction of the Grand Court, the JOLs may also without further sanction or intervention from the Grand Court exercise jointly and severally the following powers set out in Part I of the Third Schedule to the Companies Law:
 - a. The power to pay any class of creditors in full;
 - b. The power to make any compromise or arrangement with creditors of persons claiming to be creditors or having or alleging themselves to have any claim (present or future, certain or contingent, ascertained or surrounding only in damages) against the Company or for which Oprah may be rendered liable;
 - c. The power to engage attorneys and other professionally qualified persons to assist the JOLs in the performance of their functions in the Cayman Islands, the United Kingdom, and Luxembourg
5. The JOLs' remuneration and expenses be paid out of the assets of Oprah in accordance with Section 109 of the Companies Law, the Insolvency Practitioner's Regulations 2008 (as amended) and Order 20 of the Companies Winding Up Rules 2008 (as amended).
6. The JOLs be at liberty to meet all disbursements reasonably incurred with performance of their functions.
7. The JOLs be at liberty to and do pay their agents, employees, attorneys, solicitors and whomever else they may employ or instruct, remuneration and costs, and for the avoidance of doubt, all such payments shall be made as and when they fall due out of the assets of Oprah as expenses of the winding up.
8. No suit, action or other proceedings, including criminal proceedings, shall be proceeded or commenced against Oprah except with leave of the Grand Court pursuant to section 97 of the Companies Law.

9. No disposition of the Oprah property by or with the authority of the JOLs in the carrying out of their duties and functions and the exercise of their powers shall be avoided by virtue of section 99 of the Companies Law.
10. The costs of and incidental to this Petition shall be paid out of the assets of the Oprah as an expense of the liquidation, such costs to be taxed on the indemnity basis if not agreed.
11. Such further orders as the Honourable Grand Court deems just.

DATED the 10th day of June 2016.



Collas Crill
Attorneys-at-Law for the Petitioners

This Petition is intended to be served on:

1. Stakeholders in Oprah and, where applicable, their legal representatives.

This Petition is filed by Collas Crill, Attorneys-at-Law for and on behalf of the Voluntary Liquidators of Oprah Fund SPC herein, whose address for service is that of their said Attorneys, 2nd Floor, Willow House, Cricket Square, George Town, PO Box 709, Grand Cayman, KY1-1107, CAYMAN ISLANDS