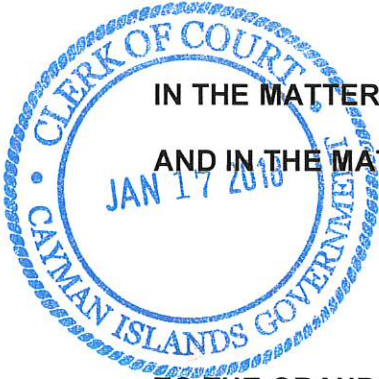


IN THE GRAND COURT OF THE CAYMAN ISLANDS
FINANCIAL SERVICES DIVISION

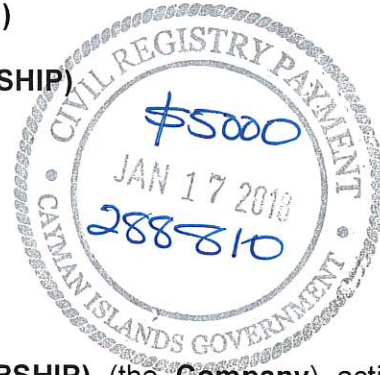


CAUSE NO: FSD 10 OF 2018

IN THE MATTER OF THE COMPANIES LAW (2016 REVISION)
AND IN THE MATTER OF GOLDEN KEY LTD. (IN RECEIVERSHIP)



WINDING UP PETITION



TO THE GRAND COURT

The humble petition of **GOLDEN KEY LTD. (IN RECEIVERSHIP)** (the **Company**) acting through its Joint Receivers, Neville Kahn and Philip Bowers of Deloitte LLP, P.O. Box 810, Athene Place, 66 Shoe Lane, London, United Kingdom EC4A 3BQ (the **Receivers**) shows that:

INTRODUCTION

1. The Company was incorporated under the laws of the Cayman Islands on 6 July 2005 as an exempted company with limited liability.
2. The registered office of the Company is located at MaplesFS Limited, PO Box 1093, Queensgate House, 113 South Church Street, Grand Cayman KY1-1102, Cayman Islands.
3. The Memorandum and Articles of Association (the **Articles**) were adopted by special resolution on 6 July 2005.

THE COMPANY'S BUSINESS

4. The Company is a structured investment vehicle (**SIV**) and was set up for the purpose of carrying on business as an investment company. The object of the Company was to provide a return to holders of the Euro CP, USCP, Mezzanine Notes and Capital Notes (see paragraph 5 below) by investing in certain securities. The Company invested primarily in sub-prime residential mortgage-backed securities, the bulk of which were purchased in 2005.

5. The Company funded its investment activities by issuing three types of debt securities:
 - (a) Euro and US commercial paper (respectively **Euro CP** and **USCP** and collectively **CP**);
 - (b) Tier 1 and Tier 2 Mezzanine Notes; and
 - (c) Capital Notes.

6. These securities were issued with various maturity dates, currencies and rates. The Company also had the benefit of a liquidity facility (the **Liquidity Facility**) provided by Barclays Bank PLC (the **Liquidity Facility Provider**). The Company's primary method of funding was to "roll over" its CP, commonly issued with a short term maturity of 185 days or less.

7. The Company is the sole issuer of the Euro CP, Mezzanine Notes and Capital Notes and co-issuer, with Golden Key U.S LLC (now dissolved) (the **Co-Issuer**) of the USCP. The Co-Issuer was a wholly-owned subsidiary of the Company.¹ The CP, Mezzanine Notes and Capital Notes were primarily issued in Europe and the United States of America.

8. The holders of the debt securities (as well as the Liquidity Facility) have the benefit of security over substantially all of the Company's assets. CP issued under the Euro CP and the USCP Note Programmes are Senior Obligations, ranking *pari passu* with each other and the other Senior Obligations (such as the obligations under the Liquidity Facility described at paragraph 6 above). Notes issued under the Mezzanine Note and Capital Note Programmes rank junior to the CP, and the Mezzanine Notes rank senior to the Capital Notes.

9. The relevant security documents for the purpose of this Petition are the:
 - (a) Collateral Trust and Security Agreement dated 18 November 2005 (as amended) (the **CTSA**), pursuant to which substantially all of the Company's assets are secured in favour of the Bank of New York Mellon (the **Security Trustee**) for the benefit of the Secured Parties. The CTSA is governed by New York law; and

¹ On 2 January 2008, a certificate of cancellation was filed in relation to the Co-Issuer.

- (b) Deed of Charge dated 18 November 2005 (as amended) between the Security Trustee and the Company (the **Deed of Charge**), pursuant to which the Company created a number of fixed charges and security assignments under English Law and a floating charge governed by English law together comprising security over substantially all the Company's assets, property and undertaking.

APPOINTMENT OF THE RECEIVERS

10. Following deteriorating market conditions in 2007 and related circumstances, including difficulty rolling over its CP, an Enforcement Event occurred and was confirmed by the Company on 23 August 2007. As a result, the debt securities (as well as the Liquidity Facility) accelerated and became immediately due and payable on the 23 September 2007.
11. The Security Trustee became exclusively entitled to exercise any and all rights in relation to the security and the Company was prevented from issuing any further commercial paper and other debt securities. The Security Trustee also had the power to appoint a Receiver pursuant to the Deed of Charge.
12. Following a direction of the Majority Secured Parties (as defined in the Master Definitions Annex in the CTSA) the Receivers were appointed by the Security Trustee on 14 April 2008.
13. Following their appointment, the Receivers worked on implementing a restructuring strategy for the Company. In July 2010, the Company acting by the Receivers, effected a restructuring (the **Restructuring**) in order to realise and distribute the assets of the Company which are secured pursuant to the CTSA and which comprised substantially all of the Company's assets. The Company's assets (a portfolio of debt securities) (the **Assets**) were sold pursuant to a competitive auction. The Receivers then distributed the majority of the cash proceeds (the **Proceeds**) from the sale of the Assets in accordance with the terms of the CTSA. They retained the balance of the Proceeds by way of provision against various contingencies.
14. As the level of contingencies required reduced, the Receivers subsequently made further distributions of the Proceeds in March 2013, October 2015 and December 2016.

On 26 July 2017, the Receivers distributed the balance of the Proceeds, less an amount to cover the costs of closing out the receivership, including the costs of the liquidation and the prescribed part (see paragraph 15 below) (the **Retained Amount**). To the extent that any funds remain at the conclusion of the receivership, the Receivers intend to distribute those funds to the holders of Commercial Paper and to the Liquidity Facility Provider (the **Senior Creditors**). However, there is no expectation that any future distribution of the remaining assets would be enough to discharge the Company's obligations to the Senior Creditors in full. Accordingly, there is no prospect of the holders of the Mezzanine Notes or the Capital Notes receiving any payments in respect of amounts owing to them and, on the conclusion of the receivership, it is anticipated that these notes will be written down in accordance with the terms of the CTSA.

15. Under English law, where a floating charge relates to property of a company, the receivers of such company are required pursuant to Section 176A of the Insolvency Act 1986 to set aside a prescribed part of a company's net property (the **Prescribed Part**) for the satisfaction of unsecured debts. While the question of whether this obligation applies in circumstances where the Company is not an English company remains uncertain in the absence of clear authority under English law on this point, the Receivers, being appointed pursuant to the Deed of Charge which is governed by English law, have set aside the Prescribed Part in respect of the Company. The Receivers are not on notice of any unsecured creditors. However, they anticipate that the winding-up process will be helpful in establishing what unsecured creditors, if any, exist.
16. Pursuant to their position as agents of the Company and their powers incorporated in the Deed of Charge, the Receivers have caused the Company to present this Petition.

GROUND FOR WINDING UP

17. As detailed above, all the assets of the Company have been realised and, with the exception of the Retained Amount, the proceeds received therefrom were used in making the repayments of secured liabilities, as described in paragraphs 13 and 14 above. The Company thus has no other assets available for distribution to the Senior Creditors, the holders of Mezzanine Notes, the holders of the Capital Notes or any other unsecured creditors (if any).

18. As the Company's substratum has gone it seeks its liquidation and dissolution.
19. Further, in the circumstances, it is just and equitable that the Company should be wound up.

NOMINATION OF JOINT OFFICIAL LIQUIDATORS

20. The Petitioner nominates Kris Beighton and Jeffrey Stower of KPMG, PO Box 493, Century Yard, Cricket Square, Grand Cayman KY1-1106, Cayman Islands for appointment as joint official liquidators of the Company (the **Liquidators**).

Your Petitioner therefore humbly prays:

1. That the Company be wound up in accordance with section 92(e) of the Companies Law (2016 Revision).
2. That Kris Beighton and Jeffrey Stower be appointed as the Liquidators.
3. The Liquidators shall not be required to give security for their appointment.
4. The Liquidators shall have the power to act jointly and severally in their capacity as Liquidators of the Company.
5. The Liquidators shall be authorised to do any acts or things considered by them to be necessary or desirable in connection with the liquidation and dissolution of the Company and the winding up of its affairs in the Cayman Islands and/or elsewhere.
6. The Liquidators be authorised to exercise all the powers set out in paragraphs 1, 2, 4, 7, 8, 10 and 11 of Part 1 of the Third Schedule of the Law and section 110(2) thereof, without the further sanction of this Honourable Court.
7. No disposition of the Company's property by or with the authority of the Liquidators in carrying out their duties and functions and the exercise of their powers under any Order granted pursuant to this Petition shall be voided by virtue of section 99 of the Companies Law.
8. The Liquidators be at liberty to appoint attorneys, counsel and professional advisors, whether in the Cayman Islands or elsewhere, as they may consider necessary to advise

and assist them in the performance of their duties in accordance with Order 25 of The Companies Winding Up Rules 2008 (as amended).

9. Subject to section 109(2) of the Companies Law and the Insolvency Practitioner's Regulations 2008 (as amended), the Liquidators be authorised to render and pay all invoices out of the assets of the Company for their own remuneration.
10. The Liquidators be at liberty to meet all disbursements reasonably incurred in connection with the performance of their duties and, for the avoidance of doubt, all such payments shall be made as and when they fall due out of the assets of the Company as an expense of the liquidation.
11. The Liquidators shall be at liberty to apply.
12. The Petitioner's costs of and incidental to the Petition shall be paid out of the assets of the Company as an expense of the liquidation, such costs to be taxed on an indemnity basis if not agreed with the Liquidators.
13. Such further and/or other relief as this Honourable Court deems appropriate.

AND your Petitioner will ever pray etc.

DATED the 12th day of January 2018

FILED the 17th day of January 2018

Walkers

WALKERS
Attorneys at Law for the Petitioner

NOTE: This petition is intended to be served on:

Golden Key Ltd.
C/o MaplesFS Limited
PO Box 1093
Queensgate House
113 South Church Street
Grand Cayman KY1-1102
Cayman Islands

NOTICE OF HEARING

TAKE NOTICE THAT the hearing of this Petition will take place at the Law Courts, George Town, Grand Cayman on *5/8 March 2018* at *10 am* am/pm.

Any correspondence or communication with the Court relating to the hearing of this Petition should be addressed to the Registrar of the Financial Services Division of the Grand Court at PO Box 495, Grand Cayman, KY1-1106, telephone +1 345 949 4296.

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