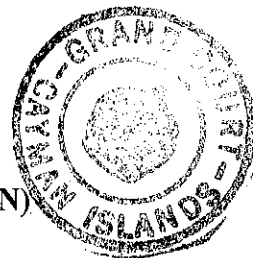


IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO. ⁶⁵⁷ OF 2000

IN THE MATTER of THE COMPANIES LAW (1998 REVISION)

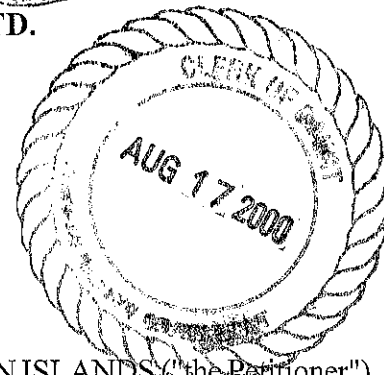
AND IN THE MATTER OF BANCO DE PRESTAMOS (CAYMAN) LTD.



PETITION

TO: HER MAJESTY'S GRAND COURT OF THE CAYMAN ISLANDS

The Humble Petition of THE GOVERNOR-IN-COUNCIL OF THE CAYMAN ISLANDS ("the Petitioner")



SHOWETH as follows:

1. Banco de Prestamos (Cayman) Ltd. (hereinafter called "the Company") was incorporated as an Exempted Company on the 10 February 1992 under the Companies Law as a company limited by shares.
2. The registered office of the Company is situate at Caledonian Bank & Trust Ltd., P.O. Box 1043GT, George Town, Grand Cayman, B.W.I.
3. To the best of the Petitioner's knowledge the nominal capital of the Company is US\$1,000,000 divided into 1,000,000 shares of US\$1 each. To the best of the Petitioner's knowledge the issued and paid up capital is US\$13,500,000.
4. The objects for which the Company was formed are delimited in the Memorandum of Association of the Company.
5. The Company was to the best of the Petitioner's knowledge the wholly owned subsidiary of Banco de Prestamos S.A. ("the Parent Company") an Ecuadorian Bank. The Company held a Category "B" Banking Licence granted on 29 April 1992.

6. On 24 August 1998 the Banking Board of the Superintendencia de Bancos of Ecuador, through resolution no. JB-98-074 (“the Resolution”) declared the forceable closure of both the Company and the Parent Company on the basis that they were suffering liquidity problems and were unable to meet their obligations to depositors and the Central Bank of Ecuador. At the time the forceable closure was declared, the Superintendencia de Bancos appointed a temporary receiver, Lic Oscar Andrade Velóz, to oversee the affairs of both the Company and the Parent Company (jointly “the Companies”). From 24 August 1998 to 30 September 1999 the temporary receiver kept the Bank Companies forceable closure. On 28 April 1999 the Congress of Ecuador passed the Special Law for the Rehabilitation of Banco de Prestamos S.A. This law provided for the Company and the Parent Company to commence a process known under Ecuadorian law as “Procedimiento de Sanamiento” or a “righting procedure”. The intention in passing of this law was to provide the framework whereby the Company and the Parent Company could be restructured and refinanced to enable them to continue as a going concern. The righting procedure was overseen by the Deposit Guarantee Agency of Ecuador (“the AGD”). On 22 October 1999 Mr. Esteban Melo Jacome was appointed temporary administrator in place of Mr. Andrade Velóz.
7. To the best of the Petitioner’s knowledge, a further subsidiary bank to the Parent Company, Banco de Prestamos (Panama) S.A. (“the Panamanian Subsidiary”), which conducted its business in Panama, was intervened by the Superintendencia de Bancos of Panama. Mr. Guillermo Tunon was appointed Administrator to assume control of its affairs in response to the liquidation of the Parent Company.
8. On 30 September 1998, the Petitioner issued directives to the Company imposing restrictions on its activities in accordance with Section 13 1(iv) of the Banks & Trust Companies Law (2000 Revision) (“the BTCL”). The directives were issued in an effort to preserve the assets of the Company and to assist in the resolution of the Company’s affairs with the help of the Ecuadorian liquidator.
9. On 28 October 1998 the Petitioner appointed Manuel Vazquez of the Cayman Islands Monetary Authority as Controller of the Company pursuant to Section 13 (3) of the Banks & Trust Companies law (2000 Revision). This appointment was deemed necessary, after the directives referred to above, inter-alia, to enable there to be an up to date financial accounting and report on the Company and to attempt to preserve the assets to permit a fair and orderly winding up.

10. In the Controller's Report, there was concern that the Ecuadorian Authorities would not treat all creditors of both the Company and the Parent Company on an equal footing. The AGD has now confirmed to the Petitioner that this is not the case and that all creditors of the Company and the Parent Company will be paid in full in accordance with the statutory obligations of the AGD.
11. On 15 January 2000 the temporary administrator reported and submitted recommendations to the Board of Directors of the AGD. As a result of these recommendations, a schedule of payments was initiated for the repayment of depositors of both the Company, the Parent Company and the Panamanian Subsidiary. This process is still ongoing. It is envisaged that once this process has been completed the Company and the Parent Company will be liquidated under Ecuadorian law. However, in the meantime, the temporary administrator is in the process of collecting in the assets and loan portfolio of both the Company and the Parent Company. As a result of the discharge of the Controller the Company has no one in control or in charge of its affairs. This is severely hampering the efforts of the AGD in Ecuador to recover a substantial loan portfolio in the name of the Company. The appointment of a Provisional Liquidator, and thereafter, and Official Liquidator will remedy this situation.
12. Financial information obtained from the Superintendencia de Bancos of Ecuador shows that the Parent Company, the Panamanian Subsidiary and the Company are insolvent. As of 8 November 1998 the Company alone had between a US\$63.4m and US\$117.5m negative net worth.
13. In accordance with his obligations under Section 13 4 (d) of the BTCL and on the basis of the financial information available to him the Controller recommended that the Company's Category B Banking Licence be revoked. As a result of the information available to the Petitioner it is of the view that an application should be made to the Grand Court of the Company's winding up and the appointment of Official Liquidators.
14. In accordance with the Controller's recommendation the Petitioner under its powers set out in Section 13 (1) (i) and (5) of the BTCL revoked the Company's licence on the 15 December 1998 and on 24 July 2000 authorised an application by way of this Petition for the Company to be wound up pursuant to the provisions of Part V of the Companies Law (2000 Revision) on the basis that it is unable to pay its debts as they fall due and is insolvent alternatively that it is just and equitable in the public interest that the Company should be wound up..

YOUR PETITIONER THEREFORE HUMBL Y PRAYS as follows:-

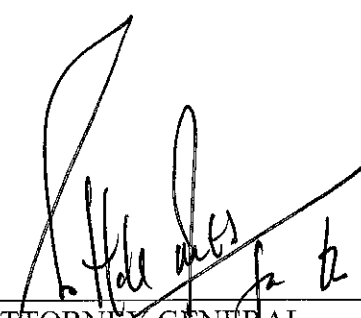
- (a) That Banco de Prestamos (Cayman) Ltd. be wound up by the Court subject to the provisions of Part V of the Companies Law (2000 Revision);
- (b) That Theo Bullmore and Simon Whicker of KPMG, Chartered Accountants (to hold their offices jointly and severally) be appointed Official Liquidators of the Company and that the Official Liquidators be authorised to do any acts or things considered by them to be necessary or desirable in connection with the liquidation of the Company and the winding up of its affairs;
- (c) That the Official Liquidators be authorised to exercise all the power set out in Section 109 of the Companies Law (2000 Revision) without further sanction or intervention of this Honourable Court;
- (d) That the Official Liquidators do file with the Clerk of the Court a report in writing of the position of and the progress made with the winding up of the Company and with the realisation of the assets thereof and as to any other matters connected to the winding up of the Company, every six calendar months or as the Court may from time to time direct;
- (e) That the Official Liquidators be at liberty to employ attorneys, counsel and professional advisors whether in the Cayman Islands or elsewhere as they may consider necessary to advise and assist them in performance of their duties and on such terms as they may think fit;
- (f) That the Official Liquidators and their staff be remunerated out of the assets of the Company at the following hourly rates:-

	US\$
(i) Partners	425.00
(ii) Senior manager	310.00
(iii) Manager	260.00
(iv) Senior Accountant	175.00
(v) Staff Accountant	130.00

- (g) Such further and/or other relief as this Honourable Court deems appropriate.

AND YOUR PETITIONER will ever pray etc.

DATED this 17th day of August, 2000.



ATTORNEY GENERAL

NOTE: This petition is intended to be served on the Company and the Registrar of Companies.

INDORSEMENT

This petition, having been presented to the Grand Court of the Cayman Islands on the 17th day of August, 2000 will be heard at the Grand Court of the Cayman Islands on:

DATE: 19 OCTOBER 2000

TIME: 10 AM

(or as soon thereafter as the petition can be heard).

This Petition is filed by the Attorney General and on behalf of the Governor-in-Council whose address for service is Government Legal Department, 4th Floor, Tower Building, George Town, Grand Cayman.