

IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO: 413 OF 2001

In the matter of the Companies Law (2000 Revision)

And in the matter of Reid's Premier Tours (1986) Ltd. ("the Company")

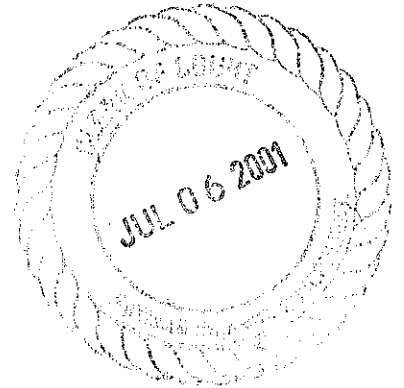
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WINDING UP PETITION

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TO THE GRAND COURT OF THE CAYMAN ISLANDS

The Petition of Paul Carpenter of shows that: -

1. The Company was incorporated on the 27th day of May 1998 under the Companies Law (1996 Revision).
2. The registered office of the company is at P.O. Box 559 GT, Grand Cayman.
3. The authorized share capital of the company is \$200,000 divided into 200,000 shares of a par value of \$1.00. At present, 60 shares are issued to Mr. Steve Reid and 40 shares to the Petitioner. The Petitioner has invested in the region of CI\$300,000.00 into the business of the Company.
4. The principal objects for which the Company was established are:
  - (a) *To construct, equip, organize, maintain and work public transport, vehicles, motor coaches or other vehicles appropriate for the carriage of passengers or goods, and to carry on the business or proprietors and carriers of passengers both in public conveyances and in private vehicles.*
  - (b) *To organize, maintain and operate for hire a transportation service for the purpose of transporting passengers or baggage means of taxicabs, buses, automobiles, motorcycles, and vehicles of every kind, to do generally all and every other thing necessary and incident to the business of transportation service company.*

(c) *To carry on the business of garage proprietors, taxicab, omnibus, motor car, lorry, and other public or private conveyance proprietors, jobmasters, omnibus, motor-car, lorry, motor-cycle or other vehicle manufacturers and repairers, garage builders, dealers in motor accessories, of all kinds, motor and mechanical engineers, dealers in oil and petroleum products of all kinds, carriers, and hires of vehicles of all descriptions.*

as well as other objects stated in the Memorandum of Association of the Company.

5. Mr. Steve Reid is the sole director of the Company and the majority shareholder.
6. The Petitioner has reason to believe the Company is successful as it holds lucrative contracts for the tourist business. However, fundamental differences have arisen between the Petitioner and the majority shareholder as to the mode of conducting the business of the Company.
7. In particular, it was intended that the Company expand its business by entering into a contract to purchase the assets and licenses of Avalon Tours, a profitable bus operator on the Island. The Petitioner and Mr. Reid agreed, on or about September 11<sup>th</sup>, 2000 to purchase Avalon Tours and merge it into the business of the Company. In consideration of his participation as member, the Petitioner paid to the Company his share i.e. 40 % of the purchase price being US\$20,000 (twenty thousand United States dollars) by cheque on 15<sup>th</sup> September 2000. That same day, Mr. Reid cashed the Petitioner's cheque.
8. Subsequently on or about mid October 2000, the Petitioner was most surprised to be informed that Mr. Reid had purchased Avalon Tours in the name of another company owned by Mr. Reid which Petitioner believes to be Royal Tours. Mr. Reid refunded the said \$20,000.00 to the Petitioner in mid October 2000. Mr. Reid had at all times failed to disclose to the Company pursuant to the Company's Articles of Association that the company used to purchase Avalon Tours evidently is and remains in competition with the Company nor did he seek to explain his conduct. These *mala fides* actions together with the non-disclosure of a conflict of interest have caused the Petitioner to lose faith in the business relationship he has with Mr. Reid.
9. In addition, the Petitioner was most surprised when his attorney discovered upon inspection of the Company's minute book that at an AGM, purportedly held on 30 December, 2000, various steps were taken such as a resolution to dispense with preparation of accounts. The Petitioner was not present (nor was he given notice) yet he is wrongfully shown as being present in the minute. The minute in question was signed by Mr. Reid. Accordingly, the Petitioner has no means of determining whether there will be a surplus or not in the absence of the appointment of a liquidator to investigate the financial position and if appropriate, distribute any surplus to members.
10. Further, the Petitioner understands from former employees that the Company has violated local laws and regulations including pensions laws and the Petitioner will seek to adduce further evidence at the hearing of this Petition.

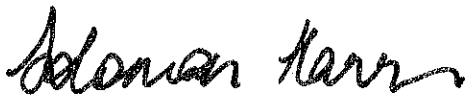
11. On account of the actions of the majority shareholder, the Petitioner is of the view there has been a fraud on the minority.
12. In the circumstances it is just and equitable that the Company should be wound up.

**AND THE PETITIONER THEREFORE PRAYS AS FOLLOWS: -**

1. That Reid's Premier Tours (1986) Ltd. be placed into liquidation and that **Mr. Jeff M. Parker** of Moore-Stephens, Chartered Accountants of Shedden Road, George Town, Grand Cayman be appointed Official Liquidator of the Company, or that such other order may be made as the Court thinks fit.
2. That the Official Liquidator be at liberty to exercise any of the powers contained within section 110 of the Companies Law (2000 Revision) without the further sanction or intervention of this Honorable Court.
3. That the Official Liquidator provide this Honorable Court on a regular basis with reports on the progress of the Liquidation of the Company.
4. That the Official Liquidator be at liberty to employ such agents including any attorneys at law in the Cayman Islands and elsewhere to assist him with his duties as Official Liquidator of the Company as such hourly rates as agreed from time to time by the Official Liquidator and such agents.
5. That the Official Liquidator be at liberty to charge for his services and also the services of employees of Moore Stephens, of George Town, Grand Cayman at the following rates.

(a)	Partner	US\$250.00
(b)	Manager	US\$180.00
6. Such further and other relief as this Honorable Court deems appropriate.
7. That the costs of the Petitioner and the Petition be paid out of the assets of the Company.

Dated this 6<sup>th</sup> day of July 2001



Solomon Harris  
Attorneys-at-law for the Petitioner

This Petition is intended to be served on Reid's Premier Tours Ltd. of P.O. Box 559, George Town, Grand Cayman.

This Petition was presented by Solomon Harris, attorneys-at-law for the Petitioner whose address for service is that of its said Attorneys, namely Barclays House, 2nd Floor, P.O. Box 1990, George Town, Grand Cayman (Ref. MJB/387/002)

#### ENDORSEMENT

This petition having been presented to the Grand Court on <sup>6</sup> July, 2001 will be heard at the Court House, George Town, Grand Cayman:

On: 17 <sup>AUG</sup> July, 2001

At: 10 am/pm

To: The Company  
P.O. Box 559 GT  
Grand Cayman

And to: Mr. Steve Reid  
P.O. Box 30102 SMB  
Grand Cayman

This Petition was filed by Solomon Harris, Attorneys-at-Law for the Petition whose address for service is 2<sup>nd</sup> Floor, Barclays House, P.O. Box 1990, George Town, Grand Cayman.

Ref: MJB