

IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO: 683 OF 2001

In the matter of:

THE COMPANIES LAW (2001 SECOND REVISION)

And in the matter of:

VANGUARD HOLDINGS INC.

PETITION

TO THE GRAND COURT OF THE CAYMAN ISLANDS

The Humble Petition of Zephyr International Limited (In Liquidation) of P.O. Box 1561GT, Zephyr House, Mary Street, George Town, Grand Cayman (the "Petitioner") shows that:

1. Vanguard Holdings Inc (the "Company") is a company incorporated under the Companies Law of the Cayman Islands.
2. The Company's registered office is situated at c/o Zephyr International Limited, P.O. Box 1561GT, Zephyr House, Mary Street, George Town, Grand Cayman, Cayman Islands. The Company is indebted to the Petitioner in the sum of US\$12,280.57 in respect of company management fees owed to the Petitioner by the Company.
3. On 27 September 2001 the Petitioner served on the Company a demand in accordance with Section 95 (a) of the Companies Law, requiring the Company to pay to the Petitioner the sum referred to in paragraph 2 hereof.
4. Over three weeks have elapsed since the Petitioner served the said demand, but the company has neglected to pay or satisfy the said sum or any part thereof or to make any offer to the Petitioner to secure or compound the same.
5. The Company is insolvent and unable to pay its debts. In the circumstances it is just and equitable that the Company should be wound up.

YOUR PETITIONER THEREFORE HUMBLY PRAYS as follows:

1. That Vanguard Holdings Inc. be wound up by the Court in accordance with the provisions of the Companies Law (2001 Second Revision).
2. That G. James Cleaver of Ernst & Young PO Box 510GT, 4th Floor, One Capital Place, George Town, Grand Cayman be appointed Official Liquidator of the Company.
3. That the Official Liquidator be at liberty to exercise any of the powers contained within Section 109 of the Companies Law (2001 Second Revision) without the further sanction of this Honourable Court.
4. That the Official Liquidator does 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 twelve calendar months or as the Court may from time to time direct.
5. That the Official Liquidator 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.
6. That the Official Liquidator be authorised to pay out of the assets of the Company, invoices rendered in the Liquidation by the Official Liquidator or his attorneys, counsel and professional advisors as and when these invoices become payable, provided that this Honourable Court's approval of the fees and expenses will be required on a bi-annual basis and in the event that any such invoice or part of an invoice is not ratified by the Court, the Official Liquidator will refund the full amount relating to that invoice or part of an invoice within 7 days of the Court's determination.
7. That the Official Liquidator and his staff be remunerated at the expense of the Company at the following provisionally approved hourly rates:

(i)	Director (Partner)	US\$425.00
(ii)	Assistant Director (Senior Manager)	US\$330.00
(iii)	Senior Executive (Manager)	US\$280.00
(iv)	Executive (Senior Accountant)	US\$160.00

(v) Administrative Assistant

US\$ 92.00

8. That the costs of the Petitioner and of the Petition be paid out of the assets of the Company.
9. Such further and/or other relief as this Honourable Court deems appropriate.

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

Hunter & Hunter

Hunter & Hunter
Attorneys for the Petitioner

Notice of Hearing

This Petition having been presented to the Court on the 2nd day of November 2001 will be heard at the Court House, George Town, Grand Cayman on the 11 day JAN of ~~2001~~ ²⁰⁰² at 10:00 o'clock in the forenoon or as soon thereafter as the Petition can be heard.

THIS PETITION is filed by Hunter & Hunter, Attorneys-at-Law for the Petitioner, whose address for service is that of its said Attorneys-at-Law, 75 Fort Street, P.O. Box 190GT, Grand Cayman (Ref JST/08227.002)