

IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO. 522 OF 2002

IN THE MATTER OF THE COMPANIES LAW (2002 REVISION)

AND

IN THE MATTER OF WATERFORD INSURANCE LTD.

PETITION

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

The Humble Petition of FIREMAN'S FUND INSURANCE COMPANY of 777 San Marin Drive, Novato, California 94998, United States of America ("the Petitioner"), a creditor of the above named Company

SHOWETH as follows:

1. Waterford Insurance Ltd. (hereinafter called "the Company") was incorporated as an Exempted Company on 19th August, 1994 under the Companies Law as a company limited by shares.
2. The registered office of the Company is situated at the offices of Kensington Management Group, P O Box 10027 GT, 3rd Floor, Barclays House, George Town, Grand Cayman, Cayman Islands.
3. The Petitioner is unaware of the nominal capital of the Company.
4. The objects for which the Company was formed are, to the best of the Petitioner's knowledge, unlimited in the Memorandum of Association of the Company.
5. The Company is indebted to the Petitioner in the amount of US \$149,374.46 representing the Company's liabilities to the Petitioner arising out of a Reinsurance Agreement dated 1st September 1994 (as amended) (the "Reinsurance Agreement"), such amount representing the Company's share of reinsurance losses ceded to it in respect of insurance policies written and issued by the Petitioner for worker's compensation and employer's liability.
6. The Petitioner sent a letter to the Company requesting payment of the said sum on 6th June, 2002.

7. The Company has neglected to pay or satisfy the said sum or any part thereof or to make any offer to the Petitioner to serve or compound the same.
8. In the context of the amount presently due and owing to the Petitioner, the Petitioner is of the belief that the company is unable to pay its debts as and when they fall due.
9. The Petitioner is unaware of any facts that may provide the Company with a bona fide and substantive defence or set off to this debt.

YOUR PETITIONER THEREFORE HUMBLY PRAYS as follows:-

- (a) That Waterford Insurance Ltd. be wound up by the Court subject to the provisions of the Companies Law (2001 Second Revision);
- (b) That Christopher Johnson and Nicholas Freeland be appointed Joint Official Liquidators of the Company (to be appointed jointly and severally) and that the Joint 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 Joint Official Liquidators be authorised to exercise all the power set out in Section 109 of the Companies Law (2001 Second Revision) without further sanction or intervention of this Honourable Court;
- (d) That the Joint 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 Joint 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 Joint Official Liquidators and their staff be remunerated out of the assets of the Company at their usual customary rates, such fees and expenses to be approved by the Court;

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

AND YOUR PETITIONER will ever pray etc.

DATED this 12th day of July, 2002.

Walkers

WALKERS

Attorneys-at-law for the Petitioner

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

INDORSEMENT

This petition, having been presented to the Grand Court of the Cayman Islands on the 12th day of July, 2002 will be heard at the Grand Court of the Cayman Islands on:

DATE: *27 September 2002*
TIME: *10 am*
(or as soon thereafter as the petition can be heard).

This Petition is filed by Walkers, Attorneys-at-Law, P.O. Box 265GT, Walker House, Mary Street, George Town, Grand Cayman, Attorneys-at-Law.