



IN THE GRAND COURT OF THE CAYMAN ISLANDS

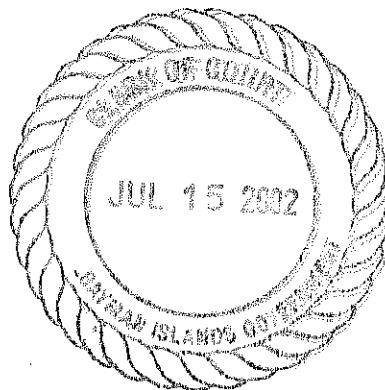
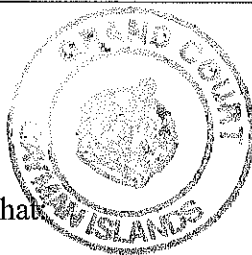
CAUSE NO. 525 OF 2002

In the matter of THE COMPANIES LAW (2001 SECOND REVISION)

And in the matter of Upstairs Downstairs Ltd. (trading as The Landmark)

PETITION

To: The Grand Court



The Petition of Lott Holdings Ltd. shows that

1. Upstairs Downstairs Ltd. ("the Company") was incorporated under the Companies Law.
2. The address of the Company is at P.O. Box 448, George Town, Grand Cayman, Cayman Islands.
3. The Petitioner has been unable to ascertain the nominal capital of the Company or the amount of paid up capital.
4. The objects for which the Company has been established are, inter alia, as follows:

To carry on the business as a restaurant and other objects as set forth in the Memorandum of Association thereof.

5. The Petitioner, did on 21st June 2002 cause a notice of statutory demand pursuant to Section 95 of the Companies Law (2001 Second Revision) to be served on the Company at its registered office in respect of the sum of US\$177,905.99 being the total of sums due under a lease dated 27th January 1998 (the "Lease") entered into between the Petitioner as lessor and the Company as lessee in relation to the second and third floors of premises known as the Landmark Building and the second floor of the

English Shoppe Building, George Town, Grand Cayman (the "Premises"). The Lease is for a term of five years commencing on 15th January 1998. Pursuant to the terms of the Lease, the Company agreed to pay rent of US\$192,888.00 per annum (calculated at US\$36.00 per square foot) for the first three years of the term, and thereafter subject to a review at the commencement of the 4th and 5th years based on open market rental values for a similar type of accommodation. For the basement area of the Premises, rent is US\$28,375.00 per annum calculated at US\$25.00 per square foot. Pursuant to the terms of the Lease, interest on unpaid rent accrues at the rate of 3% per annum above the US\$ rate prescribed by the Judgment Debts (Rates of Interest) Rules 1995).

6. The Company has for the period of 21 days after the date of service of the said statutory demand neglected to pay such sum or to secure or compound for the same to the satisfaction of the Petitioner and is therefore unable to pay its debts and is insolvent.

THE PETITIONER THEREFORE PRAYS THAT:

- (1) The Company may be wound up by the Court under the provisions of the Companies Law (2001 Second Revision).
- (2) Messrs Christopher D. Johnson and J. I Nicholas Freeland of PriceWaterhouseCoopers, P.O. Box 258 GT, Strathvale House, North Church Street, George Town, Grand Cayman, be appointed Joint Official Liquidators of the Company with power to act jointly and severally (the "Official Liquidators").
- (3) The Official Liquidators shall not be required to give security for their appointment.
- (4) The Official Liquidators shall have power:
 - (a) to bring or defend any action, suit, prosecution or other legal proceedings, whether criminal or civil, by way of court process or arbitration, in the name and on behalf of the Company.

- (b) to take possession of, collect and get in all property or assets (of whatever nature) to which the Company is or appears to be entitled;
- (c) to do all things as may be necessary or expedient for the protection of the Company's assets;
- (d) to do all things (including the carrying on of the business of the Company) so as may be necessary or expedient for the beneficial realisation of the property or assets of the Company (including power to borrow money);
- (e) to appoint attorneys, solicitors and other professional qualified persons both in the Cayman Islands and elsewhere to assist them in the performance of their duties;
- (f) to appoint agents both in the Cayman Islands and elsewhere to do any business which they are unable to do themselves or which can more conveniently be done by an agent and power to employ and dismiss officers and employees of the Company;
- (g) to make any power which is necessary or incidental to the performance of their duties;
- (h) to open and maintain bank accounts in the name of the Company or themselves anywhere in the world as may be necessary for the better performance of their duties;
- (i) to exercise and execute all the powers set out in Section 109 of the Companies Law (2001 Second Revision) without sanction or intervention of the Court and unprejudiced by the generality hereof;

- (j) to compromise all calls and liabilities to calls, debts and liabilities capable of resulting in debts, and all claims whether present or future, certain or contingent, ascertained or sounding only in damages, subsisting or supposed to subsist between the Company and any contributory or alleged contributory or alleged contributory or other debtor or person apprehending liability to the Company, upon receipt of such sums payable at such times and generally on such terms as may be agreed upon, with power to take securities for the discharge of such debts or liabilities and to give complete discharges in respect of all or such calls debts, or liabilities; and
- (k) to do and execute all such other things as may be necessary for winding-up the affairs of the Company and distributing its assets;

and for the avoidance of doubt the powers bestowed on the Official Liquidators may be exercised by them within and outside the Cayman Islands.

- (5) The Official Liquidators be at liberty to apply for further directions relating to the winding-up of the affairs of the Company and the distribution of its assets.
- (6) The reasonable costs of the Petitioner of and incidental to the Petition be paid forthwith from the assets of the Company to be taxed if not agreed.
- (7) The Official Liquidators be at liberty to and do pay themselves, their agents, employees, attorneys, solicitors and whomsoever else they may employ or instruct, remuneration and costs in priority to all other debts of the Company pursuant to section 123 of the Companies Law (2001 Second Revision), and:
 - (i) the remuneration of the Official Liquidators and their staff instructed in connection with the performance of their duties be fixed and approved at the following discounted hourly rates, subject to variation from time to time, as the Court thinks fit:


Partner	US\$500/hour
Senior Manager	US\$370/hour
Senior Accountant	US\$200/hour
Staff Accountant	US\$145/hour
Part Qualified Accountant and Others	US\$95/hour

- (ii) the Official Liquidators be authorised to pay out of the assets of the Company any invoices rendered in respect of their fees and disbursements as and when these invoices become payable provided that this Honourable Court's approval of the payment of the fees and expenses will be required on a quarterly basis and, in the event that any such invoice or part of an invoice is not ratified by the Court, the Official Liquidators will refund the full amount relating to that invoice or part of an invoice within 7 days of the Court's determination;
- (iii) the remuneration of any other agents, employed or instructed by or on behalf of the Official Liquidators in connection with the performance of their duties be fixed and approved at the rate or rates in the country in which such person is ordinarily employed or engaged in practice;
- (iv) the Official Liquidators be at liberty to pay their agents, employees, attorneys, solicitors and whomsoever else they employ or instruct either weekly or monthly or at such other intervals as they consider appropriate;
- (v) the Official 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 payments made pursuant to paragraphs 7(i)-(v) above shall be made as and when they fall due out of the assets of the Company and shall be expenses in the Liquidation.

(8) Such other orders and directions as the Court thinks fit.

DATED this 15th day of July, 2002.



CAMPBELLS
Attorneys-at-Law for the Petitioner

Note: It is not intended to serve this Petition on any other party

INDORSEMENT

Notice of Hearing

This Petition having been presented to the Court on 15th July 2002 will be heard at the Law Courts, George Town, Grand Cayman on 2002 at 10 a.m or as soon thereafter as the Petition can be heard.

This Petition is filed by Campbells, Attorneys-at-Law for the Petitioner, whose address for service is that of its Attorneys-at-Law, Fourth Floor, Scotiabank Building, P.O. Box 884, George Town, Grand Cayman, Cayman Islands B.W.I. (Ref: STM/clq)