

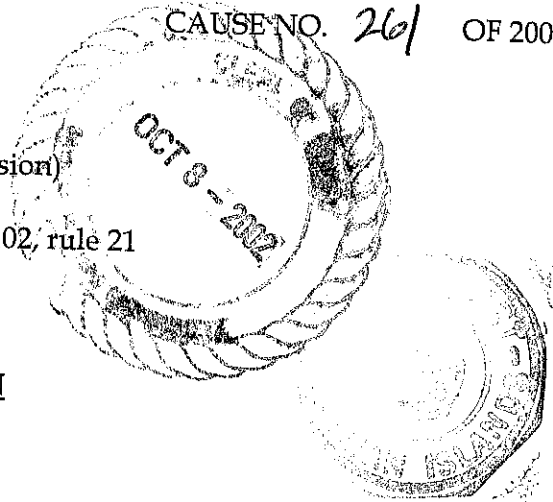
IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO. 261 OF 2002 A

In the matter of Banco del Progreso Ltd.

And in the matter of The Companies Law (2002 Revision)

And in the matter of The Grand Court Rules, Order 102, rule 21



**PETITION**

To the Grand Court of the Cayman Islands

THE PETITION of the above-named Banco del Progreso Ltd. ("the Company") shows as follows:

1. The object of this Petition is to seek the sanction of the Court to a Scheme of Arrangement ("the Scheme") under section 86 of the Companies Law (2002 Revision) between the Company and its creditors (as defined in the Scheme). A print of the Scheme is annexed to this Petition by way of Schedule.
2. The Company was incorporated as an Exempted Company limited by shares on 15 March 1995 under the Companies Law (Revision).
3. The registered office of the Company is situated at Couetts (Cayman) Ltd., P.O. Box 707 GT, Grand Cayman, B.W.I.
4. The objects for which the Company was formed are unrestricted.
5. The nominal capital of the Company is US\$20,000,000.00 divided into two million shares of US\$10.00 each. The issued and paid up capital is US\$20,000,000.00. The

Company is a wholly-owned subsidiary of Banco del Progreso S.A. ("the Parent Company") which was formerly a major banking institution in Guayaquil, Ecuador.

6. Shortly after its incorporation, the Company began to carry on business as bankers.
7. On 2 September 2002, the Governor in Council of the Cayman Islands, acting pursuant to section 14 of the Banks & Trust Companies Law (2001 Revision), presented a Petition, Cause No. 655 ("the Winding Up Petition"), to this Court for the winding up of the Company pursuant to Part V of the Companies Law (2002 Revision). Your Petitioner incorporates into this Petition the contents of the Winding Up Petition.
8. As a result of discussions between those acting on behalf of AGD (as defined and referred to in the Winding Up Petition), acting on its behalf and on behalf of the Parent Company, the Governor in Council, the Cayman Islands Monetary Authority and the proposed liquidators of the Company, it is proposed that, subject to the making of a winding up order on the Winding Up Petition, all of the assets and liabilities of the Company should be transferred to the Parent Company with a view to the affairs of the Company and the Parent Company being liquidated in Ecuador subject to the supervision of the Ecuadoran banking authorities and Ecuadoran courts. The terms of such proposal appear from the Scheme.
9. By an Ex-parte Originating Summons dated 18 April 2002, Cause No. 261 of 2002, the Company sought liberty to convene a meeting of its creditors for the purpose of considering and, if thought fit, approving, with or without modification, the Scheme. Your Petitioner invites this Court to treat the said Summons as issued in this Petition pursuant to Grand Court Rules, Order 102, Rule 21 (2).
10. If the Scheme is approved at the meeting proposed to be convened, it will be for the benefit of the Company and its creditors (as defined in the Scheme) that the Scheme should be sanctioned by this Court.

Your Petitioner therefore prays as follows:

- (1) That the Scheme of Arrangement set out in the Schedule hereto may be sanctioned by this Court so as to be binding upon the Company and its creditors as therein defined;
- (2) Or that such other Order may be made as the Court shall see fit.

AND your Petitioner prays, etc.

### SCHEDULE

#### SCHEME OF ARRANGEMENT

Under Section 86 of the Companies Law (2002 Revision)

Between: Banco del Progreso Ltd.

And: Its Creditors as hereinafter defined

### PRELIMINARY

A In this Scheme the following expressions shall, unless the context otherwise requires, have the following meanings:

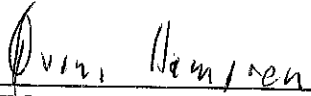
- (1) "the Company" shall mean Banco del Progreso Ltd.;
- (2) "the Parent Company" shall mean Banco del Progreso S.A.;
- (3) "the Assets" shall mean all the assets of the Company including, without prejudice to the generality of the foregoing, all personal and/or proprietary claims, whether liquidated or unliquidated, against former officers of the Company, the Parent Company or others;
- (4) "the Creditors" shall mean all creditors of the Company other than the Parent Company;
- (5) "the Liabilities" shall mean all liabilities of the Company to the Creditors.

B The Parent Company has consented to be bound by the provisions of this Scheme.

### THE SCHEME

1. As from the date this Scheme becomes effective, the Assets and the Liabilities shall be transferred to, and become the assets and liabilities of, the Parent Company to the intent that the claims of the Creditors shall thenceforth be extinguished and replaced by claims of the same amount and upon the same terms against the Parent Company.
2. As from the date this Scheme becomes effective, any indebtedness or other liability of the Company to the Parent Company shall be extinguished.
3. This Scheme shall become effective on the date the same is approved by the Grand Court of the Cayman Islands.

Dated this 8th day of October, 2002

  
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QUIN & HAMPSON  
Attorneys-at-Law for the Petitioner

Note: It is not intended to serve this Petition on any person.

### INDORSEMENT

This Petition having been presented to the Grand Court of the Cayman Islands on the 8th day of October 2002 will be heard by the Grand Court of the Cayman Islands:

DATE: 18 Oct. 2002      TIME: 10

(or as soon thereafter as the Petition can be heard)

This Petition is filed by Quin & Hampson, Attorneys-at-Law, for and on behalf of the Petitioner herein, whose address for service is Harbour Centre, Third Floor, P.O. Box 1348 George Town, Grand Cayman, Cayman Islands.