

IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO. 392 OF 2005

In the matter of SECTION 150 OF THE COMPANIES LAW (2004 REVISION)
And in the matter of B2B GLOBAL SPECIALTY FIXED INCOME FUND (IN
VOLUNTARY LIQUIDATION)

PETITION

To: The Grand Court

The Petition of B2B GLOBAL SPECIALTY FIXED INCOME FUND LIMITED shows that:

1. B2B GLOBAL INTERNET FUND LIMITED was incorporated as an exempt company no. cr-98045 on 13th March 2000 under the Companies Law. It changed its name on 18th February 2003 to B2B Global Specialty Fixed Income Fund (hereinafter referred to as "the Company").
2. The current registered office of the Company is at Trulaw Corporate Services Ltd, Box 866 GT, Anderson Square Building, George Town, Grand Cayman, Cayman Islands, B.W.I.
4. On 15th August 2003 an extraordinary general meeting of the Company was held ("the EGM"). At the EGM, approval was given for the winding up of the Company and to appoint Mr Ian Wight and Mr Stuart Sybersma as joint liquidators of the Company ("the Liquidators").
5. An order is sought pursuant to Section 150 of the Companies Law (2004 Revision), directing that the voluntary winding up of the Company commenced as

aforesaid should continue subject to the supervision of the Court on the following grounds:

- i.) The Liquidators investigations into the affairs of the Company have established that the Company is insolvent and unable to pay its debts.
- ii.) The Liquidators wish to conclude the liquidation of the Company. In order to do so, it will be necessary for the Liquidators to adjudicate on the claims by the creditors of the Company. In particular, the Company issued many debentures to various individuals and companies. The shareholder's resolution dated 15th August 2003 which placed the Company into voluntary liquidation had the effect of crystallizing the floating charges contained within these debentures over the Company's assets.
- iii.) The liquidators face the following difficulties in adjudicating on the debenture holders' claims:
 - a) The debentures purport to grant a "first floating security" over the assets of the Company. The liquidators have been advised that if two successive securities are created by a company, both of which purport to give a first floating charge, the security which is prior in date will take priority over that which is later in date.
 - b) The monies that the Liquidators have been able to realise are such that the Company does not have enough funds to pay all of the debenture holders.
 - c) In at least one instance the Company received no consideration for the debenture that it issued.

- iv.) In order to adjudicate on the debenture holders' claims, it may be necessary for the Liquidators to apply to the Court for directions and/or the approval of the Court in respect of the settlement of any such claims.

THE PETITIONER THEREFORE PRAYS THAT:

- (1) the Court direct that the liquidation of the Company continue subject to the supervision of the Court.
- (2) The 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 his duties;
- (i) to exercise and execute all the powers set out in Section 109 of the Companies Law (2004 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 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 Liquidators may be exercised by them within and outside the Cayman Islands.

- (3) The 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.
- (4) The reasonable costs of and incidental to this Petition be paid forthwith from the assets of the Company.
- (5) The Liquidators shall be entitled to receive remuneration for their services by reference to the time properly given by them and their staff in attending to matters arising in the winding-up and the hourly rates and the amount of remuneration shall be determined in accordance with Insolvency Rule 4.148A.
- (6) This Order shall not prevent the Company in general meeting or the creditors from agreeing that the Liquidators' remuneration be fixed as a percentage of the value of the assets which are realised or distributed.
- (7) The remuneration of any other agents, employed or instructed by or on behalf of the 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.
- (8) The Liquidators be at liberty to pay themselves, 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.
- (9) The Liquidators be at liberty to meet all disbursements reasonably incurred in connection with the performance of their duties.
- (10) For the avoidance of doubt all payments made pursuant to paragraphs 5 – 9 above shall be made as and when they fall due out of the assets of the Company and shall be expenses in the Liquidation.

