

IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO. **213** OF 2006

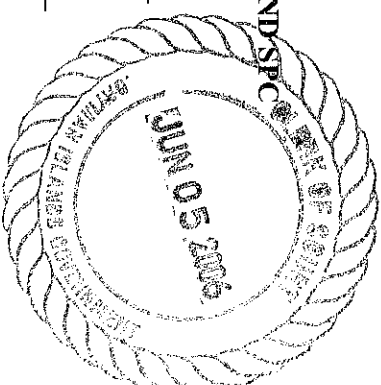
IN THE MATTER OF THE COMPANIES LAW (2004 REVISION)

AND

IN THE MATTER OF SPHINX MANAGED FUTURES FUNDS SPC



PETITION



TO THE GRAND COURT OF THE CAYMAN ISLANDS

The humble Petition of Sphinx Managed Futures Index Fund, LP shows that:-

1. The registered office of the Petitioner is 1209 Orange Street, Wilmington, Delaware 19801, United States of America. The objects for which the Petitioner was established are not restricted in the Petitioner's Certificate of Limited Partnership and this permits the Petitioner to carry on unlimited general business. The name of the Petitioner's general partner is Index GP, LLC, whose principal place of business is 2150 Bleecker Street, Utica, New York, 13501, United States of America.
2. The Petitioner is shareholder and the owner of 37,828,8019 aggregate shares of Sphinx Managed Futures Fund SPC (the "Company"). The value of these shares is US\$ 38,131,913.43.
3. This Petition seeks the winding up of the Company and the appointment of joint liquidators.

Sphinx Managed Futures Fund SPC (the "Company")

4. The Company was incorporated as an exempt company under the Companies Law (2004 Revision) (the "Companies Law") on 20 September 2002 by Registration No 118157.
5. The registered office of the Company is situated at the office of its administrator, Derivatives Portfolio Management, Limited, Grand Pavilion Commercial Centre, 802 West Bay Road, Suite 14, Grand Cayman, B.W.I. The objects for which the company was established are not restricted in the Company's Memorandum of Association and this permits the Company to carry on unlimited general business.
6. The authorised share capital of the Company as at the date of its incorporation was US\$50,000 divided into 5,000,000 shares of a nominal or par value of US\$0.01.

7. The Company was formed to operate as a specialized investment vehicle comprised of various portfolios. The Company invested in a number of hedge funds, including Refco Capital Markets Ltd. (“RCM”).

Standing

8. The Petitioner holds 37,828,8019 Shares in the Company with an investment value of US\$38,131,913.43 as of 31 March 2006.

Background to Petition

9. On 17 October 2005 RCM and other affiliated companies (the “Refco Companies”) filed voluntary petitions (the “Refco Petitions”) for relief under Chapter 11 of the Bankruptcy Code “Chapter 11” in the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”).
10. On or about 16 December 2005 proceedings were commenced against the Company by the Official Committee of the Unsecured Creditors of the Refco Companies (the “Refco Claim”).
11. The Refco Claim relates to a transfer made by RCM to the Company of US\$312,046,266.23 (the “Transfer”) five days prior to the presentation of the Refco Petitions. The claim asserts, amongst other things, that the Transfer was a preferential payment and therefore recoverable by RCM pursuant to Section 547 of the Bankruptcy Code in the Bankruptcy Court.
12. On 27 April 2006 a motion was filed in the Bankruptcy Court, Case No. 0556-0006 by the Refco Companies seeking approval of a proposed Settlement and Compromise of the Refco Claims (the “Settlement”). The Company is a party who has agreed to the Settlement.
13. The Bankruptcy Court has scheduled a hearing on 8 June 2006 to consider the Settlement.

Settlement of Refco Claims

14. The Settlement requires US\$263,000,000 to be transferred from the Company to RCM (the “Settlement Amount”).
15. In addition to transfer of the Settlement Amount, the Company agrees to release, quit and discharge any and all claims that it may have against RCM and/or the Refco Companies relating to the Transfer. The Petitioner has serious concerns regarding the Company’s true motivations in agreeing to Settlement. The Company has abandoned all defences it previously asserted in the Refco Claim, including the defence that the monies subject to the Transfer were investor funds and not the property of the Company’s bankruptcy estate. The Company has failed to submit such information to the Bankruptcy Court in support of the Settlement.
16. On or around the 15 May 2006, counsel for parties related to the Petitioner contacted counsel for the Company via electronic email to request copies of certain deposition transcripts and other discovery materials related to the Settlement. The Company

- refused such requests. In addition, parties related to the Petitioner have served written discovery demands upon the Company concerning Settlement. The Company has moved to quash any discovery.
17. The Board of Directors of the Company it is believed also serve as Directors of other entities that will benefit from the Settlement. It is also a condition of the settlement that the Refco Companies agree to waive any claims against the Directors in any way related to the payment of the settlement amount or the Transfer.
18. The Petitioner considers that the Company should not have agreed to the Settlement and should now oppose it being approved by the Bankruptcy Court as there will be insufficient funds as a result of payment of the Settlement Amount for the Company to redeem and pay the Petitioner's shares in the Company. As a result the Petitioner is unlikely to recover the sums due to it as a shareholder/investor in the Company.
19. The Petitioner also believes that the Company may have substantial claims in relation to the Transfer which it will not be able to bring if the waivers contained in the Settlement are approved by the Court.
20. No explanation has been given by the Directors as to why they believe it to be in the best interests of the Company to agree to the Settlement and the Petitioner cannot see any obvious reason why the Company should agree to the Settlement as the Company is obtaining no benefit from the Settlement.

Wind Down Agreement – Fund Administrators

21. Plus Funds, Inc., is an investment management company incorporated in the State of Delaware, United States of America ("Plus Funds"), which on 6 March 2006 filed a voluntary petition for relief under Chapter 11.
22. Plus Funds is the investment manager of the Company.
23. On 8 May 2006, the Company, entered into an agreement (the "Wind Down Agreement") whereby they agree, amongst other things, to increase fees payable to Plus Funds by virtue of its investment management role and to pay for almost all of the winding down expenses in the Plus Funds Chapter 11.
24. It is unclear that the Company has properly authorised the Wind Down Agreement or that the Company has obtained adequate consideration from Plus Funds for entering into the Wind Down Agreement.
25. No explanation has been given by the Directors as to why they believe it to be in the best interests of the Company to agree to the Wind Down Agreement and the Petitioner cannot see any obvious reason why the Company should agree to the Wind Down Agreement.

GROUNDNS FOR WINDING UP ORDER

Just and Equitable Grounds

26. On the basis of the acts set out above the Petitioner has no confidence in the Board of Directors of the Company in that they do not appear to be acting in the interest of the

Company or the shareholders and/or creditors and are not communicating with the shareholders and/or creditors of the Company.

27. The Petitioner had a legitimate expectation that the Company would not enter into or consent to an agreement which would increase the likelihood that there would not be sufficient funds to pay the Company's creditors and/or contributors.
28. The Petitioner had a legitimate expectation that the Company would not enter into or consent to an agreement which would result in the waiver by the Company of substantial claims in relation to the Transfer and the actions of RCM and the Refco Companies.
29. The Petitioner had a legitimate expectation that the Company would not enter into an agreement where it would waive its right to claim in the insolvency of RCM, or the Refco Companies to which the Company has a potential claim as a creditor.
30. There is a real likelihood that the Company may become bound to the Settlement which is not in the interests of the Company.
31. There is a real risk that any claims against the Company, its Directors, and/or Plus Funds will not be investigated unless a liquidator is appointed.
32. There is no other adequate remedy for the Petitioner other than to petition for winding up.

AND YOUR PETITIONER THEREFORE HUMBL Y PRAYS as follows:-

1. That at such time as the Petition is listed for hearing, if so moved by the Company, the Petition be adjourned or alternatively the Company be wound up by the Court under the provisions of Part V of the Companies Law (2004 Revision).
2. That should the Court make an Order winding up the Company, that Phillip S Stenger of Grand Rapids, Michigan, United States of America and of Geoffrey E Varga of Georgetown Cayman Islands(to hold their offices jointly and severally) be appointed Joint Official Liquidators of the Company;
3. That the Joint Official Liquidators are authorised jointly and severally to exercise any of the powers listed in Section 109 of the Companies Law (2004 Revision) without the further sanction or intervention of this Honourable Court.
4. That the Joint Official Liquidators be authorised to do any act 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.
5. That the Joint Official Liquidators do file with the Clerk of the Court a report in writing of the position of and progress made with the winding up of the Company 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.
6. That the Joint Official Liquidators be at liberty to appoint attorneys, counsel, professional advisors, whether in the Cayman Islands or elsewhere as they may

consider necessary to advise and assist them in the performance of their duties and on such terms as they may think fit and to remunerate them out of the assets of the Company.

7. That the Joint Official Liquidators and their staff be remunerated out of the assets of the Company at their usual customary rates.
8. The Joint Official Liquidators be at liberty to apply generally.
9. That the costs of the Petition and the Petitioner be paid out of the assets of the Company.
10. That the Joint Official Liquidators cause a copy of this Order to be delivered to the Registrar of Companies.
11. Such further and other relief as this Honourable Court deems appropriate.

DATED this *5th* day of *June* . 2006

Solomon Harris.

SOLOMON HARRIS
ATTORNEYS FOR THE COMPANY

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

This Petition, having been presented to the Grand Court of the Cayman Islands on the day of _____, 2006 will be heard at the Grand Court of the Cayman Islands on _____

Date:

Time:

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

THIS PETITION was **FILED** by **SOLOMON HARRIS** of 2nd Floor, FirstCaribbean House, P.O. Box 1990 GT, Grand Cayman, Cayman Islands, Attorneys-at-law for and on behalf of the Company whose address for service is that of its said Attorneys-at-law.