

IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO: ⁹ OF 2007

IN THE MATTER OF THE COMPANIES LAW (2004 REVISION)

AND IN THE MATTER OF GFN CORPORATION LIMITED



PETITION



TO: The Grand Court of the Cayman Islands

THE HUMBLE PETITION of Bancredit Cayman Limited (In Official Liquidation) (the "Petitioner") acting by its Joint Official Liquidators Messrs Richard Fogerty and G James Cleaver of Kroll (Cayman) Ltd, PO Box 1102GT, 4th Floor Bermuda House, Dr Roy's Drive, George Town, Grand Cayman, Cayman Island shows that:-

1. On 18 June 1973 GFN Corporation Limited (the "Company") was registered as an exempted liability company organised and incorporated under the Companies Law of the Cayman Islands (the "Law").
2. The registered office of the Company is at CIBC Bank and Trust Company (Cayman) Limited, PO Box 694GT, 5th Floor, CIBC Financial Centre, 11 Dr Roy's Drive, George Town, Grand Cayman, Cayman Islands.
3. The nominal capital of the Company and the principal objects for which the Company was incorporated are unknown to the Petitioner.
4. The Company is the ultimate holding company of the GFN group of companies (the "GFN Group"), whose principal controlling individual is Manuel Arturo Pellerano ("Pellerano"). Pellerano is recorded in the Company's bank account opening documents with the Petitioner dated 22 August 1996 to be the "Vicepresidente" of the Company. He was also a director of the Petitioner at all material times.

5. The Petitioner and the Company share a further four common directors or officers, Maximo Pellerano who is Pellerano's father ("Pellerano Senior"), Ben J Castillo ("Castillo"), Marcos J Troncoso ("Troncoso") and Hector Castro Noboa ("Noboa").

The Petition Debt – Insolvency

6. The Company is indebted to the Petitioner in the amount of US\$96,153,651.12 (the "Petition Debt") being the amount overdrawn on the Company's account number 71472 at the Petitioner (the "Account"), net of sums standing to the credit of the Company's account number 71075 at the Petitioner.
7. The Account was opened by Pellerano and Pellerano Senior in December 1996. The signatories listed on the Account were Pellerano, Castillo, Troncoso, Noboa and Mauricia Santos.
8. As at 28 August 2003, the final entry on the Account, the Account was overdrawn in the amount of US\$96,349,364.37.
9. The Company has a further account at the Petitioner, account number 71075, the closing credit balance on which at 14 August 2003 was US\$195,713.25.
10. The net sum due and owing to the Petitioner is therefore US\$96,153,651.12.
11. On 15 February 2006 the Petitioner's attorneys, Maples and Calder, wrote to the Company's attorneys, Ritch & Conolly, seeking the Company's proposals for repayment of the overdrawn sums on the Account. On 31 May 2006, Maples and Calder wrote a further letter to Ritch & Conolly notifying the Company that the Petitioner proposed to take formal steps to recover the debt due should a satisfactory response not be received. No response to either letter was received.
12. On 17 August 2006, the Petitioner served a statutory demand on the Company at its registered office. By the statutory demand the Petitioner claimed repayment of the amount of US\$96,153,651.12.

13. No response to the statutory demand has been received and the Company has failed or neglected to comply with the terms thereof. The Petition Debt remains unpaid. The Company is deemed unable to pay its debts pursuant to section 95(a) of the Law and is insolvent.

Need for an Investigation

14. Further and alternatively the Company should be wound up so that there can be an investigation into its affairs by officers of this Honourable Court.
15. Both the Company and the Petitioner form part of the GFN Group of companies. The Company is the ultimate beneficial owner of the Petitioner.
16. The Petitioner is heavily insolvent. As at 30 May 2006, the Petitioner's admitted creditors totalled US\$107,951,630.15 and a further US\$109,374,406.32 of claims had been submitted to the Petitioners' joint official liquidators (the "JOLs") for adjudication.
17. As at the date of this Petition realisations of the Petitioner's assets total US\$21,994,838.61.
18. Including the Petition Debt, the Petitioner's net claims against GFN Group companies total in excess of US\$137 million. The Petitioner's recoveries to date as against GFN Group companies are slightly in excess of US\$60,000.00, which sum was paid by GFN International Investment Corporation (another Cayman Islands incorporated company) to secure the dismissal of a winding up petition against it in respect of the sum in question.
19. The failure of these GFN Group companies, including the Company, to repay their debts owing to the Petitioner is the major cause of the depth and extent of the Petitioner's insolvency. Of the Petitioner's claims against GFN Group companies, the Petition Debt is the largest.
20. Given that the Petitioner and the Company were under common management and ultimate control, responsibility for this state of affairs rests with the same persons,

including Pellerano and the other common directors of the Petitioner and the Company.

21. The Petitioner's audited accounts for the year ending 31 December 2002 were expressed to have been approved by the Company's board of directors on 21 February 2003 acting by Pellerano (as a director of the Company) and Raisa Gil De Fondeur (as secretary of the Company). These accounts give no indication of the extent of the irrecoverable liabilities owed to the Petitioner by GFN Group Companies.
22. On 17 August 2006 Pellerano and Juan Felipe Mendoza ("Mendoza") were sentenced to three years imprisonment and to a fine of RD\$1million each (approximately US\$29,000) by the Dominican Republic Courts. Mendoza was a director of the Petitioner and has represented the GFN Group generally in its dealings with the Petitioner both before, and since, the Petitioner's winding up.
23. Pellerano and Mendoza's convictions were based in large part on unauthorised and improper loans they caused Banco Nacional de Credito ("Bancredito") to make to other GFN Group companies, the records of which loans they subsequently falsified and manipulated. Bancredit was treated by the GFN group as the Cayman Islands branch of Bancredito.
24. The Dominican Republic Courts found, amongst other matters, that Pellerano and Mendoza manipulated and concealed information regarding the status and extent of Bancredito's loans so as to block and divert the Dominican Republic Superintendency of Banks (the "Superintendency of Banks") from exercising proper supervision over Bancredito.
25. The Central Bank and the Superintendency of Banks have also brought a separate penal action against Pellerano and Mendoza in respect of alleged frauds committed by them at Bancredito.
26. These matters require investigation by independent liquidators appointed by this Honourable Court. Messrs Fogerty and Cleaver are appropriate persons to conduct such investigation given their existing appointment in respect of the Petitioner, a

member of the same group of companies as the Company, and the extensive knowledge and understanding of the workings of the GFN Group that they have gained as a result.

27. In the circumstances, it is just and equitable that the Company should be wound up.

The Petitioner therefore prays as follows:-

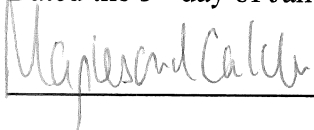
- (1) That the Company be wound up by the Court under the provisions of the Companies Law (2004 Revision).
- (2) That Richard Fogerty and G James Cleaver of Kroll (Cayman) Ltd be appointed as Joint Official Liquidators of the Company (the "Liquidators"), and that they have power to act jointly and severally.
- (3) That the Liquidators not be required to give security for their appointment.
- (4) That in addition to all their other powers, the Liquidators do have all the powers set out in Section 109 of the Companies Law (2004 Revision) and may exercise such powers without the sanction of the Court, and for the avoidance of doubt;
 - (i) the Liquidators be at liberty to appoint agents and attorneys, solicitors, barristers and other professionally qualified persons, in the Cayman Islands and/or in the Dominican Republic and/or elsewhere, to assist them in the performance of their duties on such terms as they think fit and to remunerate them out of the assets of the Company as an expense of the liquidation;
 - (ii) all the powers bestowed upon the Liquidators may be exercised by them within and outside the Cayman Islands and all such powers may be exercised by all or any of the Liquidators.
- (5) That the Liquidators 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 that the hourly rates and the amount of such remuneration be determined in accordance with the Law and Practice Direction number 1 of 2006.

- (6) That a meeting of the Company's creditors be convened by the Liquidators as soon as reasonably practical and in any event within three months of the date of the winding up order, or as the Court may direct, for the purposes of proposing a resolution of creditors for the establishment of a liquidation committee comprising of not less than three and not more than five creditors.
- (7) That the Liquidators do report to this Court within six months of the hearing of this Petition, or such other period as the Court may think fit, and thereafter at such intervals as the Liquidators do think fit or as the Court shall direct.
- (8) That the costs of presenting this Petition be paid out of the assets of the Company as an expense of the Liquidation.
- (9) Such further or alternative orders and/or directions that the Court should think fit.

And your petitioners will ever pray

Dated the 5th day of January 2007



MAPLES AND CALDER

NOTE:

It is intended that this petition be served on the Company.

ENDORSEMENT

The Petition will be heard at the Grand Court, George Town, Cayman Islands at
a.m./p.m on the day of , 2007.

THIS PETITION is issued by Maples and Calder, attorneys at law for the Petitioner, whose address for service is PO Box 309GT, Uglan House, George Town, Grand Cayman (Ref: BDM/601201-06/BDM/601201/1711260)