

CAUSE NO FSD: 0016 OF 2009 - ASCJ
(ORIGINALLY CAUSE NO. 258 OF 2006)

IN THE GRAND COURT OF THE CAYMAN ISLANDS
FINANCIAL SERVICES DIVISION
THE HONOURABLE CHIEF JUSTICE

IN THE MATTER OF THE COMPANIES LAW (2010 REVISION AS
AMENDED)

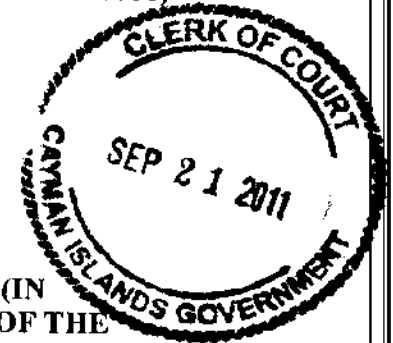
AND IN THE MATTER OF THE SPHINX GROUP OF COMPANIES (IN
OFFICIAL LIQUIDATION) AS CONSOLIDATED BY THE ORDER OF THE
GRAND COURT DATED 6TH JUNE 2007 AND LISTED IN PARTS 1 AND 2 OF
SCHEDULE 1 ATTACHED HERETO

AND IN THE MATTER OF THE SCHEME COMPANIES (IN OFFICIAL
LIQUIDATION) LISTED IN PART 1 OF SCHEDULE 1 ("the Scheme
Companies")

and their respective

SCHEME CLAIMANTS (as defined in the Schemes of Arrangement)

SCHEMES OF ARRANGEMENT pursuant to section 86 of the Companies Law (2010
Revision as amended) ("the Schemes")



PETITION

TO THE GRAND COURT OF THE CAYMAN ISLANDS

THE HUMBLE PETITION of the Scheme Companies listed in Part 1 of Schedule 1
attached hereto ("the Petitioners") of KRyS Global, Governors Square, Building 6, 2nd
Floor, 23 Lime Tree Bay Avenue, P.O. Box 31237, Grand Cayman, KY1 1205, Cayman
Islands shows that:-

Introduction

1. The object of this Petition is to obtain the sanction of the Court under section 86
of the Companies Law to the Schemes of Arrangement ("the Schemes")

proposed between the Scheme Companies and their respective Scheme Claimants (as defined in the Schemes).

2. By order of the Court dated 31st August 2011¹ (the “**Pre-Convening Directions Order**”), the Joint Official Liquidators of the Scheme Companies, Kenneth Kryz and Margot MacInnis (“**the JOLs**”), were directed:-

- (i) to make an application pursuant to section 86 of the Companies Law (the “**Convening Application**”) for an order convening Court meetings in relation to the proposed Schemes (“**the Court meetings**”);
- (ii) to give notice by various methods of the hearing of the Convening Application (“**the Convening Hearing**”) to all persons whose claims against the Scheme Companies are proposed to be compromised by the Schemes (“**Investors**”) and to any persons who have or may have the benefit of indemnities in relation to the indemnity reserve which commenced on 5 April 2010 (“**the Indemnity Reserve Application**”) and the “**the Indemnity Claimants**”) by 5 p.m. on 13th September 2011.

3. The Court further ordered that:-

- (i) on the Convening Hearing listed for hearing on 12th October 2011, the matters to be determined will include:-
 - (a) The constitution of the Court Meetings to approve the Schemes so that each such meeting consists of a class of Investors whose rights against the relevant Scheme Company which are to be released or varied under the Scheme, or the new rights which the Scheme gives

¹ NOTE: At the time of presentation of this Petition the Order dated 31 August 2011 has not been perfected and is being considered by the Chief Justice due to objections from the Indemnity Claimants as to the terms of the Order.

in their place, are not so dissimilar as to make it impossible for them to consult together with a view to their common interest;

- (b) Any other issue relevant to the jurisdiction of the Court to sanction the Schemes;
- (c) Any other issue which, although not strictly going to jurisdiction, is such that it would unquestionably lead the Court to refuse to sanction the Schemes;
- (d) Any other matters which would cause the Court to exercise its discretion not to convene the Court Meetings;
- (e) Whether the Court is satisfied that the Explanatory Statement and any other scheme documentation (including any supplementary material proposed to be provided to Investors) will provide the Investors (and/or the persons having the ultimate economic interest, if different) with all the information reasonably necessary to enable them to make an informed decision about the merits of the Schemes;

any such issue being a "Fundamental Issue"

PROVIDED that at the Convening Hearing the Court shall not consider any issue going to the fairness or merits of the Scheme which it would be appropriate for the Court to consider only at any hearing to sanction the Schemes **AND PROVIDED FURTHER** that (with the exception of issues under (b) [and (c)²] above), the consideration of the Fundamental Issues at the Convening Hearing shall not extend to any issues relating to

² Note: The Indemnity Claimants have objected to the inclusion of the words "and (c)" in the Order and the matter has been referred to the Chief Justice for consideration.

or affecting the quantum of the reserve to be established for the protection of the Indemnity Claimants.

- (ii) That any Investor or Indemnity Claimant who wishes to raise a Fundamental Issue or any matter relevant thereto:-
 - (a) Shall appear at the Convening Hearing to raise the same; and
 - (b) Shall notify the JOLs of their intention to do so by 5pm on 4th October 2011 by e-mail to Joanne.Kenna@krvs-global.com.
- (iii) That the Convening Notice shall contain a statement of directions above and shall further state that any Investor or Indemnity Claimant who seeks to raise any Fundamental Issue at the hearing to sanction the Schemes but who failed to comply with the direction relating to the raising of a Fundamental Issue will be expected by the Court to show good cause why they did not raise it at an earlier stage.
- (iv) That the JOI.s' evidence in support of the Convening Application may comprise:-
 - (a) Evidence (including any part of the Explanatory Statement for the Schemes) concerning the litigation being conducted by the JOLs in the United States which it appears to the JOLs should be kept confidential ("**the Confidential Evidence**"), which shall be served only on those Investors who sign a confidentiality undertaking in the terms annexed in Schedule 2 hereto ("**a Confidentiality Undertaking**").
 - (b) Other evidence in relation to any of the Fundamental Issues which shall be served on all Investors and on the Indemnity Claimants ("**Open Evidence**").

- (v) That the Open Evidence be served on Investors and Indemnity Claimants by 5pm on 21st September 2011:-
- (a) By posting the same (including exhibits) on the JOLs' website www.sphinxfunds.com;
 - (b) By sending a general e-mail to each Investor for whom the JOLs have an e-mail address notifying them of the Open Evidence (including exhibits) having been posted on the website;
 - (c) In the case of Investors with an extranet box, by placing a copy of the Open Evidence (including exhibits) in their extranet box;
 - (d) By serving each of the Indemnity Claimants with the Open Evidence, including exhibits.
- (vi) That the Confidential Evidence (if any) be served by 5pm on 21st September 2011 on such of the Investors as have by 5pm on 19th September 2011 supplied the JOLs with their Confidentiality Undertakings, and thereafter upon Investors within 2 Business Days of them supplying the JOLs with their Confidentiality Undertakings:-
- (a) In the case of Investors with an extranet box, by placing a copy of the Confidential Evidence (including exhibits) in their extranet box; or
 - (b) In the case of Investors without an extranet box, by creating an extranet box for them and placing a copy of the Confidential Evidence (including exhibits) in such extranet box.
- (vii) That evidence in answer in relation to any of the Fundamental Issues be filed and served on the JOLs by 5pm on 30th September 2011.

- (viii) That any evidence in reply in relation to any of the Fundamental Issues be filed and served by 5pm on 7th October 2011

PROVIDED that any evidence in reply in relation to the matters covered by the Confidential Evidence shall be served only upon those Investors who have supplied the JOLs with Confidentiality Undertakings.

The background to the Schemes

4. An outline of the history of the Scheme Companies, details of the background to the Schemes and the main terms of the Schemes will be set out in draft documentation exhibited to the affidavit filed and served in support of the Main Convening Application.

The Schemes documentation

5. A draft of the Schemes will be exhibited to the affidavit in support of the Convening Application.

Corporate information

6. Corporate details for each of the Scheme Companies (their registered offices, share capital and the objects for which they were established) are listed at Part 1 of Schedule 1 to this Petition.

Court meetings

7. At the Convening Hearing, the JOLs will ask the permission of the Court to convene Court meetings in accordance with the proposals which will be set out in the draft documentation referred to in paragraph 3 above and approve the terms of any explanatory memorandum proposed to be provided to the Scheme Claimants.

8. If the Court makes an order giving such permission and the Court meetings are held and the Schemes approved by the majorities required by section 86 of the Companies Law, the JOLs will seek the sanction of the Court for the Schemes.

YOUR PETITIONERS THEREFORE HUMBLY PRAY AS FOLLOWS:-

1. That upon the Schemes (with or without modification) being approved by the requisite majorities at the Court meetings, the Schemes (with any such modification and with such further modification (if any) as the Court may require) may be sanctioned by the Court so as to be binding upon each of the Scheme Companies and their respective Scheme Claimants; or
2. such other order as the Court shall consider appropriate including such orders for costs as the Court considers appropriate.

DATED the 21st day of September 2011



RITCH & CONOLLY
Attorneys-at-Law for the Petitioners

NOTE: It is not intended to serve this Petition on anyone or any entity but notice of it will be given in accordance with the Order for Directions made by the Grand Court on 31 August 2011

This Petition is presented by Ritch & Conolly, Attorneys-at-Law, P.O. Box 1994, 4th Floor, Queensgate House, 113 South Church Street, George Town, Grand Cayman KY1-1104, Cayman Islands, for the Petitioners whose address for service is care of their said Attorneys-at-Law (Ref: CB).

INDORSEMENT

This Petition having been presented to the Court on the 21st day of September 2011 will be heard at the Grand Court of the Cayman Islands on:

Date: 12th October 2011 (as specified in paragraph 2 of the Petition herein)

Time: 10 a.m.

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

FILED by Ritch & Conolly, Attorneys-at-Law for the Petitioner whose address for service is P.O. Box 1994, Queensgate House, 113 South Church Street, Grand Cayman KY1-1104.

SCHEDULE 1

Part 1 – Scheme Companies

Name	Registered Office	Share Capital	Date of Voluntary Liquidation	Date of Official Liquidation
PlusFunds Manager Access Fund, SPC Ltd. (In Official Liquidation)	KRyS Global Governors Square, Building 6, 2 nd Floor, 23 Lime Tree Bay Avenue, Grand Cayman, Cayman Islands	US\$101,000. (1,000 Founder Shares par value of US\$0.01 each. 10,000,000 Common Shares with par value of US\$0.01 each).	30 June 2006	28 July 2006
SPhinX Plus SPC, Ltd. (In Official Liquidation)	KRyS Global Governors Square, Building 6, 2 nd Floor, 23 Lime Tree Bay Avenue, Grand Cayman, Cayman Islands	US\$101,000. (10,000,000 Common Shares of a par value of US\$0.01 each, 1000 Founder Shares of a par value of US\$0.01 each, €50,000 divided into 5,000,000 Common shares, of a par value of €0.01, ¥5,000,000 divided into 5,000,000 Common Shares of a par value of ¥1 and CAD\$50,000 divided into 5,000,000 Common Shares of a par value of CAD\$0.01).	30 June 2006	28 July 2006
SPhinX Ltd. (In Official Liquidation)	KRyS Global Governors Square, Building 6, 2 nd Floor, 23 Lime Tree Bay Avenue, Grand Cayman, Cayman Islands	US\$101,000. (1,000 Founder Shares with par value of US\$1.00 each. 10,000,000 Common Shares with par value of US\$0.01 each).	30 June 2006	28 July 2006
SPhinX Strategy Fund Ltd. (In Official Liquidation)	KRyS Global Governors Square, Building 6, 2 nd Floor, 23 Lime Tree Bay Avenue, Grand Cayman, Cayman Islands	US\$101,000. (1,000 Founder Shares with par value of US\$1.00 each. 10,000,000 Common Shares with par value of US\$0.01 each).	30 June 2006	28 July 2006
SPhinX Managed Futures Ltd. (In Official Liquidation)	KRyS Global Governors Square, Building 6, 2 nd Floor, 23 Lime Tree Bay Avenue, Grand Cayman, Cayman Islands	US\$50,000. (1,000 Founder Shares with par value of US\$0.01 each. 4,999,000 Common Shares with par value of US\$0.01 each).	30 June 2006	28 July 2006

Name	Registered Office	Share Capital	Date of Voluntary Liquidation	Date of Official Liquidation
SPhinX Managed Futures Fund, SPC (In Official Liquidation)	KRyS Global Governors Square, Building 6, 2 nd Floor, 23 Lime Tree Bay Avenue, Grand Cayman, Cayman Islands	US\$50,000. (1,000 Founder Shares with par value of US\$0.01 each. 4,999,000 Common Shares with par value of US\$0.01 each).	30 June 2006	8 August 2006
SPhinX Long/Short Equity Fund SPC(In Official Liquidation)	KRyS Global Governors Square, Building 6, 2 nd Floor, 23 Lime Tree Bay Avenue, Grand Cayman, Cayman Islands	US\$50,000. (1,000 Founder Shares with par value of US\$0.01 each. 4,999,000 Common Shares with par value of US\$0.01 each).	30 June 2006	28 July 2006
SPhinX Fixed Income Arbitrage Fund SPC (In Official Liquidation)	KRyS Global Governors Square, Building 6, 2 nd Floor, 23 Lime Tree Bay Avenue, Grand Cayman, Cayman Islands	US\$50,000. (1,000 Founder Shares with par value of US\$0.01 each. 4,999,000 Common Shares with par value of US\$0.01 each).	30 June 2006	28 July 2006
SPhinX Convertible Arbitrage Fund SPC (In Official Liquidation)	KRyS Global Governors Square, Building 6, 2 nd Floor, 23 Lime Tree Bay Avenue, Grand Cayman, Cayman Islands	US\$50,000. (1,000 Founder Shares with par value of US\$0.01 each. 4,999,000 Common Shares with par value of US\$0.01 each).	30 June 2006	28 July 2006
SPhinX Distressed Fund SPC (In Official Liquidation)	KRyS Global Governors Square, Building 6, 2 nd Floor, 23 Lime Tree Bay Avenue, Grand Cayman, Cayman Islands	US\$50,000. (1,000 Founder Shares with par value of US\$0.01 each. 4,999,000 Common Shares with par value of US\$0.01 each).	30 June 2006	28 July 2006
SPhinX Special Situations Fund SPC (In Official Liquidation)	KRyS Global Governors Square, Building 6, 2 nd Floor, 23 Lime Tree Bay Avenue, Grand Cayman, Cayman Islands	US\$50,000. (1,000 Founder Shares with par value of US\$0.01 each. 4,999,000 Common Shares with par value of US\$0.01 each).	30 June 2006	28 July 2006

Part 2 – Non-Scheme Companies

Name	Registered Office	Share Capital	Date of Voluntary Liquidation	Date of Official Liquidation
SPhinX Convertible Arbitrage Ltd. (In Official Liquidation)	KRyS Global Governors Square, Building 6, 2 nd Floor, 23 Lime Tree Bay Avenue, Grand Cayman, Cayman Islands	US\$50,000. (1,000 Founder Shares with par value of US\$0.01 each. 4,999,000 Common Shares with par value of US\$0.01 each).	30 June 2006	28 July 2006
SPhinX Distressed Ltd. (In Official Liquidation)	KRyS Global Governors Square, Building 6, 2 nd Floor, 23 Lime Tree Bay Avenue, Grand Cayman, Cayman Islands	US\$50,000. (1,000 Founder Shares with par value of US\$0.01 each. 4,999,000 Common Shares with par value of US\$0.01 each).	30 June 2006	28 July 2006
SPhinX Equity Market Neutral Ltd. (In Official Liquidation)	KRyS Global Governors Square, Building 6, 2 nd Floor, 23 Lime Tree Bay Avenue, Grand Cayman, Cayman Islands	US\$50,000. (1,000 Founder Shares with par value of US\$0.01 each. 4,999,000 Common Shares with par value of US\$0.01 each).	30 June 2006	28 July 2006
SPhinX Fixed Income Arbitrage Ltd. (In Official Liquidation)	KRyS Global Governors Square, Building 6, 2 nd Floor, 23 Lime Tree Bay Avenue, Grand Cayman, Cayman Islands	US\$50,000. (1,000 Founder Shares with par value of US\$0.01 each. 4,999,000 Common Shares with par value of US\$0.01 each).	30 June 2006	28 July 2006
SPhinX Long/Short Equity Ltd. (In Official Liquidation)	KRyS Global Governors Square, Building 6, 2 nd Floor, 23 Lime Tree Bay Avenue, Grand Cayman, Cayman Islands	US\$50,000. (1,000 Founder Shares with par value of US\$0.01 each. 4,999,000 Common Shares with par value of US\$0.01 each).	30 June 2006	28 July 2006
SPhinX Macro Ltd. (In Official Liquidation)	KRyS Global Governors Square, Building 6, 2 nd Floor, 23 Lime Tree Bay Avenue, Grand Cayman, Cayman Islands	US\$50,000. (1,000 Founder Shares with par value of US\$0.01 each. 4,999,000 Common Shares with par value of US\$0.01 each).	30 June 2006	28 July 2006
SPhinX Merger Arbitrage Ltd. (In Official Liquidation)	KRyS Global Governors Square, Building 6, 2 nd Floor, 23 Lime Tree Bay Avenue, Grand Cayman, Cayman Islands	US\$50,000. (1,000 Founder Shares with par value of US\$0.01 each. 4,999,000 Common Shares with par value of US\$0.01 each).	30 June 2006	28 July 2006

Name	Registered Office	Share Capital	Date of Voluntary Liquidation	Date of Official Liquidation
SPhinX Special Situations Ltd. (In Official Liquidation)	KRyS Global Governors Square, Building 6, 2 nd Floor, 23 Lime Tree Bay Avenue, Grand Cayman, Cayman Islands	US\$50,000. (1,000 Founder Shares with par value of US\$0.01 each. 4,999,000 Common Shares with par value of US\$0.01 each).	30 June 2006	28 July 2006
SPhinX Equity Market Neutral Fund SPC (In Official Liquidation)	KRyS Global Governors Square, Building 6, 2 nd Floor, 23 Lime Tree Bay Avenue, Grand Cayman, Cayman Islands	US\$50,000. (1,000 Founder Shares with par value of US\$0.01 each. 4,999,000 Common Shares with par value of US\$0.01 each).	30 June 2006	28 July 2006
SPhinX Macro Fund SPC (In Official Liquidation)	KRyS Global Governors Square, Building 6, 2 nd Floor, 23 Lime Tree Bay Avenue, Grand Cayman, Cayman Islands	US\$50,000. (1,000 Founder Shares with par value of US\$0.01 each. 4,999,000 Common Shares with par value of US\$0.01 each).	30 June 2006	28 July 2006
SPhinX Merger Arbitrage Fund SPC (In Official Liquidation)	KRyS Global Governors Square, Building 6, 2 nd Floor, 23 Lime Tree Bay Avenue, Grand Cayman, Cayman Islands	US\$50,000. (1,000 Founder Shares with par value of US\$0.01 each. 4,999,000 Common Shares with par value of US\$0.01 each).	30 June 2006	28 July 2006

SCHEDULE 2

**FSD 0016 OF 2009 - ASCJ
(FORMERLY CAUSE NO: 258 OF 2006)**

IN THE GRAND COURT OF THE CAYMAN ISLANDS

IN THE MATTER OF THE COMPANIES LAW (2007 REVISION)

**AND IN THE MATTER OF THE SPHINX GROUP OF COMPANIES (IN
LIQUIDATION) as consolidated by Order of the Grand Court dated 6th June 2007**

**CONFIDENTIALITY UNDERTAKING GIVEN TO THE
GRAND COURT OF THE CAYMAN ISLANDS
PRIVILEGED AND CONFIDENTIAL**

This Confidentiality Undertaking entered into as of the ___ day of September 2011, by the undersigned Party (the “Receiving Party”).

1. **WHEREAS**, Kenneth M. Krys and Christopher Stride (since replaced by Margot MacInnis) (the “JOLs”) were appointed by Orders of the Cayman Court dated 28th July 2006 to serve as the Joint Official Liquidators of the SPHINX Companies other than SPHINX Managed Futures Fund SPC (“SMFF”) and by Order of the Grand Court of the Cayman Islands (“Cayman Court”) dated 8th August 2006 to serve as the Joint Official Liquidators of SMFF.

2. **WHEREAS**, further to the Order of the Cayman Court dated 31st August 2011 (“the Order”), directions were given in relation to Schemes of Arrangement (“the Schemes”) proposed to be made between the SPHINX Companies identified

in Part 2 of Schedule 1 to the Order (“**the Scheme Companies**”) and certain of their respective members and creditors.

3. **WHEREAS**, pursuant to paragraph 1 of the Order, the JOLs are at liberty to make an application pursuant to section 86 of the Companies Law for an order convening Court Meetings in relation to such proposed Schemes (“**the Convening Application**”).
4. **WHEREAS**, pursuant to paragraph 2 of the Order, the JOLs are required to give notice of the hearing of the Convening Application (“**the Convening Hearing**”) to all persons whose claims against the Scheme Companies are proposed to be compromised by the Schemes (“**Investors**”) and to any persons who have or may have the benefit of indemnities from the Scheme Companies including those who were the respondents to the application in relation to the indemnity reserve which commenced on 6th April 2010 (“**the Indemnity Reserve Application**” and “**the Indemnity Claimants**”) by 5pm on 13th September 2011.
5. **WHEREAS**, Paragraph 6(a) of the Order provides that the JOLs’ evidence in support of the Convening Application may comprise evidence (including any part of the Explanatory Statement for the Schemes) concerning the litigation being conducted by the JOLs in the United States which it appears to the JOLs should be kept confidential (“**the Confidential Evidence**”), which shall be served only on those Investors who sign a confidentiality undertaking in the terms of this document (“a Confidentiality Undertaking”)
6. **WHEREAS**, accordingly, it is the purpose of this Undertaking to make clear and ensure that any exchange and/or disclosure of the Confidential Evidence contemplated herein does not diminish in any way the confidentiality of the Confidential Evidence, does not constitute a waiver of any privilege or immunity otherwise available, and that the Confidential Evidence shall remain confidential

and shall continue to be protected from disclosure to any third party by applicable privileges and immunities, except as explicitly set forth herein;

NOW, THEREFORE, in order to accomplish the goals set forth above, the Receiving Party undertakes to the Cayman Court as follows:

1. That the Confidential Evidence received will not be shown made available or communicated in any way to anyone other than (a) such Party's employees, officers, directors; and/or (b) legal advisers to the Party retained in connection with the Cayman Liquidation Proceedings (the "**Permitted Recipients**") PROVIDED that any such Permitted Recipients are advised of the Order and of the confidential nature of the disclosure to them.
2. To hold all Confidential Evidence in the strictest of confidence and not to disclose any Confidential Evidence or the contents thereof to anyone other than the Permitted Recipients without first obtaining the leave of the Cayman Court.
3. That the Confidential Evidence received be used for the sole purpose of assessing the merits of the Schemes and not be used for any other collateral or ulterior purpose whatsoever without the consent of the Cayman Court.
4. To comply with and abide by the terms of this Undertaking unless released by further Order of the Cayman Court.

5. To return or destroy any hard copy or electronic documents provided to the Receiving Party if so requested by the JOLs.

6. This Undertaking shall be construed in accordance with and governed by the laws of the Cayman Islands and the parties hereby submit to the exclusive jurisdiction of the Cayman Court.

RECEIVING PARTY