

IN THE GRAND COURT OF THE CAYMAN ISLANDS

FINANCIAL SERVICES DIVISION

The Honourable Mr Justice Foster

Wednesday the 6th day of March 2013

FSD NO: FSD0090/2010-AHJ
(Originally Cause No. 59 of 2007)

IN THE MATTER OF THE COMPANIES LAW (2012 REVISION)

AND IN THE MATTER OF WATLER HOLDINGS LIMITED (In Official Liquidation)

FSD NO: FSD0091/2010-AHJ
(Originally Cause No. 193 of 2009)

IN THE MATTER OF THE COMPANIES LAW (2012 REVISION)

AND IN THE MATTER OF FRANK SOUND ESTATES LIMITED (In Official Liquidation)

FSD NO: FSD0092/2010-AHJ
(Originally Cause No. 194 of 2009)

IN THE MATTER OF THE COMPANIES LAW (2012 REVISION)

AND IN THE MATTER OF RED BAY ESTATES LTD (In Official Liquidation)

ORDER



UPON the hearing of the issue directed to be determined by paragraph 3 of the order of the Honourable Mr Justice Henderson dated 2nd October 2012 as to the construction of paragraph 5 of the order made herein on 28th November 2008

AND UPON hearing counsel for Robert Selkirk Watler III, counsel for Lynette Watler and Shannon Panton and counsel for the Joint Official Liquidators ("JOLs")

IT IS ORDERED AND DIRECTED THAT:

1. The word "value" in paragraph 5 of the order made herein on 28th November 2008 means the market value of the land to be distributed *in specie* to the three shareholders (namely the aforesaid Robert Selkirk Watler III, Lynette Watler and Shannon Panton) of Watler Holdings Limited, Frank Sound Estates Limited and Red Bay Estates Limited ("the Companies") and that such market value shall be ascertained in accordance with internationally recognised valuation standards, in particular the Royal Institution of Chartered Surveyors' Professional Standards (Incorporating the International Valuation Standards) of March 2012 in the glossary at page 7 and at Valuation Standard 3.2 at pages 30 and 31.

2. The valuations of the land to be so distributed shall include the following (a) the valuation of the entirety of the areas of land respectively shown on the plans lettered A, B, C and D annexed to the JOLs' letter dated 28th April 2011 (being the respective areas of land situated at High Rock, George Town, Duck Pond and Red Bay shown on those plans) and (b) the valuation of each of the plots of land shown on those plans which the JOLs have proposed to distribute to the respective shareholders.

3. The JOLs shall instruct Mr. David Greener of JEC Property Consultants Ltd to carry out market valuations of all the real property concerned and, having regard to such valuations, the JOLs shall if necessary then prepare a revised plan for the distribution of the said real property among the shareholders in specie in equal shares by market value. In preparing the said plan the JOLs may consider, adopt or adapt by reference to their said market valuations the scheme ("Original Scheme") previously produced by the JOLs as exhibited at exhibit GH4 to the Affidavit of Gwynn Hopkins dated 10th November 2011.

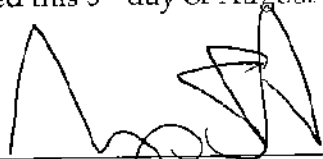


4. The completed valuations and, if produced, the revised plan of distribution referred to in paragraph 3 above shall be disclosed to each of the shareholders and unless within 21 days of such disclosure they unanimously agree to accept the plan (or, if no revised plan is deemed necessary by the JOLs, the Original Scheme) the JOLs shall apply to the court for directions as to whether or not the revised plan (or, if no revised plan is deemed necessary by the JOLs, the Original Scheme) shall be carried into effect. On the hearing of such application the valuer instructed by the JOLs shall attend for cross-examination on behalf of the respective shareholders.

5. The JOLs' costs of this application shall be paid from the assets of the Companies and the expense of the attendance at this hearing of Mr Greener of JEC Property Consultants Ltd. shall be treated as an expense of the liquidations of the Companies and paid accordingly.

6. There shall be no order as to the costs of the respective shareholders of this application or the hearing on 2nd October 2012.

Dated this 6th day of March 2013
Filed this 5th day of August 2013


The Hon Mr. Justice Angus Foster
JUDGE OF THE GRAND COURT



APPROVED AS TO FORM AND CONTENT

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THIS Order was filed by Campbells, Attorneys at Law for the Joint Official Liquidators, whose address for service is 4th Floor, Scotia Centre, George Town, Grand Cayman, Tel: 949 2648/Fax: 949 8613 (Ref: GC/AJW/12872-15960)
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