

IN THE GRAND COURT OF THE CAYMAN ISLANDS

FINANCIAL SERVICES DIVISION

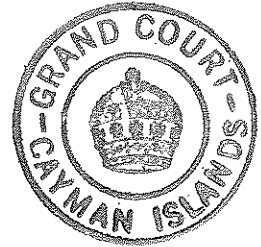
CAUSE NO. FSD 27 OF 2013 - AJJ

The Hon. Mr. Justice Andrew J. Jones Q.C.  
In Chambers  
Tuesday, 28<sup>th</sup> day of January 2014

IN THE MATTER OF THE COMPANIES LAW (2013 REVISION)

AND

IN THE MATTER OF HERALD FUND SPC (IN OFFICIAL LIQUIDATION)



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ORDER

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**UPON THE APPLICATION OF** Russell Smith and Niall Goodsir-Cullen, the principal joint official liquidators (the "**Principal Liquidators**") of Herald Fund SPC (in Official Liquidation) (the "**Company**") made by way of Walkers' letter dated 23 December 2013 (the "**Application**")

**AND UPON READING** the Second Affidavit of Russell Smith sworn and filed herein on 23 December 2013, the First Report of the Additional Liquidator and the Second Report of the Principal Liquidators, both dated 16 January 2014

**AND UPON HEARING** Counsel for the Principal Liquidators

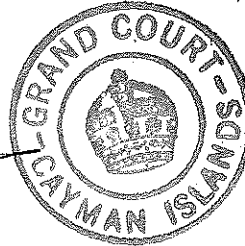
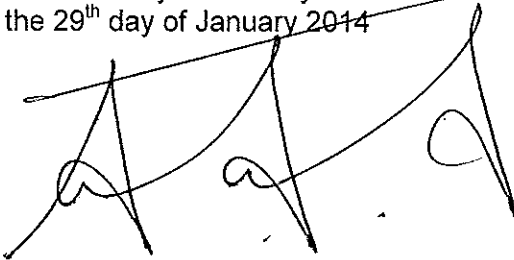
**IT IS HEREBY ORDERED AND DIRECTED** that the Application is dismissed by reason of the fact that the Court has no jurisdiction to sanction the establishment of a liquidation committee, the composition of which does not comply with the membership requirements prescribed by Order 9 of *The Companies Winding Up Rules 2008 (as amended)* (the "**CWR**").

**AND UPON** the Court having considered, in consequence, whether a direction should be made pursuant to CWR Order 9, rule 1(1) dispensing with the need for a liquidation committee to be established at all

**IT IS FURTHER ORDERED AND DIRECTED that :-**

1. The Court will not dispense with the need to establish a liquidation committee.
2. The Principal Liquidators shall re-consider, pursuant to CWR Order 8, rule 1(2), their initial determination of 'doubtful solvency'.
3. If, having re-considered their initial determination of 'doubtful solvency', the Principal Liquidators are of the opinion that the Company should be regarded as 'solvent', they shall certify the establishment of a liquidation committee comprising the four contributories (shareholders) elected at the first meeting of contributories held on 17 September 2013.
4. The Principal Liquidators' costs of and incidental to the Application shall be paid out of the assets of the Company as an expense of the liquidation;

DATED the 28<sup>th</sup> day of January 2014  
FILED the 29<sup>th</sup> day of January 2014



**The Hon. Mr. Justice Andrew J. Jones QC**  
**JUDGE OF THE GRAND COURT**

This Order was filed by Walkers, Attorneys at Law for the Principal Liquidators whose address for service is that of their said attorneys, 190 Elgin Avenue, George Town, Grand Cayman KY1-9001.