

IN THE HIGH COURT OF JUSTICE IN THE ISLE OF MAN

CHANCERY DIVISION

IN THE MATTER of **THE COMPANIES ACT 1931**

and

IN THE MATTER of **KAUPTHING SINGER & FRIEDLANDER (ISLE OF MAN) LIMITED**

and

IN THE MATTER of **THE JOINT PETITION** of **KAUPTHING SINGER & FRIEDLANDER (ISLE OF MAN) LIMITED** and the **FINANCIAL SUPERVISION COMMISSION** dated 9th October 2008 (the "Winding Up Petition")

And

IN THE MATTER of the Motion of Legal and General (Ireland) Limited dated the 18th February 2009

And

IN THE MATTER of the Motion of Canada Life International Limited dated the 18th February 2009

And

IN THE MATTER of the Motion of CMI Insurance Company Limited, Norwich Union International Limited, AXA Isle of Man Limited, Royal Skandia Life Assurance Limited, Prudential International Assurance Limited and Friends Provident International Limited dated the 18th February 2009 (the "Motion to Adduce Affidavit Evidence")

And

IN THE MATTER of an oral application by and on behalf of Creg Ny Baa Property Holdings Limited, Cassidy Creek Limited, Balios Limited, Trustees of The Giulo Trust, Honeyby Limited, Gingerbread Limited, Trustees of The Marsh Trust and Stradbrook Limited

And

IN THE MATTER of the Application (by affidavits) of the Treasury of the Isle of Man Government seeking a further adjournment of the hearing of the Winding Up Petition (the "Treasury's Application")

At a Court held in Douglas on
the 19th day of February 2009

**HIS HONOUR
THE DEPUTY DEEMSTER CORLETT**

UPON the Winding Up Petition and above styled Motions and Applications being called this day in the presence of Counsel for Kaupthing Singer & Friedlander (Isle of Man) Limited ("KSFIOM") and the Isle of Man Government Financial Supervision Commission (together the "Joint Petitioners") and in the presence of Counsel for:-

1. The Treasury of the Isle of Man Government (the "Treasury")
2. CMI Insurance Company Limited, Norwich Union International Limited, AXA Isle of Man Limited, Royal Skandia Life Assurance Limited, Prudential International Assurance Limited Friends Provident International Limited and Legal and General (Ireland) Limited
3. Canada Life International Limited
4. Falconridge Holdings Limited and Richochet A.R.L
5. Zygmund Siczko, Sarah Chantrey and Tracey Sheila Spuyman
6. Creg Ny Baa Property Holdings Limited, Cassidy Creek Limited, Balios Limited, Trustees of The Giulo Trust, Honeyby Limited, Gingerbread Limited, Trustees of The Marsh Trust and Stradbrook Limited
7. Michael Simpson and Peter Norman Spratt as Joint Liquidators provisionally of KSFIOM

And Counsel for Zygmund Siczko, Sarah Chantrey and Tracey Sheila Spuyman also appearing for the purposes of today's hearing for Leo Keith Hughes

And Norman Roper and Mary Roper each appearing in person

And there being no appearance by or on behalf of Kaupthing Bank hf, Martin Moule, PRC Mortgages Limited, Martyn Dawes, Medallion Capital Corporation, Gavin Brake or Katie Jarman **AND** having granted leave to adduce affidavit evidence pursuant to the Motion to Adduce Affidavit Evidence **And** having read the following Affidavits:-

- i. Third Affidavit of Allan Robert Bell sworn on the 12th February 2009;

- ii. Affidavit of Gabriel Moss QC sworn on the 12th February 2009 and the exhibit thereto;
- iii. Fourth Affidavit of David C. Lovett sworn on the 13th February 2009 and the exhibit thereto;
- iv. Third Affidavit of John Wright sworn on the 18th February 2009;
- v. Third Affidavit of Michael Simpson sworn on the 18th February 2009 and the exhibits thereto;
- vi. The Affidavit of Jonathan Hall sworn on the 17th February 2009;
- vii. The Affidavit of Ralph Neill Stewart Angus sworn on the 18th February 2009;
- viii. The Affidavit of John Hollis sworn on the 18th February 2009;
- ix. The Affidavit of Dean Waddington sworn on the 18th February 2009;
- x. The Affidavit of Bruce Gunn sworn on the 18th February 2009; and
- xi. The Affidavit of Tim Madigan sworn on the 18th February 2009

AND having heard the above styled motions and applications **AND** having heard Counsel and Mr Roper and Mrs Roper **And** having also heard from persons who stated themselves to be depositors of KSFIOM but are not parties to the Winding Up Petition **Upon** consideration had thereof **IT IS** Ordered that:

1. Pursuant to Rule 22 of the Companies (Winding-up) Rules 1934 special leave to appear on the hearing of the Winding Up Petition is granted to:-
 - (1) Legal and General (Ireland) Limited
 - (2) Canada Life International Limited
 - (3) Creg Ny Baa Property Holdings Limited, Cassidy Creek Limited, Balios Limited, Trustees of The Giulo Trust, Honeyby Limited, Gingerbread Limited, Trustees of The Marsh Trust and Stradbrook Limited
2. In respect of the Treasury's Application, further hearing of the Winding Up Petition is hereby adjourned to Thursday the 9th April 2009 at 10.00 am at the Courthouse in Douglas.
3. The powers granted to Michael Simpson and Peter Norman Spratt as Joint Liquidators provisionally of KSFIOM under the Orders dated 9th October 2008 and/or 24th October 2008 and/or 20th November 2008 and/or 29th January 2009 be and hereby are extended by the addition of the following powers:-

- (1) In conjunction with the Treasury and/or its agents including AlixPartners Limited to consider, prepare and promote (including in consultation with creditors) a scheme of arrangement pursuant to section 152 of the Companies Act 1931 between the Company and its creditors or any class of them
 - (2) To nominate an informal creditors' committee from among members of the general body of creditors of the Company, such informal creditors' committee to assist the Joint Liquidators Provisionally in the discharge of their duties and, in particular, in the formulation of a scheme of arrangement
 - (3) In conjunction with the Treasury and/or its agents including AlixPartners Limited to finalise the terms of a scheme of arrangement and explanatory statement to be issued to the Company's creditors, or any class of them, and on being reasonably satisfied that such scheme has a reasonable prospect of being approved by the requisite majority of creditors and sanctioned by the Court and subject to such approval and sanction, to do all such things as may be necessary to secure the approval, sanctioning and implementation of such scheme
4. The Joint Petitioners shall cause a plain copy of this Order to be served upon Kaupthing Bank hf, Martin Moule, PRC Mortgages Limited, Martyn Dawes, Medallion Capital Corporation, Gavin Brake and Katie Jarman.



SEAL OF THE HIGH COURT

ISLE OF MAN COURTS
OF JUSTICE

23rd February 2009
EXAMINED AND CERTIFIED A TRUE
COPY

AP Gedhill
Deputy Assistant Chief Registrar

