

United States Bankruptcy Court SOUTHERN DISTRICT OF NEW YORK		Voluntary Petition		
Name of Debtor (if individual, enter Last, First, Middle): Bear Stearns High-Grade Structured Credit Strategies Master Fund, Ltd.		Name of Joint Debtor (Spouse) (Last, First, Middle):		
All Other Names used by the Debtor in the last 8 years (include married, maiden, and trade names):		All Other Names used by the Joint Debtor in the last 8 years (include married, maiden, and trade names):		
Last four digits of Soc. Sec./Complete EIN or other Tax I.D. No. (if more than one, state all): 98-0409643		Last four digits of Soc. Sec./Complete EIN or other Tax I.D. No. (if more than one, state all):		
Street Address of Debtor (No. and Street, City, and State):  c/o Walkers SPV Limited P.O. Box. 908GT 87 Mary Street, George Town Grand Cayman, Cayman Islands		Street Address of Joint Debtor (No. and Street, City, and State):		
ZIP CODE		ZIP CODE		
County of Residence or of the Principal Place of Business: GRAND CAYMAN, CAYMAN ISLANDS		County of Residence or of the Principal Place of Business:		
Mailing Address of Debtor (if different from street address):  KPMG Century Yard Cricket Square Elgin Avenue, Grand Cayman, P.O. Box 493 KY1-1106, Cayman Islands c/o Kristen Beighton		Mailing Address of Joint Debtor (if different from street address):		
ZIP CODE		ZIP CODE		
Location of Principal Assets of Business Debtor (if different from street address above):  c/o Bear Stearns Asset Management 237 Park Avenue New York, NY 10017		ZIP CODE		
<p><b>Type of Debtor</b> (Form of Organization) (Check one box.)</p> <input type="checkbox"/> Individual (includes Joint Debtors) <i>See Exhibit D on page 2 of this form.</i> <input checked="" type="checkbox"/> Corporation (includes LLC and LLP) <input type="checkbox"/> Partnership <input type="checkbox"/> Other (If Debtor is not one of the above entities, check this box and state type of entity below.)	<p><b>Nature of Business</b> (Check one box.)</p> <input type="checkbox"/> Health Care Business <input type="checkbox"/> Single Asset Real Estate as defined in 11 U.S.C. § 101(51B) <input type="checkbox"/> Railroad <input type="checkbox"/> Stockbroker <input type="checkbox"/> Commodity Broker <input type="checkbox"/> Clearing Bank <input checked="" type="checkbox"/> Other	<p><b>Chapter of Bankruptcy Code Under Which the Petition is Filed</b> (Check one box.)</p> <input type="checkbox"/> Chapter 7 <input type="checkbox"/> Chapter 9 <input type="checkbox"/> Chapter 11 <input type="checkbox"/> Chapter 12 <input type="checkbox"/> Chapter 13 <input checked="" type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Main Proceeding <input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Nonmain Proceeding	<p><b>Tax-Exempt Entity</b> (Check one box.)</p> <input type="checkbox"/> Debtor is a tax-exempt organization under Title 26 of the United States Code (the Internal Revenue Code).	<p><b>Nature of Debts</b> (Check one box.)</p> <input type="checkbox"/> Debts are primarily consumer debts, defined in 11 U.S.C. § 101(8) as "incurred by an individual primarily for a personal, family, or household purpose." <input checked="" type="checkbox"/> Debts are primarily business debts.
<p><b>Filing Fee</b> (Check one box.)</p> <input checked="" type="checkbox"/> Full filing fee attached. <input type="checkbox"/> Filing fee to be paid in installments (applicable to individuals only). Must attach signed application for the court's consideration certifying that the debtor is unable to pay fee except in installments. Rule 1006(b). See Official Form 3A. <input type="checkbox"/> Filing fee waiver requested (applicable to chapter 7 individuals only.) Must attach signed application for the court's consideration. See Official Form 3B.		<p><b>Chapter 11 Debtors</b></p> <p><b>Check one box:</b></p> <input type="checkbox"/> a small business debtor as defined in 11 U.S.C. § 101(51D). <input type="checkbox"/> Debtor is not a small business debtor as defined in 11 U.S.C. § 101(51D). <p><b>Check if:</b></p> <input type="checkbox"/> Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2 million. <p>-----</p> <p><b>Check all applicable boxes:</b></p> <input type="checkbox"/> A plan is being filed with this petition. <input type="checkbox"/> Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).		
<p><b>Statistical/Administrative Information</b></p> <input checked="" type="checkbox"/> Debtor estimates that funds will be available for distribution to unsecured creditors. <input type="checkbox"/> Debtor estimates that, after any exempt property is excluded and administrative expenses paid, there will be no		THIS SPACE IS FOR COURT USE ONLY		

funds available for distribution to unsecured creditors.									
1-49	50-99	100-199	200-999	1,000-5,000	5,001-10,000	10,001-25,000	25,001-50,000	50,001-100,000	Over 100,000
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Estimated Assets									
<input type="checkbox"/> \$0 to \$50,000		<input type="checkbox"/> \$50,000 to \$100,000		<input type="checkbox"/> \$100,000 to \$1 million		<input type="checkbox"/> \$1 million to \$100 million		<input checked="" type="checkbox"/> More than \$100 million	
Estimated Liabilities									
<input type="checkbox"/> \$0 to \$50,000		<input type="checkbox"/> \$50,000 to \$100,000		<input type="checkbox"/> \$100,000 to \$1 million		<input type="checkbox"/> \$1 million to \$100 million		<input checked="" type="checkbox"/> More than \$100 million	

**Official Form 1 (10/06)**

<b>Voluntary Petition</b> <i>(This page must be completed and filed in every case.)</i>		Name of Debtor(s):	
<b>All Prior Bankruptcy Cases Filed Within Last 8 Years</b> (If more than two, attach additional sheet.)			
Location Where Filed:		Case Number:	Date Filed:
Location Where Filed:		Case Number:	Date Filed:
<b>Pending Bankruptcy Case Filed by any Spouse, Partner, or Affiliate of this Debtor</b> (If more than one, attach additional sheet.)			
Name of Debtor:		Case Number:	Date Filed:
District:		Relationship:	Judge:
<b>Exhibit A</b>  (To be completed if debtor is required to file periodic reports (e.g., forms 10K and 10Q) with the Securities and Exchange Commission pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 and is requesting relief under chapter 11.)  <input type="checkbox"/> Exhibit A is attached and made a part of this petition.		<b>Exhibit B</b>  (To be completed if debtor is an individual whose debts are primarily consumer debts.)  I, the attorney for the petitioner named in the foregoing petition, declare that I have informed the petitioner that [he or she] may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, and have explained the relief available under each such chapter. I further certify that I have delivered to the debtor the notice required by 11 U.S.C. § 342(b).  X _____ Signature of Attorney for Debtor(s) (Date)	
<b>Exhibit C</b>			
Does the debtor own or have possession of any property that poses or is alleged to pose a threat of imminent and identifiable harm to public health or safety?			
<input type="checkbox"/> Yes, and Exhibit C is attached and made a part of this petition.			
<input checked="" type="checkbox"/> No.			
<b>Exhibit D</b>			
(To be completed by every individual debtor. If a joint petition is filed, each spouse must complete and attach a separate Exhibit D.)			
<input type="checkbox"/> Exhibit D completed and signed by the debtor is attached and made a part of this petition.			
If this is a joint petition:			
<input type="checkbox"/> Exhibit D also completed and signed by the joint debtor is attached and made a part of this petition.			
<b>Information Regarding the Debtor - Venue</b> (Check any applicable box.)			
<input type="checkbox"/> Debtor has been domiciled or has had a residence, principal place of business, or principal assets in this District for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other District.			
<input type="checkbox"/> There is a bankruptcy case concerning debtor's affiliate, general partner, or partnership pending in this District.			
<input checked="" type="checkbox"/> Debtor is a debtor in a foreign proceeding and has its principal place of business or principal assets in the United States in this District, or has no principal place of business or assets in the United States but is a defendant in an action or proceeding [in a federal or state court] in this District, or the interests of the parties will be served in regard to the relief sought in this District.			
<b>Statement by a Debtor Who Resides as a Tenant of Residential Property</b> (Check all applicable boxes.)			
<input type="checkbox"/> Landlord has a judgment against the debtor for possession of debtor's residence. (If box checked, complete the following.)			
_____ (Name of landlord that obtained judgment)			
_____ (Address of landlord)			
<input type="checkbox"/> Debtor claims that under applicable nonbankruptcy law, there are circumstances under which the debtor would be permitted to cure the entire monetary default that gave rise to the judgment for possession, after the judgment for possession was entered, and			
<input type="checkbox"/> Debtor has included with this petition the deposit with the court of any rent that would become due during the 30-day period after the filing of the petition.			

**Voluntary Petition**

*(This page must be completed and filed in every case.)*

Name of Debtor(s):

**Signatures**

**Signature(s) of Debtor(s) (Individual/Joint)**

I declare under penalty of perjury that the information provided in this petition is true and correct.  
 [If petitioner is an individual whose debts are primarily consumer debts and has chosen to file under chapter 7] I am aware that I may proceed under chapter 7, 11, 12 or 13 of title 11, United States Code, understand the relief available under each such chapter, and choose to proceed under chapter 7.  
 [If no attorney represents me and no bankruptcy petition preparer signs the petition] I have obtained and read the notice required by 11 U.S.C. § 342(B).

I request relief in accordance with the chapter of title 11, United States Code, specified in this petition.

X \_\_\_\_\_  
 Signature of Debtor

X \_\_\_\_\_  
 Signature of Joint Debtor

\_\_\_\_\_  
 Telephone Number (if not represented by attorney)

\_\_\_\_\_  
 Date

**Signature of a Foreign Representative**

I declare under penalty of perjury that the information provided in this petition is true and correct, that I am the foreign representative of a debtor in a foreign proceeding, and that I am authorized to file this petition.

(Check only one box.)

I request relief in accordance with chapter 15 of title 11, United States Code. Certified copies of the documents required by 11 U.S.C. § 1515 are attached.

Pursuant to 11 U.S.C. § 1511, I request relief in accordance with the chapter of title 11 specified in this petition. A certified copy of the order granting recognition of the foreign main proceeding is attached.

X /s/ Kristen Beighton  
 (Signature of Foreign Representative)

Kristen Beighton, as Joint Provisional Liquidator  
 (Printed Name of Foreign Representative)

7/31/07  
 Date

**Signature(s) of Attorney(s)**

X /s/ Fred S. Hodara  
 Signature of Attorney for Debtor(s)

Fred S. Hodara  
 Printed Name of Attorney for Debtor(s)

Akin Gump Strauss Hauer & Feld LLP  
 Firm Name

590 Madison Avenue  
New York, NY 10022-2524  
 Address

(212) 872-1000  
 Telephone number

7/31/07  
 Date

**Signature of Non-Attorney Bankruptcy Petition Preparer**

I declare under penalty of perjury that: (1) I am a bankruptcy petition preparer as defined in 11 U.S.C. § 110; (2) I prepared this document for compensation and have provided the debtor with a copy of this document and the notices and information required under 11 U.S.C. §§ 110(b), 110(h), and 342(b); and, (3) if rules or guidelines have been promulgated pursuant to 11 U.S.C. § 110(h) setting a maximum fee for services chargeable by bankruptcy petition preparers, I have given the debtor notice of the maximum amount before preparing any document for filing for a debtor or accepting any fee from the debtor, as required in that section. Official Form 1 9B is attached.

\_\_\_\_\_  
 Printed Name and title, if any, of Bankruptcy Petition Preparer

\_\_\_\_\_  
 Social Security number (If the bankruptcy petition preparer is not an individual, state the Social Security number of the officer, principal, responsible person or partner of the bankruptcy petition preparer.)  
 (Required by 11 U.S.C. § 110.)

\_\_\_\_\_  
 Address

\_\_\_\_\_  
 Date

Signature of bankruptcy petition preparer or officer, principal, responsible person, or partner whose Social Security number is provided above.

Names and Social Security numbers of all other individuals who prepared or assisted in preparing this document unless the bankruptcy petition preparer is not an individual.

If more than one person prepared this document, attach additional sheets conforming to the appropriate official form for each person.

*A bankruptcy petition preparer's failure to comply with the provisions of title 11 and the Federal Rules of Bankruptcy Procedure may result in fines or imprisonment or both. 11 U.S.C. § 110; 18 U.S.C. § 156.*

**Signature of Debtor (Corporation/Partnership)**

I declare under penalty of perjury that the information provided in this petition is true and correct, and that I have been authorized to file this petition on behalf of the debtor.

The debtor requests the relief in accordance with the chapter of title 11, United States code, specified in this petition.

X \_\_\_\_\_  
 Signature of Attorney Individual

\_\_\_\_\_  
 Printed name of Authorized Individual

\_\_\_\_\_  
 Title of Authorized Individual

\_\_\_\_\_  
 Date

Fred S. Hodara (FH-7947)  
Lisa G. Beckerman (LB-9655)  
AKIN GUMP STRAUSS HAUER & FELD LLP  
590 Madison Avenue  
New York, New York 10022-2524  
(212) 872-1000 (Telephone)  
(212) 872-1002 (Facsimile)

David F. Staber (*pro hac vice pending*)  
AKIN GUMP STRAUSS HAUER & FELD LLP  
1700 Pacific Avenue, Suite 4100  
Dallas, Texas 75201  
(214) 969-2800 (Telephone)  
(214) 969-4343 (Facsimile)

Counsel for the Joint Provisional Liquidators

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

----- x  
In re: Chapter 15  
:  
BEAR STEARNS HIGH-GRADE STRUCTURED : Case No. 07 - \_\_\_\_\_ ( )  
CREDIT STRATEGIES MASTER FUND, LTD. :  
(IN PROVISIONAL LIQUIDATION) :  
:  
Debtor in a Foreign Proceeding.  
----- x

**VERIFIED PETITION FOR RECOGNITION OF FOREIGN  
MAIN PROCEEDING PURSUANT TO SECTIONS 1515 AND 1517  
OF THE BANKRUPTCY CODE AND RELATED RELIEF**

Simon Lovell Clayton Whicker and Kristen Beighton, joint provisional liquidators  
(the “JPLs” and the “Petitioners”) of Bear Stearns High-Grade Structured Credit Strategies  
Master Fund, Ltd. (In Provisional Liquidation) (“High-Grade Fund”), by its undersigned counsel  
Akin Gump Strauss Hauer & Feld LLP, respectfully file the Official Form Petition and this  
Verified Petition (together, the “Petition”) pursuant to section 1515 of title 11 of the United  
States Code (the “Bankruptcy Code” or the “Code”) for entry of an order recognizing the

liquidation (the “Foreign Proceeding”) of High-Grade Fund in the Grand Court of the Cayman Islands (the “Cayman Grand Court”) as a foreign main proceeding pursuant to section 1517 of the Bankruptcy Code, and thereby granting related relief pursuant to section 1520 of the Bankruptcy Code and granting additional relief pursuant to section 1521(a) of the Code. In the alternative, if the Court finds that the Foreign Proceeding is not eligible for recognition as a foreign main proceeding, Petitioners seek recognition of the Foreign Proceeding as a foreign non-main proceeding, as defined in 11 U.S.C. § 1502(5) and seek relief under section 1521 of the Bankruptcy Code.

### **PRELIMINARY STATEMENT**

Petitioners have commenced this case pursuant to 11 U.S.C. §§ 1504, 1509, 1515, and 1517 by filing the Petition seeking recognition of a foreign liquidation proceeding that is currently pending in the Cayman Grand Court, and seeking relief as of right under section 1520 and further relief available under section 1521 of the Bankruptcy Code. As demonstrated by this Verified Petition, the Declaration of Sandra Corbett, and the Declaration of Kristen Beighton, each of which is attached as Exhibit A and B, respectively, Petitioners are individual persons who are the duly authorized foreign representatives of High-Grade Fund, and as such are entitled to directly petition this Court for recognition of the Foreign Proceeding under 11 U.S.C. § 1509. The Foreign Proceeding is a “foreign main proceeding” as defined by 11 U.S.C. § 1502(4), because the Foreign Proceeding is pending in the Cayman Islands, which is the “center of main interests” for High-Grade Fund as defined by 11 U.S.C. §§ 1502(4), 1516(c), 1517(b)(1).

Because: (i) recognition of the Foreign Proceeding would not be contrary to public policy under 11 U.S.C. § 1506; (ii) the Foreign Proceeding is a foreign main proceeding under 11 U.S.C. § 1502(4); (iii) the Petitioners are persons authorized in the Foreign Proceeding to administer the liquidation of the Foreign Debtor’s assets in the Cayman Grand Court; and

(iv) Petitioners have complied with all requirements of 11 U.S.C. § 1515 and Interim Bankruptcy Rule 1007(a)(4), Petitioners are entitled to entry of an order recognizing the Foreign Proceeding as a foreign main proceeding under 11 U.S.C. § 1517(b)(1), and are entitled to the appropriate relief as set forth in sections 1520 and 1521 of the Bankruptcy Code.

### **JURISDICTION AND VENUE**

1. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, and 11 U.S.C. §§ 109 and 1501. Venue of this proceeding is proper in this judicial district pursuant to 28 U.S.C. § 1410. This is a core proceeding under 28 U.S.C. § 157(b)(2)(P).

### **FACTUAL BACKGROUND**

#### **A. High-Grade Fund**

2. High-Grade Fund is a Cayman Islands exempted limited liability company with a registered office in the Cayman Islands. High-Grade Fund is an open-ended investment company, which was incorporated in the Cayman Islands on September 3, 2003. The objective of High-Grade Fund was to seek high income and capital appreciation relative to London Interbank Offered Rate (“LIBOR”). Upon information and belief, High-Grade Fund intended to invest in: (i) investment-grade structured finance securities; (ii) asset-backed securities (“ABSs”); (iii) synthetic ABSs; (iv) mortgage-backed securities; (v) global structured asset securitizations; (vi) derivatives; (vii) options; (viii) swaps; (ix) swaptions; (x) futures; (xi) forward contracts; (xii) equity securities; and (xiii) currencies. Upon information and belief, High-Grade Fund was designed for long-term investors who understood and were willing to accept the risk of the loss of capital involved in these types of investments.

#### **B. Administration of High-Grade Fund**

3. The JPLs believe, based upon High-Grade Fund’s available records, that:  
(a) the five directors of High-Grade Fund are Mr. Barry J. Cohen, Mr. Greg Quental, Mr. Gerald

Cummins, Mr. Scott P. Lennon, and Ms. Michelle M. Wilson-Clarke; and (b) PFPC Inc. (Delaware), a Massachusetts corporation (the “Administrator”), is the administrator of High-Grade Fund. Pursuant to an administrative services agreement between High-Grade Fund and the Administrator, the Administrator served as administrator, registrar and transfer agent and provided day-to-day administrative services to High-Grade Fund, including accounting and clerical functions, processing the issuance, transfer and redemption of shares, maintaining all appropriate shareholder registers and ledgers, distributing annual reports and account statements to shareholders, responding to inquiries received from shareholders, prospective investors, and others, maintaining High-Grade Fund’s principal administrative records, disbursing payment of expenses of High-Grade Fund, responding to inquiries from the general public, and notifying High-Grade Fund’s investment manager of redemption requests. The books and records of High-Grade Fund are maintained and stored in Delaware by the Administrator,<sup>1</sup> and Deloitte & Touche, Cayman Islands signed off on the most recent audited financial statements of High-Grade Fund. Bear Stearns Asset Management Inc. (“BSAM”), a corporation formed under the laws of the state of New York, is the investment manager for High-Grade Fund.

**C. Cayman Islands Liquidation Proceeding**

4. Following the well-publicized volatility in the market related to United States sub-prime lending, by late May 2007 High-Grade Fund had begun to suffer a significant devaluation of its asset portfolio. The devaluation of these secured assets led to margin calls from many of its trade counterparts, which High-Grade Fund was ultimately unable to meet. This, in turn, resulted in the issuance of default notices by those counterparties and their exercise of rights under their respective agreements to seize and/or sell those assets of High-Grade Fund

---

<sup>1</sup> The investor registers, however, are held in Dublin, Ireland by an affiliate of the Administrator.

that had been the subject of repurchase agreements or over which they held security interests. On or about June 20, 2007, Merrill Lynch issued a bid list to certain of its clients and thereafter sold off certain of these assets. This resulted in further downward pressure on the relevant asset classes and a revaluation of High-Grade Fund's assets. As this process has proceeded, the market has continued to deteriorate with respect to the asset classes in which High-Grade Fund was invested.

5. On June 22, 2007, Bear Stearns Investment Products Inc. ("BSIP") agreed to make available to High-Grade Fund a facility by way of a Master Repurchase Agreement (the "MRA") into which, subject to an overall limit of up to US\$3.2 billion, outstanding repo positions with third party counterparties could be rolled. The outstanding repo positions of various counterparties, totaling approximately US\$1.6 billion, were rolled into the BSIP facility.

6. On July 20, 2007, BSIP issued a margin call under the MRA. As a result of the failure of High-Grade Fund to meet the margin call, BSIP declared an event of default, which had the effect of accelerating the repurchase dates for each transaction under the MRA. BSIP took possession and control over the assets which were subject to the repurchase agreement free of any of the rights of High-Grade Fund.

7. Other secured counterparties have now sold off those of High-Grade Fund's assets that had been the subject of other repurchase agreements or over which they claim to have held a security interest. In at least one such case, this process has resulted in a claimed shortfall for which the counterparty now seeks to recover against High-Grade Fund.

8. On July 30, 2007, the board of directors of High-Grade Fund passed a resolution, authorizing High-Grade Fund to file a petition seeking an order that High-Grade Fund be wound up under the provisions of the Companies Law of the Cayman Islands and to apply for

the appointment of the Petitioners to act as JPLs of High-Grade Fund, subject to the supervision of the Cayman Grand Court. On July 31, 2007, the Cayman Grand Court entered an order appointing the Petitioners as the JPLs of the Foreign Debtor.

**D. High-Grade Fund's Assets**

9. Upon information and belief, all of High-Grade Fund's assets are managed by BSAM, and are located within this judicial district. Although BSAM has indicated to the JPLs that it will follow the directions of the JPLs with respect to the assets within its control, other assets of High-Grade Fund consist of receivables from broker dealers and all (or virtually all) are located within this judicial district. It therefore may be necessary to obtain an order of this Court to compel those broker dealers to deliver those assets to the JPLs.

**E. Chapter 15 Petition**

10. In light of the foregoing, Petitioners seek recognition of High-Grade Fund's liquidation as a foreign main proceeding (or, in the alternative, a foreign non-main proceeding) in order to seek the United States Bankruptcy Court's assistance in identifying, realizing, and properly administering the assets of High-Grade Fund for the benefit of its stakeholders.

**RELIEF REQUESTED**

11. In furtherance of their duties as the JPLs of High-Grade Fund, Petitioners seek an Order of this Court pursuant to §§ 105(a), 1507, 1517, 1520, and 1521 of the Bankruptcy Code, substantially in the form of the proposed order attached hereto as Exhibit C (the "Proposed Order"), granting the following relief:

- a) Recognition of the Foreign Proceeding as a foreign main proceeding as defined in section 1502(4) of the Bankruptcy Code;<sup>2</sup>
- b) Granting relief as of right upon recognition of a foreign main proceeding pursuant to section 1520 of the Bankruptcy Code;
- c) Granting further additional relief as authorized by section 1521 of the Bankruptcy Code, including, without limitation:
  - 1. staying the commencement or continuation of any action or proceeding concerning the assets, rights, obligations or liabilities of High-Grade Fund, including any action or proceeding against the JPLs in their provisional capacity as Liquidators of High-Grade Fund, to the extent not stayed under section 1520(a) of the Bankruptcy Code (except as provided in sections 555 through 557, 559 through 562, 1520 and 1521 of the Bankruptcy Code);
  - 2. staying execution against the assets of High-Grade Fund to the extent not stayed under section 1520(a) of the Bankruptcy Code;
  - 3. suspending the right to transfer or otherwise dispose of any assets of High-Grade Fund to the extent this right has not been suspended under section 1520(a) of the Bankruptcy Code;
  - 4. providing for the examination of witnesses, the taking of evidence, the production of documents, or the delivery of information concerning the assets, affairs, rights, obligations or liabilities of High-Grade Fund, and finding that such information is required in the Foreign Proceeding under the law of the United States; and
  - 5. entrusting the administration or realization of all or part of the assets of High-Grade Fund within the territorial jurisdiction of the United States to the Petitioners;
- d) Otherwise granting comity to and giving full force and effect to the Foreign Proceeding; and
- e) awarding Petitioners such other and further relief as this Court may deem just and proper.

---

<sup>2</sup> Attached hereto as Exhibit D is a Court-sealed, certified copy of the Official Form Petition.

12. Although Petitioners believe that the Foreign Proceeding should be recognized as a foreign main proceeding, in the event the Court determines that the Foreign Proceeding is not eligible to be recognized as a foreign main proceeding, Petitioners seek recognition of the Foreign Proceeding as a foreign non-main proceeding, as defined in 11 U.S.C. § 1502(5), and request that the Court grant the relief requested above, and such other and further relief as is proper, pursuant to section 1521 of the Bankruptcy Code.

**REQUEST FOR WAIVER OF LOCAL BANKRUPTCY RULE 9013-1(b)**

13. It is respectfully requested that this Court waive and dispense with the requirement set forth in Rule 9013-1(b) of the Local Rules for the United States Bankruptcy Court for the Southern District of New York that any motion filed shall be accompanied by a memorandum of law on the grounds that, while chapter 15 of the Bankruptcy Code is itself novel, the relevant authorities in support of the Verified Petition are contained herein.

**HEARING DATE AND NOTICE**

14. Petitioners request that the Court set the date for a hearing, pursuant to section 1517(c) of the Bankruptcy Code. If no objections to this Petition are filed by the date ordered for such objections, Petitioners request that the Court enter the Proposed Order recognizing the Foreign Proceeding as a foreign main proceeding without a hearing, pursuant to Local Rule 2002-1.

15. According to Cayman counsel, Petitioners have complied with Cayman law regarding the notification of the Foreign Proceeding, and there are no additional requirements under Cayman law regarding notice of these proceedings.

16. Petitioners propose that once a hearing date (the “Hearing Date”) has been set by the Court, notice will be given as reasonable and appropriate under the circumstances in the Foreign Proceeding and in this District. Specifically, Petitioners propose sending a Notice of

Filing and Hearing (the “Notice”), in substantially the form attached hereto as Exhibit D, with copies of the Chapter 15 Petition, this Verified Petition, the Declaration of Sandra Corbett, and the Declaration of Kristen Beighton, on the known interested parties in accordance with each such party’s last known contact information, and by first-class U.S. mail on the Office of the United States Trustee and the SEC.

17. Notice will be sent so as to provide these parties with at least 20 days notice of the Hearing Date, pursuant to Rule 2002(q) of the Interim Bankruptcy Rules.

18. Petitioners believe that such notice and service is reasonable and proper under the circumstances, and that no other or further notice is necessary or appropriate.

**CONCLUSION**

WHEREFORE, Petitioners respectfully request that this Court enter an Order, substantially in the form of the Proposed Order on Recognition attached hereto as Exhibit C, granting the relief requested herein and such other and further relief as may be just and proper.

Dated: July 31, 2007  
New York, NY

**AKIN GUMP STRAUSS HAUER & FELD LLP**

By: /s/ Fred S. Hodara  
Fred S. Hodara (FH- 7947)  
Lisa G. Beckerman (LB-9655)  
590 Madison Avenue  
New York, New York 10022-2524  
(212) 872-1000 (Telephone)  
(212) 872-1002 (Facsimile)

David F. Staber (*pro hac vice pending*)  
1700 Pacific Avenue, Suite 4100  
Dallas, Texas 75201  
(214) 969-2800 (Telephone)  
(214) 969-4343 (Facsimile)

Counsel for the Joint Provisional Liquidators

**VERIFICATION**

Pursuant to 28 U.S.C. § 1746, Kristen Beighton declares as follows:

I am Joint Provisional Liquidator of Bear Stearns High-Grade Structured Credit Strategies Master Fund, Ltd. (In Provisional Liquidation), and have full authority to verify the foregoing Petition. I have read the foregoing Petition, and am informed and do believe that the statements contained therein are true and accurate to the best of my knowledge, information, and belief.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on this \_\_\_ day of \_\_\_\_\_, 2007,  
in Grand Cayman, The Cayman Islands

/s/   
Kristen Beighton