

William T. Reid IV
Rachel S. Fleishman
Angela J. Somers
Two Wall Street, Suite 5200
New York, New York 10005
Tel.: (212) 344-5200

R. Adam Swick
1301 S. Capital of Texas Highway
Building C, Suite 300
Austin, Texas 78746
Tel.: (512) 647-6100

*Counsel to Joint Official Liquidators of AJW Offshore, Ltd.,
AJW Master Fund, Ltd., AJW Offshore II, Ltd., and AJW Master Fund II, Ltd.*

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

In re:

AJW OFFSHORE, LTD., *et al.*,

Debtors in Foreign Proceedings.

Chapter 15

Case No. 13-70078-ast
13-70082-ast
13-70085-ast
13-70087-ast
(Jointly Administered)

SUPPLEMENTAL DECLARATION OF IAN STOKOE

I, Ian Stokoe, pursuant to 28 U.S.C. § 1746, hereby declare under penalty of perjury under the laws of the United States of America that the following is true and correct to the best of my knowledge and belief:

1. I am one of the Joint Official Liquidators (“**Joint Official Liquidators**” or “**Petitioners**”) of AJW Offshore Ltd. (“**Offshore I**”), AJW Master Fund, Ltd. (“**Master Fund I**”), AJW Offshore II, Ltd. (“**Offshore II**”), and AJW Master Fund II, Ltd. (“**Master Fund II**”) (collectively the “**Offshore Funds**”). I was appointed by the Grand Court of the Cayman Islands, Financial Services Division to oversee the foreign proceedings, as I understand are defined in section 101(23) of title 11 of the United States Code (the “**Bankruptcy Code**”), of the

Offshore Funds—Matter Nos. 202 of 2011 for Offshore I, 200 of 2011 for Master Fund I, 204 of 2010 for Offshore II, 60 of 2011 for Master Fund II (the “**Cayman Island Proceedings**”). I am authorized, as one of the foreign representatives of the Offshore Funds, as defined in section 101(24) of the Bankruptcy Code, to commence Chapter 15 proceedings.

2. On January 7, 2013, my fellow Joint Official Liquidator, David Walker, and I caused to be filed several documents with this Court on behalf of the Offshore Funds, including the (i) Official Form B1 Chapter 15 [dkt item 1]; (ii) Verified Petition of Foreign Representatives Ian Stokoe and David Walker in Support of Applications for Recognition of Foreign Main Proceedings Pursuant to 11 U.S.C. § 1517 and Additional Relief [dkt item 3] (the “**Verified Petition**”); (iii) Declaration of Ian Stokoe [dkt item 5]; (iv) Motion for Order Specifying Form and Manner of Service and Notice [dkt item 8] (“**Notice Motion**”); and (v) Motion for Joint Administration [dkt item 9] (collectively, the “**Chapter 15 Documents**”).

3. I submit this Supplemental Declaration in furtherance of the request of Petitioners for recognition of the Cayman Islands Proceedings.

4. Petitioners believe Offshore I had 44 investors; Offshore II had 156 investors; and Master Fund I and Master Fund II each had two investors, their feeder funds.


5. The last audited accounts for the Offshore Funds were for the year ended December 31, 2007. These show that Master Fund I had \$694.4 million in net assets and Offshore I had \$454.9 million in net assets. The Offshore Funds’ auditor prepared U.S. tax returns for the year ended December 31, 2010 from information and valuations supplied by the NIR Group, LLC (“**NIR**”), the sole owner and manager of the Offshore Funds’ investment manager. These returns provide the last available data regarding net asset values produced by the investment manager for shareholders. Based on information from these returns, the net assets

of the Offshore Funds appear to be as follows: Master Fund I—\$141.5 million, Offshore I—\$122.4 million, Master Fund II—\$556.1 million, and Offshore II—\$367 million.

6. Although I believe that the valuations NIR provided the auditor were improperly inflated, the Offshore Funds as well as the Onshore Funds (as defined in the Verified Petition) collectively took in several hundred million dollars from shareholders. In conjunction with Admiral Administration Ltd., the Cayman Islands based administrator of the Offshore Funds, Petitioners are currently attempting to calculate the net amount subscribed by current investors in Offshore I and Offshore II. This amount will comprise the amounts subscribed in cash by those investors who remain shareholders in those funds, net of redemptions paid to those investors.

7. Organization charts for the structure of Offshore I and Master Fund I as well as for Offshore II and Master Fund II are collectively attached hereto as **Exhibit A**.

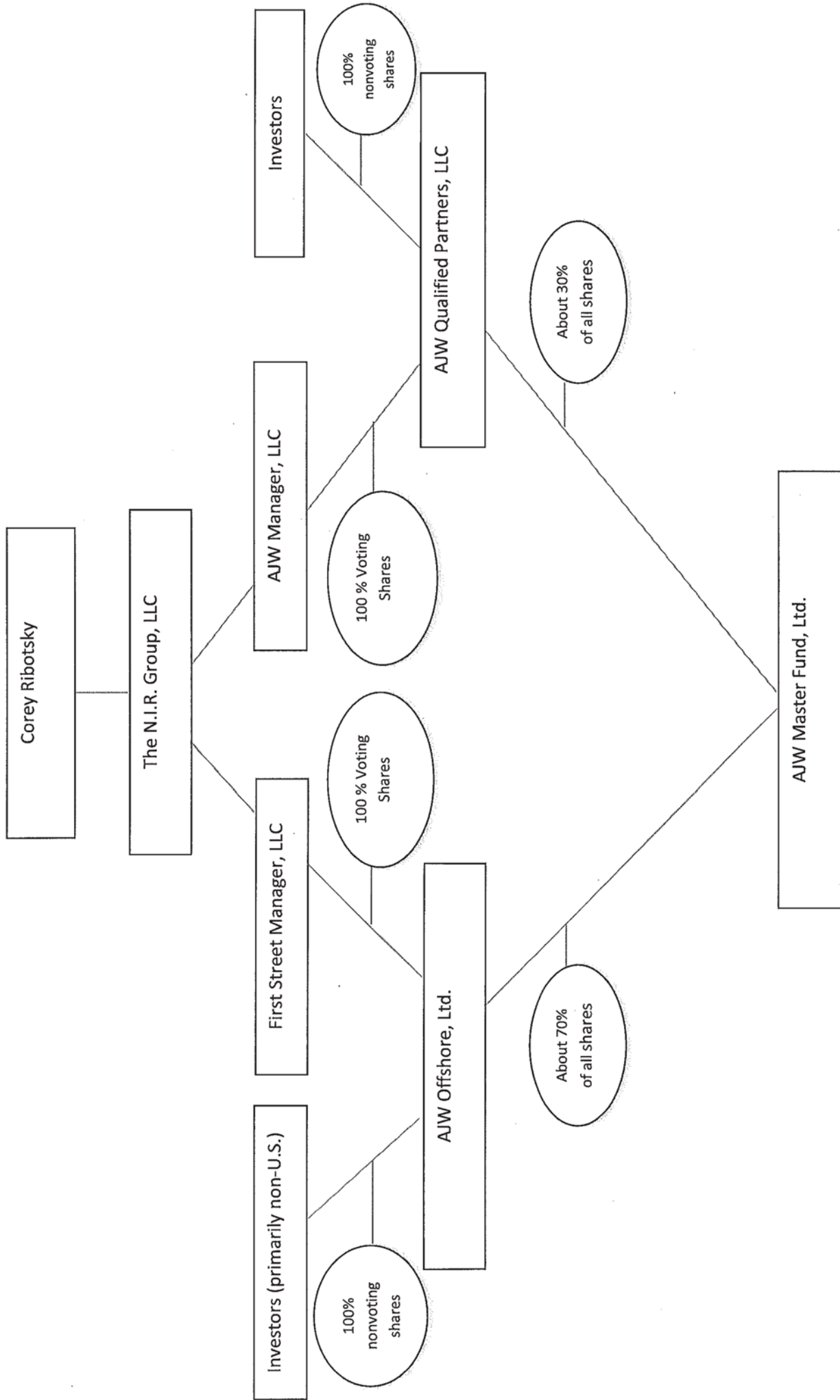
Executed this 25th day of January, 2013.



Ian Stokoe

EXHIBIT A

ORGANIZATIONAL CHART-STRUCTURE 1



ORGANIZATIONAL CHART-STRUCTURE 2

