

**IN THE HIGH COURT OF JUSTICE OF 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
the 9th day of October 2008**

AFFIDAVIT OF PETER BRUCE CLUCAS

I, PETER BRUCE CLUCAS, care of 15-19 Athol Street, Douglas, Isle of Man being sworn make Oath and say as follows:

1. I am a director of Cains Advocates Limited ("Cains") of 15-19 Athol Street, Douglas, Isle of Man. Cains act for one of the above named Petitioners, namely Kaupthing Singer & Friedlander (Isle of Man) Limited ("KSFIOM"). The other Petitioner, namely the Financial Supervision Commission ("the FSC") is represented by Quinn Kneale, Advocates.
2. Cains is also retained by Michael Simpson and Peter Norman Spratt in their capacity as Joint Liquidators Provisionally of KSFIOM.
3. I make this Affidavit in connection with these proceedings and in particular the hearing of the above styled Petition which is scheduled to take place at 10.00 am Thursday, 29th January 2009.
4. The content of this Affidavit is true to the best of my knowledge and belief.

5. Ahead of the said hearing scheduled for the 29th January 2009 my firm has received a number of letters (nine in total) dated 21st or 22nd January 2009 from persons stating that they are each depositors of KSFIOM and, in each case, urging that this Honourable Court grant further time for the consideration of a Scheme of Arrangement by way of a further 60 day adjournment of these proceedings. In each case the letters are addressed to Advocate Caine of Cains as Advocates for KSFIOM and to Advocate Jonathan Wild of Quinn Kneale as Advocates for the FSC.

6. There is now produced and shown to me a bundle of documents marked "PBC 1" which contains copies of the letter from the persons to which I have referred in paragraph 5 above.

7. None of the persons whose letters are exhibited to this my Affidavit are (as yet) Noticed Parties to these proceedings. Notwithstanding this, I believe that it is proper to bring the correspondence that I exhibit hereto to the attention of the Court.

8. Although KSFIOM, as one of the Joint Petitioners, does not intend to comment in detail upon the content of the letters exhibited to this affidavit, I am instructed that the directors of KSFIOM have no knowledge that the proposed Scheme of Arrangement will achieve an outcome under which an amount sufficient to meet the full claims of all depositors and creditors will become available. The directors of KSFIOM believe that the potential return to certain depositors and creditors of KSFIOM, whether under the proposed Scheme of Arrangement or within a liquidation, will remain dependent upon the level of realisation of the assets of KSFIOM.

TAKEN and SWORN at Douglas :
this 28th day of January 2009 :

Before me



A Commissioner for Oaths

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:
:
:
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:
:



Nicola M Pitts
Advocate
Commissioner for Oaths
Victoria Chambers, 47 Victoria Street
Douglas, Isle of Man, British Isles, IM1 2LD

**IN THE HIGH COURT OF JUSTICE OF
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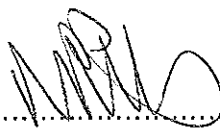
and

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

EXHIBIT

THIS IS THE PAPER WRITING REFERRED TO AS "PBC 1" IN THE ANNEXED
AFFIDAVIT OF PETER BRUCE CLUCAS
SWORN BEFORE ME

THIS 28TH DAY OF JANUARY 2009



.....
Commissioner for Oaths

Nicola M Pitts
Advocate
Commissioner for Oaths
Victoria Chambers, 47 Victoria Street
Douglas, Isle of Man, British Isles, IM1 2LD

STEPHEN THOMAS

145/5 Novercherkasky Bulvar
Moscow
Russian Federation
hotstevedata@hotmail.com

RECEIVED

21 JAN 2008

Seth Fargher Caine, Advocate for KSF IoM Ltd
Jonathan Wild, Advocate for the Financial Supervision Commission,
Cains,
15-19, Athol Street,
Douglas,
Isle of Man. IM1 1LB

January, 22nd 2009.

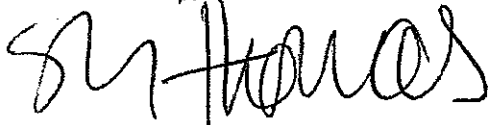
Dear Sirs,
Kaupthing Singer and Friedlander (Isle of Man) Limited

I write to you as a substantial depositor (US\$722,560) in order that the High Court Isle of Man might be petitioned not to wind up Kaupthing Singer and Friedlander (Isle of Man) Limited at the hearing scheduled for January 29th 2009 and for the High Court Isle of Man to sanction the pursuit of the Scheme of Arrangement being considered.

As one who has been very active in defending the position of the depositors, I believe this to be in the best interests of all depositors and all creditors of the bank. It is my view that the Scheme of Arrangement under development is highly likely to be approved by the vast majority of depositors and creditors, whose interests would be served more effectively going this route than by a winding up that would trigger the Isle of Man Depositor Compensation Scheme. If the High Court Isle of Man deems it appropriate to sanction the pursuit of the Scheme of Arrangement, the outcomes are highly likely, in my opinion, to result in the best possible recovery of money to the rightful control of the Kaupthing, Singer and Friedlander (Isle of Man) Limited Joint Provisional Liquidators, potentially achieving sufficient monies to meet all depositor and creditor sums due, given appropriate management of the Scheme over time.

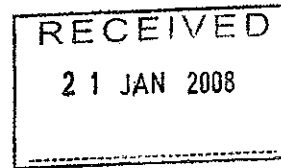
I respectfully urge the Isle of Man High Court grant further time for these and related matters to be brought to a satisfactory conclusion and to set a further future hearing date which I suggest might be a further 60 days.

Yours faithfully,



Stephen G Thomas

Lynn Shillito
Braddan House
Braddan Bridge
Braddan
IM4 4TL



Seth Fargher Caine, Advocate for KSF IoM Ltd
Jonathan Wild, Advocate for the Financial Supervision Commission,
Cains,
15-19, Athol Street,
Douglas,
Isle of Man. IM1 1LB

January, 22nd 2009.

Dear Sirs,

Kaupthing Singer and Friedlander (Isle of Man) Limited

I am writing to you as a substantial depositor in order that the High Court Isle of Man might be petitioned not to wind up Kaupthing Singer and Friedlander (Isle of Man) Limited at the hearing scheduled for January 29th 2009 and for the High Court Isle of Man to sanction the pursuit of the Scheme of Arrangement being considered.

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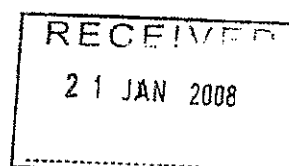
I respectfully urge the Isle of Man High Court grant further time for these and related matters to be brought to a satisfactory conclusion and to set a further future hearing date which I suggest might be a further 60 days.

Yours faithfully,

A handwritten signature in black ink, appearing to read "L. Shillito".

Lynn Shillito

David Shillito
Braddan House
Braddan Bridge
Braddan
IM4 4TL



Seth Fargher Caine, Advocate for KSF IoM Ltd
Jonothan Wild, Advocate for the Financial Supervision Commission,
Cains,
15-19, Athol Street,
Douglas,
Isle of Man. IM1 1LB

January, 22nd. 2009.

Dear Sirs,
Kaupthing Singer and Friedlander (Isle of Man) Limited

I am writing to you as a substantial depositor in order that the High Court Isle of Man might be petitioned not to wind up Kaupthing Singer and Friedlander (Isle of Man) Limited at the hearing scheduled for January 29th 2009 and for the High Court Isle of Man to sanction the pursuit of the Scheme of Arrangement being considered.

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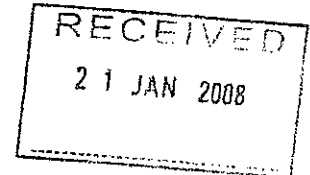
I respectfully urge the Isle of Man High Court grant further time for these and related matters to be brought to a satisfactory conclusion and to set a further future hearing date which I suggest might be a further 60 days.

Yours faithfully,

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke at the end.

David Shillito

Mr AC & Mrs NC Cubbon
Highview
3 Meadow Crescent
Douglas
IM2 1NG
22 January 2009



Seth Fargher Caine, Advocate for KSF IoM Ltd
Jonathan Wild, Advocate for the Financial Supervision Commission,
Cains,
15-19, Athol Street,
Douglas,
Isle of Man. IM1 1LB

January, 22nd.2009.

Dear Sirs,
Kaupthing Singer and Friedlander (Isle of Man) Limited

I am writing to you as a depositor in order that the High Court Isle of Man might be petitioned not to wind up Kaupthing Singer and Friedlander (Isle of Man) Limited at the hearing scheduled for January 29th 2009 and for the High Court Isle of Man to sanction the pursuit of the Scheme of Arrangement being considered.

It is my view that the Scheme of Arrangement under development is highly likely to be approved by the vast majority of depositors and creditors, whose interests would be served more effectively going this route than by a winding up that would trigger the Isle of Man Depositor Compensation Scheme. If the High Court Isle of Man deems it appropriate to sanction the pursuit of the Scheme of Arrangement, the outcomes are highly likely, in my opinion, to result in the best possible recovery of money to the rightful control of the Kaupthing, Singer and Friedlander (Isle of Man) Limited Joint Provisional Liquidators, potentially achieving sufficient monies to meet all depositor and creditor sums due, given appropriate management of the Scheme over time.

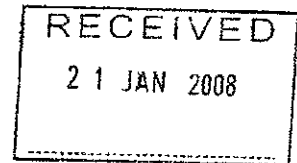
I respectfully urge the Isle of Man High Court grant further time for these and related matters to be brought to a satisfactory conclusion and to set a further future hearing date which I suggest might be a further 60 days.

Yours faithfully,

A handwritten signature in black ink, appearing to read "A C Cubbon". The signature is fluid and cursive, with a long horizontal stroke at the end.

A C Cubbon

David Osborn
Kionlough House
Bride
Isle of Man
IM7 4AG



Seth Fargher Caine, Advocate for KSF IoM Ltd
Jonathan Wild, Advocate for the Financial Supervision Commission
Cains
15-19, Athol Street
Douglas
Isle of Man.IM1 1LB

January, 22nd 2009.

Dear Sirs,

Kaupthing Singer and Friedlander (Isle of Man) Limited

I am writing to you as a depositor to request that the High Court, Isle of Man, might be petitioned not to wind up Kaupthing Singer and Friedlander (Isle of Man) Limited at the hearing scheduled for January 29th 2009 and for the High Court, Isle of Man, to sanction the pursuit of the Scheme of Arrangement being considered.

I believe this to be in the best interests of all depositors and all creditors of the bank. It is my view that the Scheme of Arrangement under development is highly likely to be approved by the vast majority of depositors and creditors, whose interests would be served more effectively by following this route than by a winding up that would trigger the Isle of Man Depositor Compensation Scheme.

If the High Court, Isle of Man, deems it appropriate to sanction the pursuit of the Scheme of Arrangement, the outcomes are highly likely, in my opinion, to result in the best possible recovery of money to the rightful control of the Kaupthing, Singer and Friedlander (Isle of Man) Limited Joint Provisional Liquidators, potentially achieving sufficient monies to meet all depositor and creditor sums due, given appropriate management of the Scheme over time.

I respectfully urge the Isle of Man High Court grant further time for these and related matters to be brought to a satisfactory conclusion and to set a further future hearing date which I suggest might be a further 60 days.

Yours faithfully,

A handwritten signature in dark ink, appearing to read "David Osborn". The signature is fluid and cursive, with a long horizontal stroke at the end.

David Osborn

Telephone (507) 6725 6150
Email GORDONINGL@aol.com

Apartado 0830-01942,
Panama,
Republica de Panama.

Seth Fargher Caine, Advocate for KSF IoM Ltd
Jonothan Wild, Advocate for the Financial Supervision Commission,
Cains,
15-19, Athol Street,
Douglas,
Isle of Man. IM1 1LB

RECEIVED
21 JAN 2008

January, 22nd 2009.

Dear Sirs,

Kaupthing Singer and Friedlander (Isle of Man) Limited

I write to you in my capacity as a substantial depositor (£6.71m) in order that the High Court Isle of Man might be petitioned not to wind up Kaupthing Singer and Friedlander (Isle of Man) Limited at the hearing scheduled for January 29th 2009 and for the High Court Isle of Man to sanction the pursuit of the Scheme of Arrangement being considered.

I believe this to be in the best interests of all depositors and all creditors of the bank: In my view the Scheme of Arrangement under development is highly likely to be approved by the vast majority of depositors and creditors, whose interests would be served more effectively by the Scheme than by a winding up that would trigger the Isle of Man Depositor Compensation Scheme. If the High Court Isle of Man deems it appropriate to sanction the pursuit of the Scheme of Arrangement, the outcomes are highly likely to result in the best possible recovery of money to the rightful control of the Kaupthing, Singer and Friedlander (Isle of Man) Limited Joint Provisional Liquidators, potentially achieving an amount sufficient to meet all depositor and creditor sums due, given appropriate management of the Scheme through time.

I strongly urge the Isle of Man High Court therefore to grant further time for these and related matters to be brought to a satisfactory conclusion and to set a further future hearing date which I humbly suggest might be a further 60 days.

Yours faithfully,



Gordon Inglis

*A G Hewitt
Narradale West
Sulby
IM72HA*

Seth Fargher Caine, Advocate for KSF IoM Ltd
Jonathan Wild, Advocate for the Financial Supervision Commission,
Cains,
15-19, Athol Street,
Douglas,
Isle of Man. IM1 1LB

January, 22nd 2009.

Dear Sirs,
Kaupthing Singer and Friedlander (Isle of Man) Limited

I am writing to you as a substantial depositor and in order that the High Court Isle of Man might be petitioned not to wind up Kaupthing Singer and Friedlander (Isle of Man) Limited at the hearing scheduled for January 29th 2009 and for the High Court Isle of Man to sanction the pursuit of the Scheme of Arrangement being considered.

As one who has been very active in defending the position of the depositors, I believe this to be in the best interests of all depositors and all creditors of the bank. It is my view that the Scheme of Arrangement under development is highly likely to be approved by the vast majority of depositors and creditors, whose interests would be served more effectively going this route than by a winding up that would trigger the Isle of Man Depositor Compensation Scheme. If the High Court Isle of Man deems it appropriate to sanction the pursuit of the Scheme of Arrangement, the outcomes are highly likely, in my opinion, to result in the best possible recovery of money to the rightful control of the Kaupthing, Singer and Friedlander (Isle of Man) Limited Joint Provisional Liquidators, potentially achieving sufficient monies to meet all depositor and creditor sums due, given appropriate management of the Scheme over time.

I respectfully urge the Isle of Man High Court grant further time for these and related matters to be brought to a satisfactory conclusion and to set a further future hearing date which I suggest might be a further 60 days.

Yours faithfully,


A G Hewitt

22 January 2009.

Seth Fargher Caine, Advocate for KSF IoM Ltd
Jonothan Wild, Advocate for the Financial Supervision Commission,
Cains,
15-19, Athol Street,
Douglas,
Isle of Man.IM1 1LB

Dear Sirs,

Kaupthing Singer and Friedlander (Isle of Man) Limited

I write to you in our capacity as very High net worth depositors in the above bank; in order that the High Court Isle of Man might be petitioned not to wind up Kaupthing Singer and Friedlander (Isle of Man) Limited at the hearing scheduled for January 29th 2009 and for the High Court Isle of Man to sanction the pursuit of the Scheme of Arrangement being considered.

I believe this to be in the best interests of all depositors and all creditors of the bank: In my view the Scheme of Arrangement under development is highly likely to be approved by the vast majority of depositors and creditors, whose interests would be served more effectively by the Scheme than by a winding up that would trigger the Isle of Man Depositor Compensation Scheme. If the High Court Isle of Man deems it appropriate to sanction the pursuit of the Scheme of Arrangement, the outcomes are highly likely to result in the best possible recovery of money to the rightful control of the Kaupthing, Singer and Friedlander (Isle of Man) Limited Joint Provisional Liquidators, potentially achieving an amount sufficient to meet all depositor and creditor sums due, given appropriate management of the Scheme through time.

I strongly urge the Isle of Man High Court therefore to grant further time for these and related matters to be brought to a satisfactory conclusion and to set a further future hearing date which I suggest might be a further 60 days.

Yours faithfully,
Maher Ayoub FRCS England
Susan Ayoub MCSP

Seth Fargher Caine, Advocate for KSF IoM Ltd
Jonothan Wild, Advocate for the FSC.
Cains,
15-19, Athol Street,
Douglas,
Isle of Man. IM1 1LB

22 January 2009.

Dear Sirs,

I write to you in our capacity as high net worth depositors in the above bank, and following your recent letter to my advocate Mr John Conti and my specific case file. Namely that Friends Provident did transfer £320,000.00 into Kaupthing Singer and Friedlander (Isle of Man) Limited, into two separate timed deposit accounts. You have since advised that on the day of the transfer 6.10.08, we subsequently became creditors of the bank, and the subsequent instruction by Friends Provident to transfer the monies back to them was never action.

These monies were the proceeds of a House sale and were destined to purchase a home for me and my family, suffice to say I am sure you read of similar cases of anguish and suffering, but you surely can relate to the timeframes being particularly hard for me, 6th October in, 8th October monies frozen!

Naturally I am disappointed with the letter you sent and this stance, but as the time comes for the hearing to be heard next week, I feel I have to write to you to urge you to petition the High Court Isle of Man not to wind up Kaupthing Singer and Friedlander (Isle of Man) Limited at the hearing scheduled, and for the High Court Isle of Man to sanction the pursuit of the Scheme of Arrangement to be considered.

I believe this to be in the best interests of all depositors and all creditors of the bank. In my view the Scheme of Arrangement under development is highly likely to be approved by the vast majority of depositors and creditors, whose interests would be served more effectively by the Scheme than by a winding up that would trigger the Isle of Man Depositor Compensation Scheme.

If the High Court Isle of Man deems it appropriate to sanction the pursuit of the Scheme of Arrangement, the outcomes are highly likely to result in the best possible recovery of money to the rightful control of the Kaupthing, Singer and Friedlander (Isle of Man) Limited Joint Provisional Liquidators, potentially achieving an amount sufficient to meet all depositor and creditor sums due, given appropriate management of the Scheme through time.

I strongly urge the Isle of Man High Court therefore to grant further time for these and related matters to be brought to a satisfactory conclusion and to set a further future hearing date which I suggest might be a further 60 days.

Yours faithfully,

Marina Martin
oakleyst33@hotmail.com

Serial No. CP 2008/94

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PETER BRUCE CLUCAS

Cains Advocates Limited
Old Bank Chambers
15-19 Athol Street
Douglas
Isle of Man