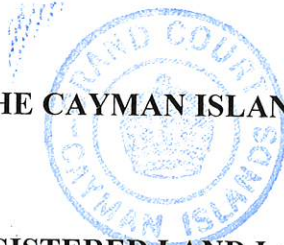


IN THE GRAND COURT OF THE CAYMAN ISLANDS



CAUSE NO. 106 OF 2010

IN THE MATTER OF THE REGISTERED LAND LAW (2004 REVISION)

AND IN THE MATTER OF BREAKERS, BLOCK 48C, PARCEL 34
AND IN THE MATTER OF SPOTTS, BLOCK 25B, PARCEL 69
AND IN THE MATTER OF PROSPECT, BLOCK 22C, PARCEL 50

BETWEEN:

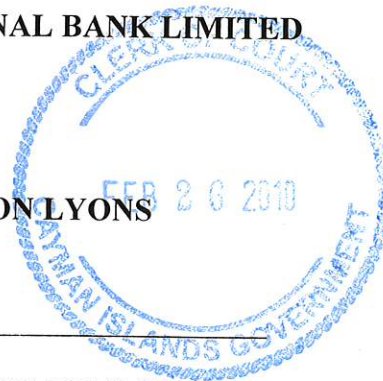
CAYMAN NATIONAL BANK LIMITED

PLAINTIFF

AND

BRENDON LYONS

DEFENDANT



ORIGINATING SUMMONS

TO: **Brendon Lyons whose address for service is P.O. Box 30458, Grand Cayman KY1-1202**

LET THE DEFENDANT, Brendon Lyons, within 14 days after service of this Summons on him, counting the day of service, return the accompanying acknowledgement of service to the Court Office, P. O. Box 495, George Town, Grand Cayman KY1-1106.

BY THIS SUMMONS which is issued on the application of the Plaintiff, Cayman National Bank Limited., PO Box 1097, 200 Elgin Avenue, George Town, Grand Cayman KY1-1102, the Plaintiff seeks relief pursuant to the provisions of the Registered Land Law (2004 Revision) as follows:-

1. On or about 14th May 2007 the Defendant as Chargor and the Plaintiff as the Chargee executed Collateral First Legal (Third Party) Charges ("the Charges") in respect of the properties registered at the Lands and Survey Department as Breakers, Block 48C, Parcel 34, Spotts, Block 25B, Parcel 69 and Prospect, Block 22C, Parcel 50 ("Parcels 34, 69 and 50").
2. The Charges provided, inter alia, that:

- 2.1 In consideration of the Chargee granting Monster Entertainment Ltd (“the Company”) facilities for loans and/or overdrafts the Chargor would charge his freehold interest in Parcels 34,69 and 50 to secure the payment to the Chargee of the principal sum:
- 2.2 The said principal sum was Two Hundred and Forty Thousand CI Dollars (CI\$240,000.00) which was to be secured as Charges on Parcels 34, 69 and 50 together with interest.
3. The Charges provided, inter alia, that:
 - 3.1 Interest on the principal sum would accrue at the rates of 3% and 2% per annum, respectively, above the Chargee’s Prime Rate for Cayman Islands Dollars and subject to variation.
 - 3.2 The Chargor and/or the Company shall repay the principal sum on demand together with any interest then due.
 - 3.3 Pending such demand for repayment the Chargor and/or the Company would pay to the Chargee such monthly or other sums as the Chargee shall from time to time specify, which said sums shall be applied by the Chargee first in payment of interest from the date hereof at the rate or rates aforesaid and the balance shall be applied in reduction of the principal sum.
4. Since or before February 2009 the Defendant and/or the Company has failed to pay the monthly instalments due in respect of the principal sum loaned and in respect of interest.
5. The Legal Charges provided, inter alia, that :

“In the event that the Chargor shall fail to discharge all monies and liabilities in full in accordance with the terms hereof or in the event that the Chargor shall be in breach of any of the Chargor’s covenants or obligations herein contained whether express or implied or in the event that the Chargor commits any act of bankruptcy or makes any assignment or composition for the benefit of the Chargor’s creditors or, being a company, goes into liquidation (other than a voluntary liquidation for the purposes of a reconstruction only the terms of which have been previously approved in writing by the Chargee) or suffers the appointment of a receiver over any part of the Chargor’s assets than in any such event the whole of the Principal Sum and all interest thereon and any other sums owing hereunder to the Chargee shall become immediately due and payable and the provisions of Section 72 to 75 of the said Law shall apply subject to the modifications hereinafter set forth:-

(a) The power of sale and of appointing a receiver and any other remedies available to the Chargee shall become immediately exercisable without further notice;


(b) In the event that the Chargee does appoint a receiver the Chargee shall be entitled to exercise its power of sale at any time thereafter without further notice;

(c) Upon the exercise of the Chargee's power of sale the Chargee shall have the right and power to sell the charged property by private treaty or by public auction or part in one way and part the other".

6. By letters dated 22nd September 2009 and served by personal service on the Defendant on 5th October 2009, served notices on the Defendant pursuant to the provisions of Section 64(2) and Section 72(1) of the Registered Land Law (2004 Revision) indicating that the sum secured by the Charges was repayable three months after the service of the Section 64(2) notice and indicating that pursuant to Section 72(1) unless the balance of the Charges was repaid proceedings would be taken.
7. The Defendant failed to make the required payments in respect of the balance of the principal sum outstanding and/or accrued interest as demanded.
8. The Registered Land Law (2004 Revision) provides that once a notice of demand has been served pursuant to Section 64(2) the total amount of outstanding principal and interest becomes due and payable three months after service of that notice. Therefore the Plaintiff avers that the letter dated 22nd September 2009 and served on the Defendant on 5th October 2009, constitutes such a notice pursuant to Section 64(2) and that the total amount outstanding became due on 5th January 2010.
9. The Registered Land Law (2004 Revision) by virtue of Section 72(1), provides that once there is a default in the payment of the principal, or any other periodical payments and if such default continues for three months, the Chargee may serve on the Chargors notice in writing to pay the money owing, or to perform and observe the terms of the Charge, as the case may be.
10. The Registered Land Law (2004 Revision) by virtue of Section 72(2) provides that if a Chargor has not complied, within three months after the date of service of the notice served on him under Section 72(1), the Chargee may sell the Charged Properties. Therefore, on or since 5th January 2010 there has accrued a right to the Plaintiff to sell the Charged Properties and the Plaintiff seeks an order that it may do so.

11. In the premises, the Plaintiff seeks an Order pursuant to the provisions of the Registered Land Law (2004 Revision) that:
 - 11.1 The variations in the Charges referring to the provisions of Section 72 of the Registered Land Law (2004 Revision) be allowed.
 - 11.2 Orders for possession be made.
 - 11.3 The Plaintiff be entitled to sell the properties either by private treaty or public auction in good faith and having regard to the interests of the Defendant.
 - 11.4 The Plaintiff have leave pursuant to Grand Court Rules Order 45 Rule 3(1) and (2) to issue a Writ of Possession in this matter in respect of the properties.
12. The Plaintiff also seeks an Order that if after any sale of Parcels 34, 69 and 50 there should be any shortfall in the amount due and owing to the Plaintiff that the Plaintiff be at liberty to enter judgment for such shortfall, together with interest and costs.

Dated the 26th day of February 2010



RITCH & CONOLLY
Attorneys for the Plaintiff

If the Defendant does not acknowledge service, judgement may be given, or made against, or in relation to him, as the Court may think just and expedient.

NOTE: This Summons may not be served later than 4 calendar months (*or if leave is required to effect Notice out of the jurisdiction, 6 months*) beginning with that date, unless renewed by Order of the Court.

IMPORTANT: Directions for acknowledgement of service are given with the accompanying forms.

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BETWEEN:

CAYMAN NATIONAL BANK LIMITED

PLAINTIFF

AND:

BRENDON LYONS

DEFENDANTS

ACKNOWLEDGMENT OF SERVICE
OF ORIGINATING SUMMONS

If you intend to instruct an Attorney to act for you, give him this form IMMEDIATELY.

Important. Read the accompanying directions and notes for guidance carefully before completing this form.
If any information required is omitted or given wrongly, THIS FORM MAY HAVE TO BE RETURNED.

- 1. State the full name of the Defendant by whom or on whose behalf the service of the Originating Summons is being acknowledged.
2. State whether the Defendant intends to contest or otherwise participate in the proceedings (tick appropriate box)
yes no

Service of the Originating Summons is acknowledged accordingly

(Signed).....

[Attorney] for

[Defendant in person]

Address for service:

Notes on address for service

Attorney: where the Defendant is represented by an attorney, state the attorney's place of business in the Cayman Islands. A Defendant may not act by a foreign attorney.

Defendant in person: where the Defendant is acting in person, he must give his post office box number and the physical address of his residence or, if he does not reside in the Cayman Islands, he must give an address in Grand Cayman where communications for him should be sent. In the case of a limited company, "residence" means its registered principal office.

Please complete overleaf

DIRECTIONS FOR ACKNOWLEDGMENT OF SERVICE
OF ORIGINATING SUMMONS

The accompanying form of Acknowledgment of Service should be completed by an Attorney acting on behalf of the Defendant or by the Defendant if acting in person. After completion it must be delivered or sent by post to the Law Courts, P.O. Box 495, Grand Cayman KY1-1106.

Notes for Guidance

1. Each Defendant (if there are more than one) is required to complete an Acknowledgment of Service and return it to the Courts Office.
2. If you wish to defend claims made in the originating summons, or intend to attend the proceedings and to participate in them so far as necessary (although not necessarily in an adversarial manner) you should tick the "Yes" box in paragraph 2 of the acknowledgment of service.
3. For the purpose of calculating the period of 14 days for acknowledging service, a writ served on the Defendant personally is treated as having been served on the day it was delivered to him.
4. Where the Defendant is sued in a name different from his own, the form must be completed by him with the addition in paragraph 1 of the words "sued as (the name stated on the Originating Summons)".
5. Where the Defendant is a FIRM and an attorney is not instructed, the form must be completed by a PARTNER by name, with the addition in paragraph 1 of the description "Partner in the firm of (.....)" after his name.
6. Where the Defendant is sued as an individual TRADING IN A NAME OTHER THAN HIS OWN, the form must be completed by him with the addition in paragraph 1 of the description "trading as (.....)" after his name.
7. Where the Defendant is a LIMITED COMPANY the form must be completed by an Attorney or by someone authorised to act on behalf of the Company, but the Company can take no further step in the proceedings without an Attorney acting on its behalf.
8. Where the Defendant is a MINOR or a MENTAL PATIENT, the form must be completed by an Attorney acting for a guardian ad litem.
9. A Defendant acting in person may obtain help in completing the form at the Courts Office.