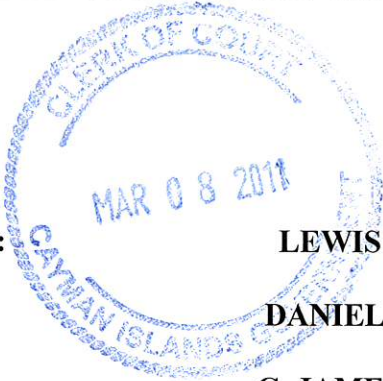



IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO: 36 OF 2011


BETWEEN: LEWIS ROWE  **PLAINTIFF**
AND: DANIEL SCOTT **FIRST DEFENDANT**
AND: G. JAMES CLEAVER **SECOND DEFENDANT**
AND: RICHARD FOGERTY **THIRD DEFENDANT**

AMENDED WRIT OF SUMMONS

TO: DANIEL SCOTT
Ernst & Young Ltd
62 Forum Lane
Camana Bay
Grand Cayman.

TO: G. JAMES CLEAVER
Zolfo Cooper
4th Flr. Building 3,
Cayman Financial Centre
Grand Cayman.

TO: RICHARD FOGERTY
Zolfo Cooper
4th Flr. Building 3,
Cayman Financial Centre
Grand Cayman.

THIS WRIT OF SUMMONS has been issued against you by the above-named Plaintiff in respect of the claim set out on the next page.

Within [14 days] after the service of this Writ on you, counting the day of service, you must either satisfy the claim or return to the Court Office, P.O. Box 495G, George Town, Grand Cayman, the accompanying Acknowledgment of Service stating therein whether you intend to contest these proceedings.

If you fail to satisfy the claim or to return the Acknowledgment within the time stated, or if you return the Acknowledgment without stating therein an intention to contest the proceedings, the Plaintiff may proceed with the action and judgment may be entered against you forthwith without further notice.

Issued this 2nd day of February 2011.

NOTE - This Writ may not be served later than 4 calendar months (or, if leave is required to effect service out of the jurisdiction, 6 months) beginning with the date of issue unless renewed by order of the Court.

IMPORTANT

Directions for Acknowledgment of Service are given with the accompanying form.

STATEMENT OF CLAIM

1. The Plaintiff is and was at all material times the sole shareholder and beneficial owner of Red Sea Trading Limited (“hereinafter referred to as “RST”) a company incorporated in the Federation of St. Christopher and Nevis.
2. On various dates between the years 1998 and 2000 Red Sea Trading made loans to Title Loans Express Inc. (hereinafter referred to as “TLE”) a company incorporated in the State of Texas ~~(check)~~ in various amounts totalling approximately US\$4,500,000 plus interest. US\$6,250,000 ~~(check if we have more details of the amount and dates of the loans)~~
3. The said loans were for the purpose of investment in TLE for the expansion of its business which was the making of small short term loans to borrowers on the security of their vehicle titles.
4. In consideration of the said loans and accrued interest, TLE issued to RST various promissory notes in various amounts totalling US\$6,250,000, and with various maturity dates, namely:-
 - (1) A promissory note in the sum of US\$4,283,334.00 dated 1st November 1999 and signed on behalf of TLE on 17th December 1999, due for payment on 31st October 2009.
 - (2) A promissory note in the sum of US\$481,875.00 dated 20th December 1999 and signed on behalf of TLE on 20th January 2000, due for payment on 19th December 2009.
 - (3) A promissory note in the sum of US\$500,000.00 dated 19th January 2000 and signed on behalf of TLE on 14th March 2000, due for payment on 18th January 2009.
 - (4) A promissory note in the sum of US\$250,000.00 dated 1st February 2000 and signed on behalf of TLE on 14th March 2000, due for payment on 1st February 2009.
 - (5) A promissory note in the sum of US\$234,791.00 dated 20th April 2000 and signed on behalf of TLE on 21st April 2000, due for payment on 20th April 2009.
 - (6) A promissory note in the sum of US\$500,000.00 dated 3rd May 2000 and signed on behalf of TLE on 4th May 2000, due for payment on 3rd May 2009.
5. Each of the said promissory notes carried interest on the principal sum at the rate of 2% per month. The Plaintiff will refer to the said promissory notes for their full terms and effect.
6. On 18th September 2000 the Grand Court of the Cayman Islands made an order in Cause PCCL 3 of 2000 in respect of the Plaintiff, whereby he was restrained from disposing of his assets and whereby the First Defendant of Ernst & Young was appointed receiver and manager of the Plaintiff's realisable assets.
7. In the said order the said promissory notes were expressly identified as assets of the Plaintiff. Pursuant to the said order the Plaintiff delivered possession of the said promissory notes to the First Defendant.

8. The Plaintiff was charged on 20th September 2000 with various offences contrary to the Proceeds of Criminal Conduct Law and continued thereafter to be presumed innocent until his acquittal on the said charges on 3rd February 2005.
9. The First Defendant owed a fiduciary duty to the Plaintiff (a) to keep the said promissory notes in accordance with the order of the Grand Court and any further orders thereof; and/or (b) to keep the said notes safely on behalf of the Plaintiff until he might redeem them on their maturity; and/or (c) not to dispose of the said notes in any manner contrary to the orders of the Grand Court; and/or (d) not to dispose of the said notes recklessly or irresponsibly.
10. On 13th December 2000 the Grand Court of the Cayman Islands made a further order revoking the receivership of the First Defendant; appointing as receivers and managers Mr Simon Whicker and Mr Theo Bullmore of KPMG; and requiring the First Defendant to deliver up the assets of the Plaintiff to Messrs Whicker and Bullmore.
11. Unlawfully and in breach of the said further order and in breach of his duty under paragraph 9(a) above the First Defendant failed to deliver up the said promissory notes to Messrs Whicker and Bullmore.
12. On 10th December 2002 the Second and Third Defendants became Official Liquidators of RST pursuant to an order of the Eastern Caribbean Supreme Court, St. Christopher and Nevis, for the compulsory liquidation of RST. The Plaintiff is unable to speak as to the reasons for this order or as to who obtained it or why, or as to any conditions imposed in connection therewith, pending discovery herein.
13. On becoming liquidators of RST and at all material times thereafter the Second and Third Defendants well knew of the terms of the aforesaid orders of the Grand Court made on 18th September 2000 and 13th December 2000. In particular the First Second and Third Defendants were all partners in and/or employees of Ernst & Young in the Cayman Islands and collaborated closely in relation to the proceedings against the Plaintiff in which the Second Defendant was a witness.
14. In the premises in their dealings with the assets of RST the Second and Third Defendants owed to the Plaintiff the like fiduciary duties set out in paragraph 9 above; and/or the further duty not to aid or abet the First Defendant in any unlawful dealings with the assets of RST, including the said promissory notes.
15. On or about 28th March 2003, unlawfully and in breach of their fiduciary duties as set out above, the Second and Third Defendants, with the connivance and/or acquiescence of the First Defendant, surrendered the said promissory notes to TLE in return for a payment of US\$730,000.00 and a promissory note in the sum of US\$95,000.00 payable 28th September 2003.
16. In particular:
 - (1) By causing or permitting the said surrender to be effected the Defendants and each of them usurped the powers of management of the said promissory notes which the Grand

Court had given to Messrs. Bullmore and Whicker (who did not give authority for the said sale) and not to any of the Defendants;

- (2) The Defendants failed to keep the said promissory notes intact so that the Plaintiff might redeem them on their maturity;
 - (3) The Defendants acted recklessly and irresponsibly in surrendering the said promissory notes to TLE which was the promisor under the said notes, thereby allowing TLE to escape its liability to honour the notes.
 - (4) Sought to liquidate the notes without paying any or any proper heed to their duties to the Grand Court and to the Plaintiff which the First Defendant had assumed by virtue of the said order.
17. After his acquittal, and by order made on 10th May 2005, the said restraint orders were lifted and the Plaintiff was able to resume control of his assets. However neither the said promissory notes nor any sum obtained from their surrender were returned to him.
18. By reason of the matters aforesaid the Plaintiff has suffered loss and damage.

PARTICULARS

- (1) In 2009 TLE was a flourishing and successful company which would have been able to discharge its legal obligations under the promissory notes
- (2) The obligation of TLE under the notes was to pay to RST the principal sum of US\$6,250,000.00 plus simple interest at 2% per month from the date of the notes to the date of maturity. In default of interest payments being paid as they fell due, such interest to accrue on a compound basis. For the purposes of these particulars the interest calculation is on a simple basis but the Plaintiff reserves the right to amend such figures on a compound calculation.
- (3) RST would have received a total on maturity of the notes of US\$6,250,000 principal plus US\$14,447,815.51 interest, total US\$20,697,815.51.
- (4) The Plaintiff as sole beneficial owner of RST would have obtained the like sum of US\$20,697,815.51.

AND THE PLAINTIFF CLAIMS

Against the First, Second and Third Defendants jointly and severally

1. Damages in the sum of US\$20,697,815.51 for breaches of fiduciary duty assumed by the First Defendant as receiver and manager of the Plaintiff's assets, and by the Second and Third Defendants as liquidators of Red Sea Trading Limited, a company wholly owned by the Plaintiff, in respect of the unlawful sale of promissory notes issued by Title Loans Express Inc. to Red Sea Trading Limited, on or about 23rd March 2003.

2. Interest on the said sum for such period and at such rate as shall to this Honourable Court be just or in the alternative in accordance with section 34 of the Judicature Law (2007 Revision).
3. Further and/or such other relief.
4. Costs.

Stemming

STENNING & ASSOCIATES
Attorneys for the Plaintiff

DIRECTIONS FOR ACKNOWLEDGMENT OF SERVICE
OF WRIT OF SUMMONS

1. 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 495G, George Town, Grand Cayman.

2. A Defendant who states in his Acknowledgment of Service that he intends to contest the proceedings must also serve a defence on the Attorney for the Plaintiff (or on the Plaintiff if acting in person).

If a Statement of Claim is indorsed on the Writ (i.e. the words "Statement of Claim" appear on the top of page 2), the Defence must be served within 14 days after the time for acknowledging service of the Writ, unless in the meantime a summons for judgment is served on the Defendant.

If the Statement of Claim is not indorsed on the Writ, the Defence need not be served until 14 days after a Statement of Claim has been served on the Defendant.

If the Defendant fails to serve his defence within the appropriate time, the Plaintiff may enter judgment against him without further notice.

3. A Stay of Execution against the Defendant's goods may be applied for where the Defendant is unable to pay the money for which any judgment is entered. If a Defendant to an action for a debt or liquidated demand (i.e. a fixed sum) who does not intend to contest the proceedings states, in answer to Question 3 in the Acknowledgment of Service, that he intends to apply for a stay, execution will be stayed for 14 days after his Acknowledgment, but he must, within that time, issue a Summons for a stay of execution, supported by an affidavit of his means. The affidavit should state any offer which the Defendant desires to make for payment of the money by instalments or otherwise.

See over for notes for guidance

Please complete overleaf

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. 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.
3. 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 Writ of Summons)".
4. 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.
5. 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.
6. 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.
7. Where the Defendant is a MINOR or a MENTAL PATIENT, the form must be completed by an Attorney acting for a guardian ad litem.
8. A Defendant acting in person may obtain help in completing the form at the Courts Office.

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 or principal office.

Indorsement by plaintiff's Attorney (or by plaintiff if suing in person) of his name, address and reference, if any, in the box below.

STENNING & ASSOCIATES
F&J Centre
Unit #8
58, Mary Street
George Town
Grand Cayman

REF: JS/KC/1174/003

Indorsement by defendant's Attorney (or by defendant if suing in person) of his name, address and reference, if any, in the box below.

[Empty box for defendant's Attorney indorsement]