

IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO. **G 0152** OF 2014

BETWEEN JUL 09 2014.

DESIGNCRAFT (CAYMAN) LTD

FIRST PLAINTIFF

AND:

CRW HOLDINGS LIMITED

FIRST DEFENDANT

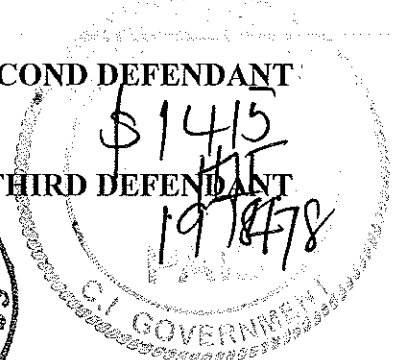
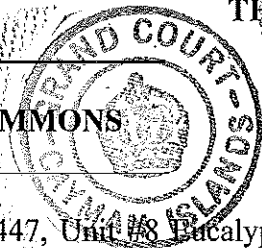
RAY WELDS

SECOND DEFENDANT

CANOVER WATSON

THIRD DEFENDANT

WRIT OF SUMMONS



TO: CRW HOLDINGS LTD of PO Box 447, Unit 18 Eucalyptus Building, Crewe Road, George Town, Cayman Islands

CANOVER WATSON of c/o Admiral Administration Ltd, Admiral Financial Centre, 90 Fort Street, Grand Cayman

RAY WELDS of c/o Admiral Administration Ltd, Admiral Financial Centre, 90 Fort Street, Grand Cayman

THIS WRIT OF SUMMONS has been issued against you by the above-named Plaintiff in respect of the claim set out of 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 495, George Town, Grand Cayman KY1-1106, 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 Plaintiffs may proceed with the action and judgment may be entered against you forthwith without further notice.

Issued this 9th day of July 2014.

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 a company incorporated in the Cayman Islands on 14 May 1986 and having its registered office at PO Box 307, GT, Grand Cayman KY1-1104.
2. At all material times, the directing mind and will and sole shareholder of the Plaintiff was and is David Macdonald, a Citizen of the Cayman Islands.
3. The First Defendant is a company incorporated in the Cayman Islands and having its registered office at PO Box 447, Unit #8 Eucalyptus Building, Crewe Road, George Town, Cayman Islands. At all material times, the Second and Third Defendants were and are directors of the First Defendant, with authority to make statements and warranties and to conclude contracts on its behalf.
4. At all material times, the Plaintiff and the First Defendant entered into negotiations for the sale and purchase of a sign making business owned by the Plaintiff ("the Business").
5. By a credit sale agreement made in writing dated 21 December 2010 ("the Agreement"), the Plaintiff sold to the First Defendant on credit the assets of the Business. A copy of the Agreement is attached as "Schedule A" to this Statement of Claim.
6. The First Defendant knew, at all material times, that the list of Assets referred to in clause 1 of the Agreement was not prepared or attached to the Agreement. The First Defendant, nevertheless proceeded to enter into the Agreement with the Plaintiff and took over the Business.
7. On or about the 21 December 2010, the Plaintiff transferred the Business assets specified below, to the First Defendant.

1.	The goodwill of the business
2.	Intellectual property
3.	Leasehold agreement over Registration Section George Town Central, Block 13D, Parcel 78, units 1,2,3 and 4
4.	Pricing List
5.	Customer List
6.	Work in progress
7.	Business email address – signs@candw.ky
8.	18-ft. Extension Ladder
9.	16-ft. Extension Ladder
10.	Vinyl Racks

11.	Craftsman Storage Cabinet
12.	Computer EPS Gen4 and accessories
13.	Computer Design Software (Corel and Illustrator/Photoshop)
14.	Scaffolding
15.	Table & Glass Top
16.	Dimension 200E Plus tools and software
17.	Sandblast Cabinet and tools
18.	Mimaki JV-3 Printer plus Onyx software
19.	Air Compressor and accessories
20.	Mimaki CG-60Ex Plotter
21.	Bosch Cot-Off Saw
22.	DeWalt Compound Saw
23.	Panel Saw
24.	Inventory of Vinyl, banner & Misc. material
25.	Electric power hand tools

8. By clause 1 of the Agreement, the First Defendant agreed to pay the cash price for the Assets in the sum of CI\$444,000 to be paid over 4 years and 10 months as follows:

- a. *A deposit of CI\$20,000 on signing [the] Agreement;*
- b. *CI\$6,000 per month for the next 12 months payable on the last business day of each calendar month, the first payment to be made on February 1, 2011;*
- c. *CI\$7,000 per month for the next 12 months payable on the last business day of each calendar month;*
- d. *CI\$8,000 per month for the next 33 months, payable on the last business day of each calendar month;*
- e. *A final payment of CI\$4,000 on the last day of the 34th calendar month;*

9. By a guarantee dated 21 December 2010 made in writing between the Plaintiff and the Second and Third Defendants (“the Guarantee”), and in consideration of the Plaintiff entering into the Agreement, the Second and Third Defendants guaranteed the payment, as principal debtors, of CI\$444,000 by the First Defendant to the Plaintiff. A copy of the Guarantee is attached as “Schedule B” to this Statement of Claim.

10. The Plaintiff delivered the Assets to the First Defendant at Registration Section George Town Central, Block 13D, Parcel 78, units 1, 2, 3 and 4.
11. In breach of the Agreement, the First Defendant failed to pay the installments due on 1 October 2013 and every subsequent month thereafter.
12. In breach of the Agreement, the First Defendant has failed to make the requested (or any) payments since October 2013 to the Plaintiff despite having taken delivery of the Assets. In the circumstances, the First Defendant repudiated the contract and the Plaintiff accepted that repudiation in a letter from the Plaintiff's attorneys to the First Defendant dated 12 June 2014 and further, made a demand for payment in the sum of CI\$203,000. A copy of the letter is attached as "Schedule C" to this Statement of Claim.
13. By reason of the First Defendant's breach and repudiation of the Agreement, the Plaintiff has suffered loss and damage.
14. Further, by letter dated 26 June 2014, the Plaintiff made demand on the Second and Third Defendants under the terms of the Guarantee for the sum of CI\$203,000. A copy of the letter is attached as "Schedule D" to this Statement of Claim.
15. The Defendants have failed to make payment of the sum demanded.
16. The Plaintiff is entitled to and claims payment of the sum of CI\$203,000 from the First Defendant under the Agreement, alternatively from the Second and Third Defendants under the terms of the Guarantee.

Particulars of Damage


17. Arrears of installments in the sum of CI\$63,000.
18. CI\$140,000 for breach of contract.
19. Further, the Plaintiff is entitled to and claims interest on all sums found due to it, pursuant to Section 34 (1) of the Judicature Law (2004 Revision) alternatively pursuant to the equitable jurisdiction of the Court on the sum of CI\$203,000 at a rate of 2½ % per annum from the date of the demand amounting to CI\$1,756.84 at 4 July 2014 and continuing at a daily rate of CI\$13.21.

AND the Plaintiff claims:

- 1) Against the First Defendant, the sum of CI\$63,000 arrears of installments under the Agreement.

- 2) Against the First Defendant, damages in the sum of CI\$140,000.
- 3) Further and alternatively, against the Second and Third Defendants CI\$203,000 under the Guarantee.
- 4) Interest at the rate of 2 $\frac{3}{8}$ % under paragraph 17 above
- 5) Further and other relief.
- 6) Its costs of this action.

Dated the 9th day of July 2014


RITCH & CONOLLY
Attorneys at Law for the Plaintiffs

TO: The Clerk of the Court
AND TO: The Defendants

IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO. OF 2014

BETWEEN:

DESIGNCRAFT (CAYMAN) LTD

FIRST PLAINTIFF

AND:

CRW HOLDINGS LIMITED

FIRST DEFENDANT

RAY WELDS

SECOND DEFENDANT

CANOVER WATSON

THIRD DEFENDANT

SCHEDULE A

AGREEMENT

BETWEEN: **Designcraft (Cayman) Ltd.**
of P.O. Box 307
Grand Cayman, KY1-1104
("the Seller")

AND: **CRW Holdings Ltd.**
of PO Box 32021
Grand Cayman, KY1-1208
("the Buyer")

AND: **David Macdonald**
of P.O. Box 307
Grand Cayman, KY1-1104

THE PARTIES AGREE:

1. The Seller sells and the Buyer buys all of the Seller's assets ("the Assets") listed in the First Schedule for CI\$444,000, subject to clause 4 below. The price is payable:
 - a. a deposit of CI\$20,000 on signing this Agreement;
 - b. CI\$6,000 per month for 12 months, payable on the last business day of each calendar month, the first payment to be made on ~~January~~ ^{FEB} 1, 2011;
 - c. CI\$7,000 per month for the next 12 months payable on the last business day of each calendar month;
 - d. CI\$8,000 per month for the next 33 months, payable on the last business day of each calendar month;
 - e. a final payment of CI\$4,000 on the last day of the 34th calendar month.
2. The Seller will lease ("the Lease") the land described in the Second Schedule to the Buyer for 5 years paying the monthly rental of:
 - a. CI\$6,000 per month for 12 months, payable on the last business day of each calendar month, the first payment to be made on January 1, 2011;
 - b. CI\$7,000 per month for the next 12 months payable on the last business day of each calendar month;
 - c. CI\$8,000 per month for the next 36 months, payable on the last business day of each calendar month.

3. To the extent that the Buyer pays the rent under the Lease, those payments will be credited against the payments that the Buyer must make under clause 1, the intent being that the total payments to be made under clauses 1 and 2 is CI\$444,000, and that the Buyer must pay the Seller \$444,000 regardless of whether or not the Lease ends for any reason.
4. Property and risk to the Assets will pass to the Buyer on payment of the deposit of CI\$20,000 referred to in clause 1 (a). The Assets being open for inspection by the Buyer before the date of this Agreement, are sold "as is, where is", and the Buyer is deemed to buy them with full notice of their state and condition in all respects. The Seller gives no condition or warranty whatever, express or implied, as to the description, fitness for any particular purpose, merchantable quality or freedom from defect.
5. The Seller warrants that the Assets belong to it absolutely, free of encumbrances.
6. Neither the Seller nor David Macdonald will for 5 years from the date of this Agreement, (whether alone or jointly or in partnership with any other person or persons or as the servant agent or officer of any person firm or company) carry on or be in any way engaged or concerned or interested in the business of manufacturing selling or distributing signs in any part of the Cayman Islands.
7. The Seller may continue to carry on the business of manufacturing selling and distributing awnings. If it does so, it must
 - a. give the Buyer a 20% discount on its normal retail price from time to time on any order for manufacture that the Buyer places; and
 - b. not sell awnings to any person firm or company that manufactures or sells signs without first obtaining the Buyer's written consent.
8. David Macdonald must not while clauses 7 and 9 remain effective either alone or jointly or in partnership with any other person or persons or as servant, agent or officer of any person firm or company sell awnings to any person firm or company that manufactures or sells signs without first obtaining the Buyer's written consent.
9. While clause 7 remains effective, so long as the Seller is competitive as to price, quality and time of delivery, the Buyer must not buy awnings from any other person firm or company, nor sell or distribute awnings on behalf of any person firm or company other than the Seller.
10. The Seller will not lease any space in any part of the land described in Schedule 1 for a period of 5 years from the date of this Agreement to any competitor of the Buyer, nor will it lease any space at all in any part of that land to anyone without first notifying the Buyer as to the proposed terms of the lease, and giving the Buyer 7 days to decide whether or not it will lease the space on those terms.
11. This Agreement binds each of the parties and its respective successors and assigns. Clauses 7 to 10 inclusive will survive completion of this Agreement.
12. Each party must bear its own legal fees in relation to this Agreement.

Schedule 1

[Assets sold]

Schedule 2

Units 1, 2, 3 and 4 on the lower floor shown on the attached plan outlined in red being part of the land comprised in Registration Section Block 13D Parcel 78.

Signed for and on behalf of)
Designcraft (Cayman) Ltd.)
in the presence of:)
Richard [Signature])
Witness

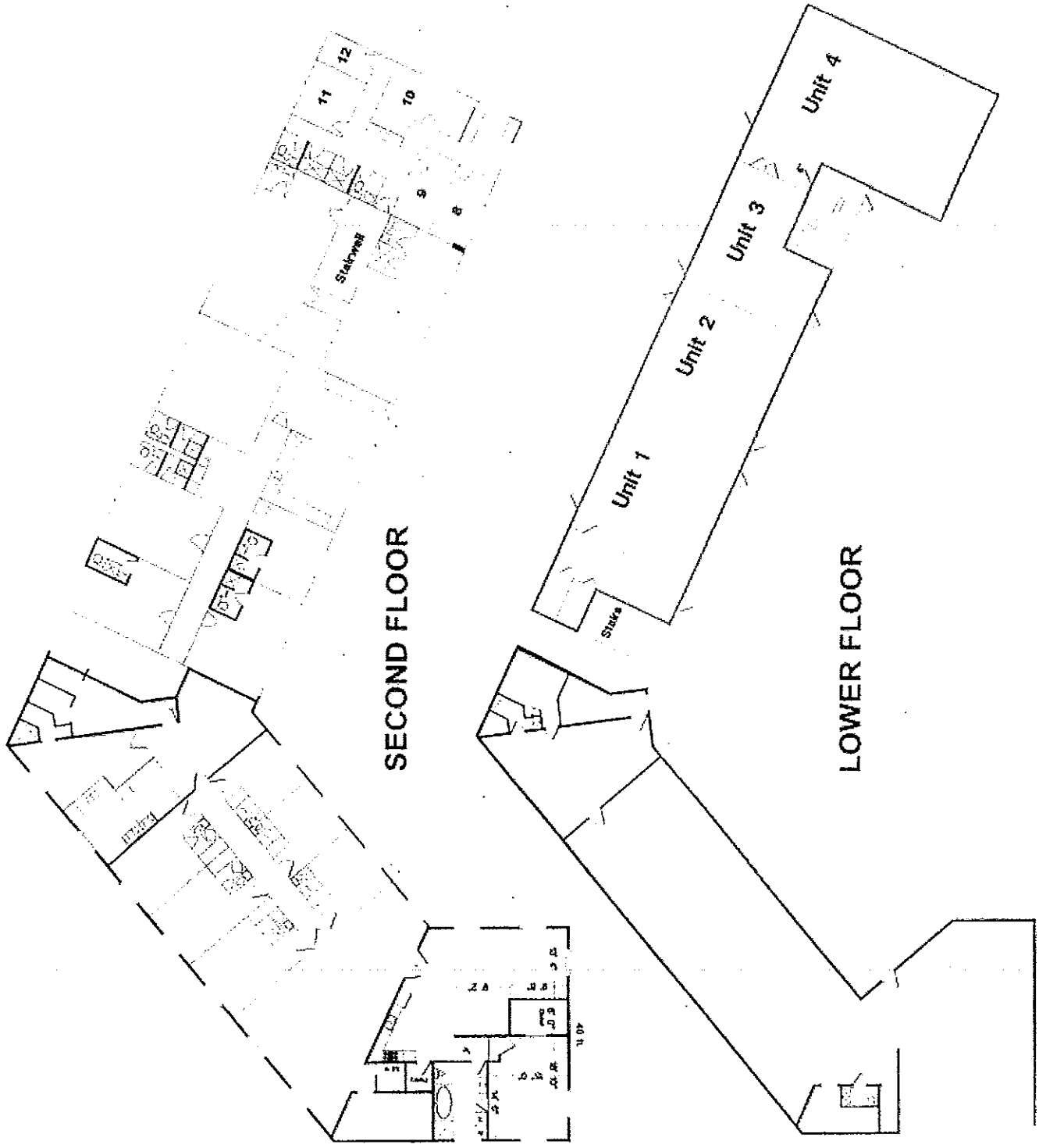
DESIGNCRAFT (CAYMAN) LTD.
Per: [Signature]
Director

Signed for and on behalf of)
CRW Holdings Ltd. in the)
presence of:)
Richard [Signature])
Witness

CRW HOLDINGS LTD.
Per: [Signature]
Director

Signed by David Macdonald)
in the presence of:)
Richard [Signature])
Witness

[Signature]
DAVID MACDONALD



SECOND FLOOR

LOWER FLOOR

12
11
10
9
8
7
Stairwell

Unit 1
Unit 2
Unit 3
Unit 4
Stairs

OFFICE
RECEPTION
RESTROOM
STORAGE

40 ft
2 A
B
C
D
E
F
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IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO. OF 2014

BETWEEN:

DESIGNCRAFT (CAYMAN) LTD

FIRST PLAINTIFF

AND:

CRW HOLDINGS LIMITED

FIRST DEFENDANT

RAY WELDS

SECOND DEFENDANT

CANOVER WATSON

THIRD DEFENDANT

SCHEDULE B

GUARANTEE

TO: DESIGNCRAFT (CAYMAN) LTD.

of P.O. Box 307, Grand Cayman KY1-1104, Cayman Islands B.W.I. ("the Creditor")

IN CONSIDERATION of the Creditor extending, continuing or increasing credit facilities at the request of **Canover Watson** of and **Ray Welds** both c/o Admiral Administration Ltd., Admiral Financial centre, 90 Fort Street, Grand Cayman, ("the Guarantor"), to **CRW Holdings Ltd.**, a company incorporated under the Laws of the Cayman Islands, of P.O. Box 32021, Grand Cayman, KY1-1208, ("the Buyer"), the Guarantor AGREES to pay the Creditor on demand all the Buyer's liabilities to the Creditor plus interest and bank charges.

AND IT IS AGREED that:-

1. This Guarantee is a continuing guarantee of the Buyer's liabilities to the Creditor. The Guarantor's liability is that of a guarantor as between the Guarantor and the Buyer but that of a principal debtor as between the Guarantor and the Creditor and the Guarantor will remain liable as principal debtor even if all or any of the Buyer's liabilities to the Creditor are or become void or unenforceable for any reason whatever.
2. The Creditor need not exhaust its rights against the Buyer or enforce any other security or obligation it has before demanding payment from the Guarantor under this Guarantee. The Creditor must not start legal proceedings based on this Guarantee until it demands payment from the Guarantor, and the Guarantor's liability first arises after the Creditor notifies it of a default by the Buyer and demands payment from the Guarantor.
3. This Guarantee is in addition to and not in substitution for any other guarantee, postponement agreement or other security or obligation which the Guarantor or any other person gives or has given to the Creditor and the Creditor will be under no obligation to marshal in favour of the Guarantor any such security or any of the funds or assets which the Creditor may be entitled to receive or have in it EXCEPT to the extent of the surplus, if any, remaining after satisfaction of the ultimate balance due to the Creditor.
4. (1) None of the following matters reduces or affects the Guarantor's obligations under this Guarantee:-
 - (a) anything whatever which the Creditor does or does not do in its dealings with the Buyer or any third party; or
 - (b) anything whatever which the Creditor does or does not do with any security that it has for repayment of the Buyer's liabilities to the Creditor.
- (2) In this clause, "security" includes any guarantee, indemnity, pledge, assignment, debenture, mortgage, charge, lien and other security interest of any kind.

- (3) This clause applies regardless of whether or not the Guarantor knows about or consents to anything that the Creditor does or does not do.
5. None of the following events affects this Guarantee:-
- (1) any change in the Buyer's name;
 - (2) the acquisition of all or part of the Buyer's business by any person;
 - (3) any change in the Buyer's objects, capital structure or constitution;
 - (4) the amalgamation of the Buyer's business with a body corporate;
 - (5) if the Buyer is a partnership, any change in name or membership in the Buyer by death or retirement of one or more of its partners or by the introduction of one or more other partners; or
 - (6) the bankruptcy, insolvency or winding-up of the Buyer.

If any of the events described in this clause occurs, this Guarantee continues to apply to all of the Buyer's liabilities to the Creditor arising either before or after those events, and then the word "Customer" in this Guarantee includes every body corporate and the partners of every partnership referred to in this clause.

6. This Guarantee will not be affected by:-
- (1) any irregularity, defect or informality in the documentation effecting or evidencing the Buyer's liabilities to the Creditor; or
 - (2) any lack or limitation of power, incapacity or disability of the Buyer or of its directors, partners or agents,

and whether or not the Creditor knew about any of these things.

7. Until the Guarantor pays the Creditor in full the Buyer's liabilities to the Creditor, the Guarantor has no right to be subrogated to any of the rights of the Creditor or security which it holds.
8. Any loss of or in respect of securities received by the Creditor from the Buyer or any other person, whether occasioned through the Creditor's fault or otherwise, will not discharge *pro tanto* or limit or lessen the Guarantor's liability under this Guarantee.
9. The Guarantor is bound by any account settled between the Creditor and the Buyer. If no account has been so settled immediately before the Creditor makes a demand for payment from the Buyer then the Guarantor must accept any statement by the Creditor of the Buyer's liabilities to the Creditor as conclusive evidence of the amount which at the date specified in this statement the Buyer still owes.

10. The Guarantor must pay any stamp duty and other disbursements in relation to this Guarantee and the Creditor's legal costs of preparing it. After the Creditor's demand for payment, the Guarantor will also be liable to the Creditor for all legal costs and expenses resulting from any action based on this Guarantee. In all cases, the legal costs are those which the Creditor is actually charged by its lawyers.
11. The Guarantor assigns to the Creditor all the Buyer's present and future debts and liabilities to the Guarantor, and the Guarantor postpones them to the Buyer's liabilities to the Creditor. The Guarantor must hold all money he receives from the Buyer in trust for the Creditor and must immediately on receipt pay it to the Creditor without in any way reducing his obligations under this Guarantee.
12. For the purposes of this Guarantee, the Guarantor will make, execute and deliver as required by the Creditor all statements of claims, proofs of claims, assignments and other documents and do all matters and things which may be necessary and advisable and the Guarantor by this Guarantee appoints the Creditor his attorney in his name and on his behalf to do all those matters and things and must account to the Creditor for any dividend which he receives up to the amount necessary to discharge his liability under this Guarantee and in the meantime must hold all those receipts on trust for the Creditor.
13. The Guarantor may not claim repayment from the Buyer for any amount which the Guarantor pays on account of his liability under this Guarantee until the Creditor's claims against the Buyer have been paid in full; and in the event of the winding up or bankruptcy (as the case may be) of the Buyer (whether voluntary or compulsory) or if the Buyer makes any composition with creditors or scheme of arrangement, the Creditor will have the right to rank for its full claim and receive all dividends or other payments in respect of it until its claim has been paid in full and the Guarantor will continue to be liable for any balance of the amount guaranteed which may remain owing to the Creditor; and if the Creditor values any of its securities and retains them or any of them, that valuation and retention of any of them will not, as between the Creditor and the Guarantor, be deemed to be a purchase of those securities or payment, satisfaction or reduction of the Buyer's liabilities to the Creditor or any part of them.
14. Neither the Buyer nor any other surety has given the Guarantor any security for giving this Guarantee and the Guarantor will not, as long as this Guarantee remains in force, take any security in respect of the Guarantor's liability under this Guarantee without first obtaining the Creditor's written consent.
15. If any judgment or order is given or made for the payment of any amount due under this Guarantee and is expressed in a currency other than that in which the amount is payable by the Guarantor under this Guarantee, the Guarantor must indemnify the Creditor against any loss which the Creditor incurs as a result of any variation having occurred in rates of exchange between the date as at which the amount is converted into that other currency for the purposes of the judgment or order and the date of actual payment under it. This indemnity constitutes a separate and independent obligation of the Guarantor and applies irrespective of any indulgence granted to the Guarantor and will continue in force despite any judgment or order referred to in this clause.
16. Each payment which the Guarantor makes under this Guarantee must be made in the appropriate currency in accordance with the terms of this Guarantee to the Creditor or to the

credit of the Creditor's account with such bank or banks in whichever country, as the Creditor designates. All payments must be made in full without set-off or counterclaim and free and clear of and without deduction of or withholding for or on account of any tax of any nature now or subsequently imposed by any country or any subdivision or taxing authority of or in that country or any federation or organisation of which that country is a member. If any payment is subject to any tax or if the Guarantor is required to make any deduction or withholding, the Guarantor must pay the tax, ensure that the payment, deduction or withholding will not exceed the minimum legal liability for it and simultaneously pay to the Creditor such additional amount as may be necessary to enable the Creditor to receive, after all payments, deductions and withholdings, a net amount equal to the full amount payable under this Guarantee. If the Guarantor makes any payment, deduction or withholding, it must within thirty (30) days forward to the Creditor an official receipt or other official documentation evidencing that payment or the payment of that deduction or withholding. As used in this clause the term "tax" includes all levies, imposts, duties, charges, fees, deductions, withholdings, turnover tax, transaction tax, stamp tax and any restrictions or conditions resulting in a charge.

17. This Guarantee is for the benefit of the Creditor and its successors and assigns. This Guarantee will not be affected by the death of the Guarantor or of any one or more of the persons constituting the Guarantor and will bind the successors and assigns of the Guarantor and of any one or more of the persons constituting the Guarantor and the benefit of it will extend to the Creditor's successors and assigns as if they throughout had been respectively expressly named in this Guarantee.
18. The Guarantor may end his obligations under this Guarantee by giving notice to the Creditor to that effect. The notice ends the Guarantor's obligations under this Guarantee in respect of the Buyer's liability to the Creditor incurred or arising after the service of the notice but the notice does not affect the Guarantor's obligations to the Creditor as guarantor of the Buyer's liabilities to the Creditor incurred or arising:-
 - (1) before the Creditor receives the notice, or
 - (2) from any specific or implied agreements made between the Creditor and the Buyer before the Creditor receives the notice and which are fulfilled after the Creditor receives the notice.
19. This document contains all the agreements between the Creditor and the Guarantor about this Guarantee. No other representation or promise concerning this Guarantee affects or binds the Guarantor or the Creditor.
20. Every notice must be in writing. Any notice to be given to the Guarantor will be deemed to be sufficiently given to him on the date of delivery, or on the second business day after the date that the notice is posted by registered mail in any post office in the Cayman Islands addressed to the Guarantor at his address set out in this Guarantee or at such other address as he designates.
21. This Guarantee is governed by and must be interpreted in accordance with the laws of the Cayman Islands and the parties submit to the jurisdiction of the courts of the Cayman Islands

but the Creditor may bring an action against the Guarantor in the courts of any other jurisdiction.

22. If this Guarantee is signed or intended to be signed by or on behalf of more than one person (in this clause referred to as "the Original Signatories") and any one or more of the Original Signatories is not bound by this Guarantee (whether by reason of his or their lack of capacity or improper execution of or failure to execute this Guarantee or for any other reason whatever, whether similar or not), the remaining Original Signatory or Signatories will continue to be bound by this Guarantee as if the other Original Signatory or Signatories had never been a party to this Guarantee.
23. By his execution of this Guarantee, the Guarantor acknowledges receipt of a copy of it.
24. Any settlement or discharge between the Creditor and the Guarantor will be subject to the condition that no security or payment to the Creditor by the Buyer or any other person will be avoided or reduced by virtue of any provisions or enactments relating to bankruptcy, liquidation or insolvency for the time being in force and if any security or payment is so avoided or reduced, the Creditor will be entitled to recover the value or amount of it from the Guarantor subsequently just as if the settlement or discharge had not occurred.
25. In this Guarantee unless inconsistent with the context or subject matter or the circumstances:-
 - (1) "business day" means a day which is not a Saturday, Sunday or public holiday in the Cayman Islands;
 - (2) "Customer's liabilities to the Creditor" means all amounts of any kind which are owing or remaining unpaid by the Buyer to the Creditor under an agreement dated 21/12 2010 between Designcraft (Cayman) Ltd. as Seller, CRW Holdings Ltd. as Buyer and David Macdonald, regardless of
 - when, where or how they occur;
 - whether they are the Buyer's alone, or are shared with others; and
 - whether they arise by way of guarantee or indemnity or otherwise;
 - (3) "person" includes corporation;
 - (4) words of one gender include any other gender;
 - (5) singular words include the plural and vice versa;
 - (6) an obligation imposed is to be performed and a power or discretion conferred is exercisable, in each case from time to time; and
 - (7) if there is more than one Guarantor, their liabilities under this Guarantee are joint and separate.

DATED the 21st day of December, 2010 .

SIGNED as a deed and delivered)
by)
in the presence of:-)
Richard J. [Signature])
Witness

Canover Watson)
CANOVER WATSON

SIGNED as a deed and delivered)
by)
in the presence of:-)
Richard J. [Signature])
Witness

Ray Welds)
RAY WELDS

IN THE GRAND COURT OF THE CAYMAN ISLANDS

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FIRST PLAINTIFF

AND:

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FIRST DEFENDANT

RAY WELDS

SECOND DEFENDANT

CANOVER WATSON

THIRD DEFENDANT

SCHEDULE C



RITCH & CONOLLY
ATTORNEYS - AT - LAW

CRW Holdings Ltd
PO Box 447
Unit No. 8 Eucalyptus Building
Crewe Road
George Town
Grand Cayman

FAO: The Directors

By process server

12 June 2014

Dear Sirs,

RE: Designcraft Ltd -v- CRW Holdings Ltd

We refer to our letter dated 15 November 2013.

We are instructed that you continue to be in breach of the terms of the Agreement dated 21 December 2010 ("the Agreement") by failing to make your monthly payments in accordance with clause 1 of the Agreement. To date, you are CI\$63,000 in arrears.

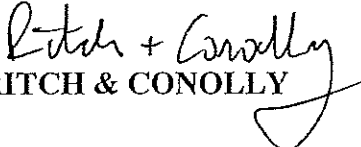
Your conduct evinces an intention to resile from your contractual obligations and amounts to a repudiation of the Agreement, which repudiation our client accepts.

We therefore demand, on our client's behalf, immediate payment of the following amounts:

- (a) CI\$63,000 in arrears
- (b) CI\$140,000 for the balance of the payments due under clause 1 of the Agreement.

In the event that we do not receive payment within 7 days, our client reserves the right to issue proceedings against you without further notice.

Yours faithfully,


RITCH & CONOLLY

PO BOX 1994
Queensgate House
Grand Cayman
KY1-1104
CAYMAN ISLANDS
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F +1 345 949 8652
E info@rc.com.ky
www.rc.com.ky

Direct Dial
+1 345 815 2017
Email
egomez@rc.com.ky
Your reference
[Insert Reference]

Our Reference
13379.EG

IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO. OF 2014

BETWEEN:

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FIRST PLAINTIFF

AND:

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FIRST DEFENDANT

RAY WELDS

SECOND DEFENDANT

CANOVER WATSON

THIRD DEFENDANT

SCHEDULE D



RITCH & CONOLLY
ATTORNEYS - AT - LAW

Mr. Canover Watson
c/o Admiral Administration Ltd
Admiral Financial Centre
90 Fort Street
Grand Cayman

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Queensgate House
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KY1-1104
CAYMAN ISLANDS
T +1 345 949 7366
F +1 345 949 8652
E info@rc.com.ky
www.rc.com.ky

Direct Dial
+1 345 815 2017
Email
egomez@rc.com.ky
Your reference
[Insert Reference]

Our Reference
13380.EG

BY MAILFAST

26 June 2014

Dear Sirs,

RE: Designcraft Ltd –v- (1) Canover Watson (2) Ray Welds

We act for Designcraft Ltd (“our Client”). Our Client has consulted us in connection with the Sale Agreement with CRW Holdings Ltd. (“the Agreement”). A copy of the Agreement is attached for ease of reference.

CRW Holdings Ltd breached the Agreement by, inter alia, failing to pay its monthly installments in accordance with the terms of the Agreement. CRW Holdings Ltd’s conduct amounted to a repudiation of the Agreement which our Client accepted. As a result of CRW Holdings Ltd’s breach, our client claims arrears in the sum of CI\$63,000 and damages in the sum of CI\$140,000. A copy of the letter to CRW is attached for ease of reference.

Guarantee

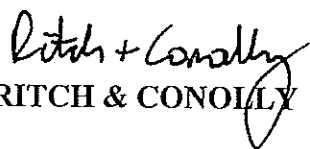
On 21 December 2010, you agreed to guarantee CRW Holdings Ltd’s liability to our client as principal debtor. A copy of the Guarantee is attached for ease of reference.

Accordingly, unless our client receives payment in the sum of CI\$203,000 within the next 7 days from the date you are served with this letter, we are instructed to commence proceedings against you.

We suggest that you take independent legal advice in connection with the contents of this letter.

Our client's rights are reserved in every respect.

Yours faithfully,


RITCH & CONOLLY



RITCH & CONOLLY
ATTORNEYS - AT - LAW

Mr. Ray Welds
c/o Admiral Administration Ltd
Admiral Financial Centre
90 Fort Street
Grand Cayman

PO BOX 1994
Queensgate House
Grand Cayman
KY1-1104
CAYMAN ISLANDS
T +1 345 949 7366
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E info@rc.com.ky
www.rc.com.ky

Direct Dial
+1 345 815 2017
Email
egomez@rc.com.ky
Your reference
[Insert Reference]

Our Reference
13379.EG

BY MAILFAST

26 June 2014

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RITCH & CONOLLY
ATTORNEYS - AT - LAW

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Yours faithfully,

Ritch + Conolly
RITCH & CONOLLY

CAUSE NO.
IN THE GRAND COURT OF THE CAYMAN ISLANDS

BETWEEN:

DESIGNCRAFT (CAYMAN) LTD

FIRST PLAINTIFF

AND:

CRW HOLDINGS LIMITED

FIRST DEFENDANT

RAY WELDS

SECOND DEFENDANT

CANOVER WATSON

THIRD DEFENDANT

ACKNOWLEDGMENT OF SERVICE
OF WRIT OF 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.**

Delay may result in judgment being entered against a Defendant whereby he may have to pay the costs of applying to set it aside.

1. State the full name of the Defendant by whom or on whose behalf the service of the Writ is being acknowledged.

2. State whether the Defendant intends to contest the proceedings (tick appropriate box)

yes no

3. If the claim against the Defendant is for a debt or liquidated demand, AND he does not intend to contest the proceedings, state if the Defendant intends to apply for a stay of execution against any judgment entered by the Plaintiff (tick box)

yes no

Service of the Writ is acknowledged accordingly

(Signed).....

Attorney for the Defendant

Please complete overleaf

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.

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

Ritch & Conolly
P O Box 1994
Queensgate House
113 South Church Street
George Town
Grand Cayman KY1-1104

Ref: 13379/sh/EG

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

Acknowledgement of service of writ of summons (0.12, r.3)

**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.