

IN THE GRAND COURT OF THE CAYMAN ISLANDS  
BETWEEN

CASE NO: GC 197 of 2014

INFOTECH INC.

First Plaintiff

And

INFOVEST LTD.

Second Plaintiff

And

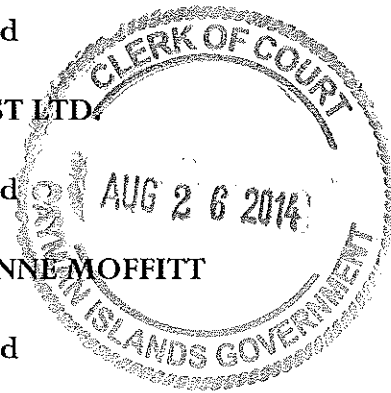
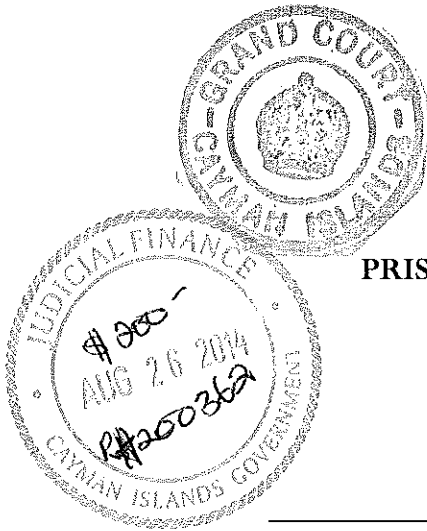
PRISCILLA JEANNE MOFFITT

First Defendant

And

CRYSTAL CLAYTOR

Second Defendant



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WRIT OF SUMMONS

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TO:  
PRISCILLA JEANNE MOFFITT  
C/O CJ'S FURNITURE  
PORTLAND ROAD  
P.O. BOX 371  
GRAND CAYMAN  
KY1-1501  
CAYMAN ISLANDS

AND TO:  
CRYSTAL CLAYTOR  
C/O CJ'S FURNITURE  
PORTLAND ROAD  
P.O. BOX 371  
GRAND CAYMAN  
KY1-1501  
CAYMAN ISLANDS

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 495GT, 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 26<sup>th</sup> day of August 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 First and Second Plaintiffs are Cayman Islands Offshore Exempt Companies with their registered offices at Bodden Corporate Services Ltd., 878 West Bay Road, P.O. Box 10335, Grand Cayman, KY1-1003.
2. On 7 December 2006, the First Defendant entered into a loan agreement with the First Plaintiff ("the First Loan") wherein the First Plaintiff agreed to lend the sum of CI\$70,000.00 (US\$85,365.85 at 0.82) with interest of 10.5% per annum, and to pay the First Plaintiff interest calculated on the daily balance of the principal sum and payable quarterly in arrears on 7 March 2007, 7 June 2007 and 7 September 2007. The First Defendant agreed to pay in full the principal sum by 7 December 2007.
3. The First Defendant (or her company) made the interest-only quarterly payments as required under the terms of the First Loan as set out in the above paragraph. However, the First Defendant failed to make any payments towards the principal sum on or before the 7 December 2007 maturity date.
4. By way of Addendum to the First Loan, on 12 January 2008 the First Plaintiff and First Defendant agreed to extend the terms of the First Loan for a further year on the following terms:
  - 4.1 The principal sum remained CI\$70,000.00 (US\$85,365.85 at 0.82) with interest accruing at 12% per annum;
  - 4.2 Quarterly interest payments were to be paid as follows:
    - 4.2.1 7 March 2008 – CI\$2,100.00 (US\$2,561 at 0.82);
    - 4.2.2 7 June 2008 – CI\$2,100.00;
    - 4.2.3 7 September 2008 – CI\$2,100.00; and
    - 4.2.4 7 December 2008 – CI\$2,100.00.
  - 4.3 The principal sum of CI\$70,000.00 was to be paid on 7 December 2008.
5. The principal sum was not repaid on 7 December 2008 as required. Instead, it was agreed that the First Defendant would continue to make quarterly interest payments of CI\$2,100.00, which payments were made up to and including the June 2013 payment. To date, the principal sum of CI\$70,000.00 due under the First Loan remains outstanding.
6. The First Plaintiff agreed to accept ongoing quarterly interest only payments of CI\$2,100.00 (US\$2,561 at 0.82) on the First Loan with the principal sum remaining CI\$70,000.00. However, no quarterly payments have been made since June 2013. Thus, as each quarter passes without payment, the principal sum increases by CI\$2,100.00 (US\$2,561.00). As of the date of this Statement of Claim, the amount outstanding on the First Loan totals **CI\$78,400.00 (US\$95,609.76 at 0.82)**.

7. On 11 March 2010 the First Defendant executed a Loan Agreement and Promissory Note (“the Second Loan”) with the Second Plaintiff, where the Second Plaintiff agreed to grant a loan in the amount of US\$40,000.00 bearing interest of 12% per annum, with repayment on the following terms:
  - 7.1 Interest payments payable quarterly in the amount of US\$1,200.00; and
  - 7.2 The principal sum of US\$40,000.00 was to be repaid on or within 3 months following 11 March 2012.
8. Quarterly interest payments under the First and Second Loan were consolidated following the entering into of the Second Loan and the total payable each quarter US\$3,761.00.
9. The principal sum of US\$40,000.00 due under the Second Loan remains outstanding
10. As with the First Loan, the last quarterly interest payment under the Second Loan was made in June 2013. Thus, as each quarter passes without payment, the principal sum due on the Second Loan increases by US\$1,200.00. As of the date of this Statement of Claim, the amount outstanding on the Second Loan totals **US\$44,800.00**.
11. On 15 February 2013, the First and Second Defendants entered into an agreement with the First Plaintiff (“the Third Loan”) wherein the First Plaintiff agreed to lend the principal sum of US\$30,000.00 to the Defendants, transferring US\$15,000.00 on 15 February 2013 to the Defendants’ company account. The balance was lent to the Defendants on or about 5 March 2013.
12. The original repayment terms of the Third Loan called for monthly payments of US\$5,000 per month for 6 months starting 1 May 2013, with a final payment of US\$6,000.00 in the 7<sup>th</sup> month (1 November 2013), for a total of US\$36,000.00 to be repaid. Thus, the effective annual interest rate under the Third Loan was 57.5%.
13. However, no payments were made towards the Third Loan, as each cheque provided was dishonoured due to lack of funds.
14. As a result of the non-performing nature of the Third Loan, the parties met and renegotiated payment by way of post-dated, biweekly cheques in the amount of US\$2,000.00 each, to be paid over the following 36 weeks (18 payments). However, every cheque the First Plaintiff has been presented to the bank for payment was dishonoured due to lack of funds.

15. The principal amount of US\$30,000.00 loaned under the Third Loan remains outstanding, as does the additional US\$6,000.00 interest component.
16. Thus, as each year passes without payment, the principal sum due on the Third Loan increases by US\$17,250.00. As of the date of this Statement of Claim, the Third Loan has accrued US\$11,500 in interest bringing the amount outstanding on the Third Loan to **US\$41,500.00**.

## 17. PARTICULARS

- 17.1 With respect to the First Loan, the First Plaintiff claims the principal sum of CI\$70,000 (US\$85,365.85 at 0.82) with interest accruing at 12% per annum.
- 17.2 Interest owing on the First Loan of CI\$8,400.00 (US\$10,243.91 at 0.82) as of the date of issue of this Writ.
- 17.3 With respect to the Second Loan, the Second Plaintiff claims the principal sum of US\$40,000 with interest accruing at 12% per annum.
- 17.4 Interest owing on the Second Loan of US\$4,800.00 as of the date of issue of this Writ.
- 17.5 With respect to the Third Loan, the First Plaintiff claims the principal sum of US\$30,000 with interest accruing at 57.5% per annum.
- 17.6 Interest owing on the Third Loan of US\$11,500.00 as of the date of issue of this Writ.
18. In breach and/or default and dishonour of the various Loan Agreements and Promissory Note, the First and Second Defendants or each of them have failed or refused to pay the sum of **US\$181,909.76**, which sums remain due and owing to the Plaintiffs.

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### STATEMENT REGARDING INTEREST

19. The Plaintiffs seek pre and post judgment compounded interest from the date of issue of the plaint in accordance with the terms of the First and Second Loans at the rate of 12% per annum on the unpaid balance until payment and in accordance with the provisions of the Judicature Law (2007 Revision) and the Judgment Debt (Rates of Interest) Rules as amended from time to time.

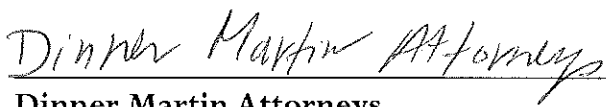
20. The First Plaintiff seeks pre and post judgment compounded interest from the date of issue of the plaint in accordance with the terms of the Third Loan at the rate of 57.5% per annum on the unpaid balance until payment and in accordance with the provisions of the Judicature Law (2007 Revision) and the Judgment Debt (Rates of Interest) Rules as amended from time to time.
21. The interest rate claimed is compounded interest or in the alternative as per the Judgment Debt (Rates of Interest) Rules at 2 3/8% per annum.
22. Interest for the First and Second Loans is claimed from September 2013.
23. The amount of interest owing at date of issue of this plaint is US\$26,543.91.
24. The amount of interest accruing each day following the issue of this plaint is US\$88.47.

AND THE PLAINTIFFS CLAIM:

- (i) The said sum of **US\$181,909.76**.
- (ii) Pre and post judgment Interest on the said sum of **US\$181,909.76** in accordance with the various loan documents or in the alternative pursuant to the Judicature Law (2007 Revision) and the Judgment Debt (Rates of Interest) Rules as amended from time to time.
- (iii) Costs.

If within the time for returning Acknowledgement of Service the Defendants pay to the Plaintiffs' Attorneys-at-Law the total amount claimed of **US\$181,909.76** (together with costs of US\$7,500.00) all further proceedings will be stayed.

Dated this 26<sup>th</sup> day of August 2014

  
 Dinner Martin Attorneys

**THIS WRIT OF SUMMONS** is filed by Dinner Martin Attorneys, attorneys for the Plaintiffs, whose address for service is that of their said attorneys, namely Dinner Martin Attorneys of 3rd Floor, One Capital Place, Shedden Road, P.O. Box 10190, Grand Cayman, KY1-1002 Cayman Islands [Our ref: 1085-0001].

**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 495GT, 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 (ie., 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 of 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 his 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.

IN THE GRAND COURT OF THE CAYMAN ISLANDS  
BETWEEN

CASE NO: GC of 2014

INFOTECH INC.

Plaintiff

And

PRISCILLA JEANNE MOFFITT

First Defendant

And

CRYSTAL CLAYTOR

Second 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.

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

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

yes

no

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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 appropriate box).

yes

no

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Service of the Writ is acknowledged accordingly.

(Signed) \_\_\_\_\_

**Attorney for**

**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.

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

Dinner Martin Attorneys 3 <sup>rd</sup> Floor, One Capital Place P.O. Box 10190 Grand Cayman KY1-1002  Attention: David Dinner  Reference: 1085-0001
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Indorsement by Defendant's Attorney (or by defendant if acting in person) of his name, address and reference, if any, in the box below.

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