

IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO: 367 OF 1995

Between:

**STRADA INVESTMENTS LTD.
(hereinafter "Strada")**

Plaintiff

-and-

**TEMORA INVESTMENTS LTD.
(hereinafter "Temora")**

First Defendant

-and-

**ADELPHI REALTY COMPANY LTD.
(hereinafter "Adelphi")**

Second Defendant

-and-

**COAST HILL DEVELOPMENT
INTERNATIONAL COMPANY LTD.
(hereinafter "Coast Hill")**

Third Defendant

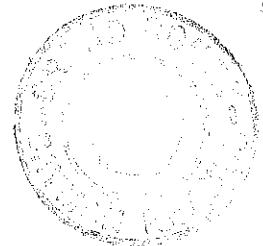


WRIT OF SUMMONS

TO: Temora Investments Ltd.,
c/o Caribbean Management Ltd.
P.O. Box 856, Grand Cayman, Cayman Islands

AND TO: Adelphi Realty Company Ltd.,
c/o Caledonian Bank & Trust Limited
P.O. Box 1043, Grand Cayman, Cayman Islands

AND TO: Coast Hill Development International Ltd.,
c/o Truman Bodden & Co.
P.O. Box 866, Grand Cayman, Cayman Islands

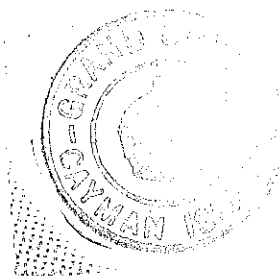


THIS WRIT OF SUMMONS has been issued against you by the above-named Plaintiff in respect of the claim set out on the next page.

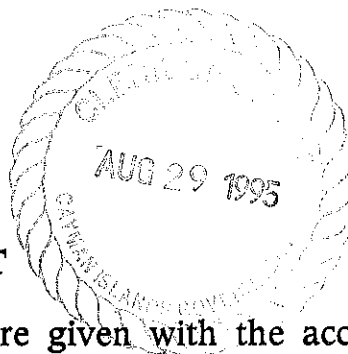
Within fourteen (14) days after the service of this Writ, including the day of service, you must either satisfy the claim or return to the Court Office, P.O. Box 495, G.T., Grand Cayman, the accompanying Acknowledgement of Service stating therein whether you intend to contest these proceedings.

If you fail to satisfy the claim or to return the Acknowledgement without stating therein an intention to contest the proceedings, the Plaintiff may proceed with the action and judgement may be entered against you forthwith without further notice.

Issued this ^{29th} day of August, 1995 .



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

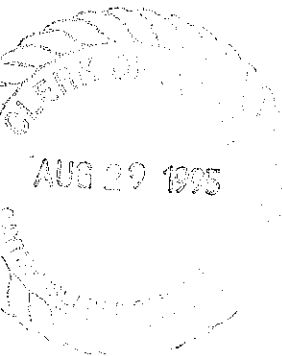
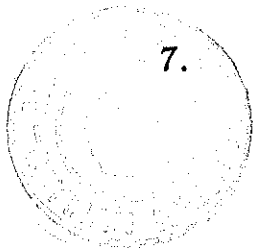


IMPORTANT

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

STATEMENT OF CLAIM

1. Strada is a local Caymanian Company registered to do business in the Cayman Islands, whose registered office is located at P.O. Box 509 George Town, Grand Cayman.
2. Temora is an Exempt company registered to do business in the Cayman Islands, whose registered office is located at Caribbean Management, Ltd., P.O. Box 856, George Town, Grand Cayman.
3. Adelphi is an ordinary Non-Resident company registered to do business in the Cayman Islands, whose registered office is located at Caledonian Bank & Trust Limited., P.O. Box 1043, George Town, Grand Cayman.
4. Coast Hill is an ordinary Non-Resident company registered to do business in the Cayman Islands,, whose registered office is located at Truman Bodden & Co., P.O. Box 866, George Town, Grand Cayman.
5. Temora, Adelphi and Coast Hill, (hereinafter collectively, the "Vendors"), were at all material times the registered proprietors of two parcels of Property located in Prospect and registered as Block 23C Parcel 43 and Block 23C Parcel 94, (hereinafter the "Property").
6. Strada was at all material times interested in purchasing the Property from the Vendors.
7. On or about the 18th day of May, 1994, Strada was advised through Quality Realty Ltd., (hereinafter "Quality"), that their negotiations with respect to the purchase of the Property had resulted in the Vendors agreeing to sell the Property to Strada upon certain terms and conditions being met. These conditions were satisfactory to Strada.
8. The following express terms were agreed upon by the parties:
 - a) The purchase price was to be the sum of U.S.\$ 2.50 per square foot of land to be acquired;
 - b) The Property was to be surveyed by Roland Bodden in order to ascertain the precise square footage to arrive at a total purchase price for the Property;
 - c) The down payment was to be the sum of U.S.\$ 108,000.00;
 - d) The balance of the purchase price was to be financed by the Vendors, be payable over a term of five (5) years, and bear interest at a rate of two and one-half per cent (2 1/2 %) over prime;



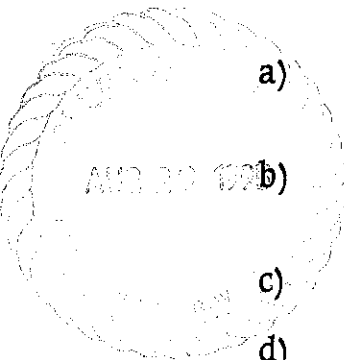
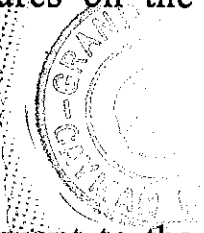
- e) There would be no penalty for the prepayment of the principal balance and interest would commence upon the execution of the contract for the purchase and sale of the Property (the "Contract");
 - f) The payments of principal on the balance of the purchase price would not commence until the seventh month following the execution of the Contract;
 - g) A real estate commission of four per cent (4 %) was to be payable to Quality ;
9. Mr. Herbert Peintner, the principal of the Vendor, Coast Hill, instructed its Attorney-at-Law, specifically J. Barry Smith, of Truman Bodden & Company, Attorneys-at-Law, to prepare the Contract. Mr. Smith prepared the Contract together with a Charge and a Collateral Charge in favour of the Vendors .
10. Paragraph 2 of the Contract dealt specifically with price and stated:

" The total purchase price for the Property shall be calculated on the total square footage of the Property ascertained by a fixed boundary survey to be carried out by Roland Bodden, Licensed Property Surveyor whose determination shall be final and binding on the parties hereto ("the precise area") at a rate of US\$2.50 per square foot. For the purposes hereof the parties hereto have estimated the Property to comprise an area of 357,190 square feet ("the estimated area") with a resultant total purchase price of US \$ 892,957.00(sic) but acknowledge that the total purchase price payable will be adjusted by way of increase or decrease at US\$2.50 per square foot by the amount that the precise area is less than or exceeds the estimated area."

11. The Contract was delivered to the Attorneys-at-Law acting for the Purchaser, Messrs Hunter & Hunter, and Roland Bodden carried out the fixed boundary survey as called for.
12. The fixed boundary survey concluded that the total area of the Property was 332,543 square feet which was 24,647 square feet less than the original estimated area of 357,190 square feet, which reduced the purchase price by the sum of US \$ 61,617.50, thereby decreasing the total purchase price to US \$ 831,357.50.
13. The Purchaser through its Attorneys-at-Law requested the Vendors to comply with their contractual obligations.
14. Notwithstanding these requests, the Vendors neglected or refused to honour the terms of the Contract, and refused to close the transaction despite numerous requests to do so.

15. On the 24th of October, 1994, the Purchaser through Messrs. Hunter & Hunter, advised the Attorneys-at-Law for Adelphi, Messrs. W.S. Walker & Company, that the refusal to complete the transaction was unreasonable and that their client, Strada, would be seeking to recover its damages and lost profits for breach of contract.
15. Strada was at all material times ready and willing to fulfil its obligations pursuant to the Contract.
16. By reason of the Vendors aforesaid breach Strada has suffered loss and damage.

PARTICULARS OF LOSS AND DAMAGE

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- 
- a) Thrown away costs of obtaining development approvals, plans and engineering drawings;
 - b) Loss of business opportunity to erect certain structures on the Property which had been pre-sold to clients of Strada;
 - c) Lost business income;
 - d) Lost profits;
17. Further, Strada is entitled to and hereby claims interest pursuant to the Judicature Law on the amount found due at such rate and for such period as the Court thinks fit.

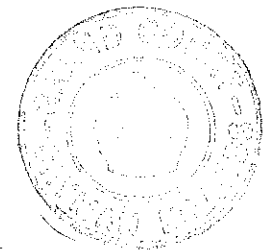
AND THE PLAINTIFF CLAIMS:

1. A declaration that the Contract between the Vendors and Strada was a valid and subsisting agreement which is binding upon the Defendants;
2. A declaration by reason of the repudiation of the Contract by the Defendants that the Plaintiff is relieved of all liability for the further performance of its obligations under the said Contract;
3. Repayment to the Plaintiff of all sums expended by the Plaintiff to obtain Planning approvals, together with all ancillary costs associated therewith including interest on all sums expended from the date of such expenditure to the date of repayment at such rate as the Court shall think fit;
4. Damages for breach of contract;
5. All necessary and consequential accounts directions and enquiries;
6. Interest pursuant to the Judicature Law on any sum found due at such rate and for such period as the Court shall think fit;

7. Such further and/or other relief as this Honourable Court deems just;
8. Costs.

DATED the *29th* day of August, 1995

Collins Broadhurst & Furniss
Collins Broadhurst & Furniss
Attorneys-at-Law for the Plaintiff herein



THIS WRIT AND STATEMENT OF CLAIM WAS ISSUED BY COLLINS BROADHURST & FURNISS, ATTORNEYS-AT-LAW FOR THE PLAINTIFF HEREIN, WHOSE ADDRESS FOR SERVICE IS P.O.BOX 2503, ELIZABETHAN SQUARE, GEORGE TOWN, GRAND CAYMAN.

**DIRECTIONS FOR ACKNOWLEDGEMENT OF SERVICE
OF WRIT OF SUMMONS**

1. The accompanying form of *Acknowledgement 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, G.T. Grand Cayman.

2. A Defendant who states in his Acknowledgement 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 not endorsed on the Writ (i.e. the words "Statement of Claim" appear on the top of page 2). the defence must be served within fourteen (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 endorsed on the Writ, the defence need not be served until fourteen (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 within 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 Acknowledgement of Service, that he intends to apply for a stay, execution will be stayed for fourteen 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.

Notes for Guidance

1. Each Defendant (if there are more than one) is required to complete an Acknowledgement 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.

IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO: 367 OF 1995

Between:

STRADA INVESTMENTS LTD.
(hereinafter "Strada")

Plaintiff

-and-

TEMORA INVESTMENTS LTD.
(hereinafter "Temora")

First Defendant

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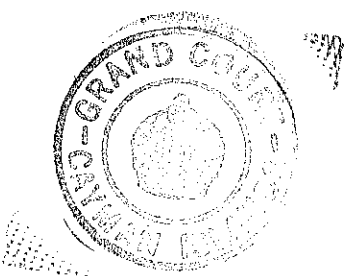
ADELPHI REALTY COMPANY LTD.
(hereinafter "Adelphi")

Second Defendant

-and-

COAST HILL DEVELOPMENT
INTERNATIONAL COMPANY LTD.
(hereinafter "Coast Hill")

Third Defendant



ACKNOWLEDGEMENT 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 []

Service of the Writ is acknowledged accordingly

(signed) _____

[Attorney] for

[Defendant in Person]

Address for service:

Notes on address for service

Attorney: where 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 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, below.*

Collins Broadhurst & Furniss
Attorneys-at-Law
Elizabethan Square
P.O. Box 2503, G.T.
Grand Cayman

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

