

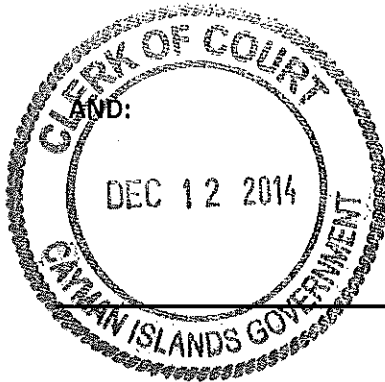
IN THE GRAND COURT OF THE CAYMAN ISLANDS
CIVIL DIVISION

CAUSE NO. *90272* OF 2014

BETWEEN:

CAYMAN NATIONAL BANK LTD.

PLAINTIFF

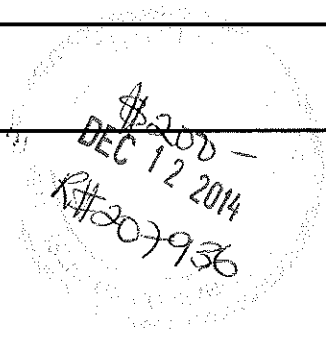
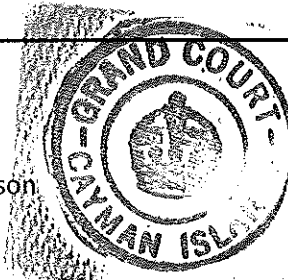


ALFRED LAURENCE THOMPSON

DEFENDANT

WRIT OF SUMMONS

TO: Alfred Laurence Thompson
713 South Sound Road
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 on you, counting the day of service, you must either satisfy the claim or return to the Court Office, PO Box 495, George Town, Grand Cayman KY1-1106, Cayman Islands, 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 of Service within the time stated, or if you return the Acknowledgment of Service 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 12th day of December 2014

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 Acknowledgment of Service are given with the accompanying form.

STATEMENT OF CLAIM

1. The Plaintiff is and was at all material times a Class A Licensed Bank incorporated in the Cayman Islands authorised under the laws of the Cayman Islands to offer banking services and facilities to its customers.
2. The Defendant is and was at all material times a citizen of and resident in the Cayman Islands.
3. By a loan agreement made between the Plaintiff and Sand & Sea Development Ltd ("Sand & Sea") (which agreement is evidenced by an offer letter dated 27 July 2006 and a legal charge dated 25 October 2006 and which agreement was subsequently amended) the Plaintiff agreed to advance monies to Sand & Sea for the purpose of constructing a condominium development on land registered as West Bay North West Block 4B Parcel 51. The loan was secured by a first legal charge granted by Sand & Sea to the Plaintiff over the said land.
4. Under the terms of the agreement (as amended by letter dated 24 May 2010) during the period of construction Sand & Sea covenanted to pay the Plaintiff interest only on the principal amount advanced by the Plaintiff monthly at a rate of two per cent. above the Prime Rate for United States Dollars then applicable per annum (which at the time of the said letter was 3.25 per cent.) subject to variation from time to time in accordance with lending rates then prevailing in the Cayman Islands. Sand & Sea further covenanted to pay interest for the 12 months following completion of the said works at a rate of 1.5 per cent. above the Prime Rate for United States Dollars then applicable per annum (which at the time of the said letter was 3.25 per cent.) subject to variation from time to time in accordance with lending rates then prevailing in the Cayman Islands) and further covenanted to repay the full amount of principal and interest then outstanding at the conclusion of the 12 month period following completion of the works ("**Repayment Date**") from the proceeds of sale of units at the condominium (with any outstanding balance to be repaid in blended monthly payments of principal and interest monthly over the five years following the Repayment Date. At all times Sand & Sea further covenanted to repay the full amount advanced on demand.

5. By a deed of guarantee executed in favour of the Plaintiff by the Defendant on 21 December 2006 (the "Guarantee") the Defendant guaranteed as principal obligor the due and punctual payment by Sand & Sea of all debts and liabilities present and future, direct or indirect, absolute or contingent matured or not and of each and every liability of Sand & Sea of whatsoever nature howsoever arising to the Plaintiff up to a maximum amount of US\$1,175,763.58. The Guarantee will be relied on by the Plaintiff at trial for its full terms, meaning and effect.
6. By clause 1(B) of the Guarantee the Defendant's liability under the Guarantee was expressed to be exclusive of all and any interest accruing thereon at such rate or rates as the Plaintiff may in its absolute discretion determine from time to time and all or any bank charges together with all costs and expenses recoverable from Sand & Sea and all costs and expenses incurred by the Plaintiff in connection with the enforcement of the Guarantee.
7. By clause 2(A) of the Guarantee the Defendant further undertook to keep the Plaintiff fully and effectually indemnified against all losses damages costs claims and expenses arising out of or in connection with any failure on the part of Sand & Sea to pay any sums due to the Plaintiff by Sand & Sea as and when such sums fell due to be paid.
8. By a letter of demand addressed to Sand & Sea and dated 3 May 2010 the Plaintiff demanded payment from Sand & Sea of the sum of US\$10,521,378.40. That demand was not satisfied by Sand & Sea.
9. There is now due and owing from Sand & Sea pursuant to the agreement in respect of the said principal sum and the said interest the sum of US\$17,013,318.30.

PARTICULARS

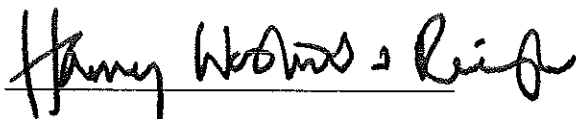
Principal sum outstanding of US\$16,998,333.64

Interest of US\$24,774.66 which continues to accrue at a rate of US\$2,477.47
per diem

10. By a letter of demand dated 22 October 2013 the Plaintiff demanded of the Defendant payment in the sum of US\$1,000,000 by the Defendant pursuant to the terms of the Guarantee (being a sum less than the amount for which the Defendant is liable under the Guarantee) together with interest at a rate of US\$145.83 per diem. The Defendant did not pay the sum demanded or any sum.
11. By a letter of demand dated 2 December 2014, the Plaintiff demanded of the Defendant payment in the sum of US\$1,058,332 by the Defendant pursuant to the terms of the Guarantee (being a sum less than the amount for which the Defendant is liable under the Guarantee), together with interest at a rate of US\$145.83 per diem. The Defendant has not paid the sum demanded or any sum.

AND THE PLAINTIFF claims:

- (1) The sum of US\$1,175,763.58;
- (2) Interest on US\$1,175,763.58 from the date of issue of these proceedings until judgment at 5.75% per annum (being the effective rate agreed of interest agreed with Sand & Sea) at a daily rate of US\$187.79; and
- (3) Costs pursuant to the Guarantee.



Harney Westwood & Riegels

Attorneys-at-Law for and on behalf of the Plaintiff

If within the time limited for returning the Acknowledgement of Service the Defendant pays the total amount claimed of US\$1,175,763.58 plus interest and costs further proceedings will be stayed. The said amount must be paid to the Plaintiff or its Attorneys.

THIS WRIT OF SUMMONS AND STATEMENT OF CLAIM was issued by Harney Westwood & Riegels, Attorneys-at-Law for the Plaintiff, whose address for service is 4th Floor, Harbour Place, 103 South Church Street, PO Box 10240, Grand Cayman KY1-1002, Cayman Islands (Ref: 045689.0004/DCB).