

IN THE GRAND COURT OF THE CAYMAN ISLANDS  
CIVIL DIVISION

60182

CAUSE NO. OF 2015

BETWEEN:

FIRST CARIBBEAN INTERNATIONAL BANK (CAYMAN) LTD

PLAINTIFF

AND:

NICHOLAS EBANKS

FIRST DEFENDANT

HELLEN EBANKS

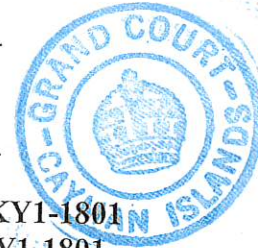
SECOND DEFENDANT



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WRIT OF SUMMONS

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TO: Mr. Nicholas Ebanks, P.O. Box 196, Grand Cayman, KY1-1801  
Mrs. Hellen Ebanks, P.O. Box 196, Grand Cayman, KY1-1801

**THIS WRIT OF SUMMONS** has been issued against you by the above-named Plaintiffs 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 13<sup>th</sup> day of October 2015

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. By an agreement dated 22<sup>nd</sup> December 2008 (the "Loan Agreement"), attached to this Writ of Summons, the Plaintiff agreed to lend Mr. Nicholas and Mrs. Hellen Ebanks ("the Defendants") the sum of CI\$437,500.00 ("the Loan").
2. The Loan Agreement contained, inter alia, the following express terms:
  - a. "Interest Rate: 1.5% above KYD prime rate effective 4.75% for the time being."
  - b. "Repayment: Repayable immediately and without notice upon the occurrence of an Event of Default. (Events of Default are defined as breaches of any conditions or covenants listed in this document)"
  - c. "Schedule of Payments: Unless an Event of Default has occurred you will pay FirstCaribbean as follows: By way of 384 payments of CI\$2,218.42 representing blended payments of principal and interest payable monthly, subject to change to ensure liquidation within the 32 years term."
3. The Loan was secured by a registered legal charge stamped to cover CI\$437,500.00 ("the Charge") over the property at Block 25C, Parcel 119, Spotts, Grand Cayman ("the Property").
4. The Charge contained, inter alia, the following express terms:

### A. TO PAY PRINCIPAL

To pay to the Chargee on the date specified in Item One (1) of the Schedule "B" at the offices of the said Bank at George Town, Grand Cayman, B.W.I. or at such other place as the Chargee may from time to time in writing direct, the Principal or such part thereof as shall then remain unpaid together with all interest at the rate set out in Item Three (3) of the Schedule "B" (subject as hereinafter provided) and all other monies hereby secured then remaining unpaid: and the Chargor HEREBY CHARGES the Charged Premises with the payment of such Principal and interest and all other monies hereby secured: PROVIDED that notwithstanding the foregoing provisions of this paragraph, the Chargee shall be absolutely entitled at any time after the execution hereof in the event of any default by the Chargor on any of the Chargor's obligations hereunder to require payment of the Principal or the balance thereof then outstanding and all interest and other monies hereby secured; and the Chargor shall on demand being made in writing by the Chargee requiring such payment and signed on behalf of the Chargee by any of its officers thereunto authorized or by its Attorneys-at-Law, pay the Chargee at the place aforesaid the Principal or the entire balance then outstanding and all interest and other monies hereby secured then outstanding.

### B. TO PAY MONTHLY INSTALLMENTS

(i) Until payment in full of the Principal and of all such other monies hereby secured, to pay to the Chargee at the place aforesaid the sums on the dates in each month specified in Item Four (4) of Schedule "B" hereto SAVE AND EXCEPT where otherwise required by the Chargee. Such monthly payments shall be applied FIRSTLY in satisfaction or on account of interest accrued on the Principal or such part thereof as shall for the time remain unpaid, which interest shall be computed at the rate specified in Item Three (3) of the said Schedule "B" (subject to variation as is provided in Clause 4(a) hereof) from the date of payment of the Principal or any part thereof to the Chargor and SECONDLY in reduction of the Principal.

### 3. CHARGEES EXPENSES

Without prejudice to and in addition to any other remedy of the Chargee in respect thereof the Chargor HEREBY COVENANTS with the Chargee that on demand the Chargor will pay to the Chargee the amount of all the Chargee's expenses incurred by the Chargee in relation to the security hereby constituted with interest thereon from the date when the Chargor becomes liable therefor until payment thereof at the rate for the time being payable hereunder in the manner hereby provided with regard to the payment of interest and the Chargor HEREBY CHARGES the Charged Premises with the payment of such expenses and the interest thereon and for the avoidance of doubt it is hereby declared that the expression "Chargee's expense" includes not only all such expenses as would otherwise be allowable on the taking of an account between the Chargor and a Chargee but also (and in so far as they are not so allowable) includes all moneys, costs, charges and expenses paid and all liabilities incurred by the Chargee (including legal costs, charges and expenses ascertained as between Attorney-at-Law and own client) on or in connection with or incidental to the Charged Premises and security and without prejudice to the generality of the foregoing shall include all moneys, costs, charges and expenses paid and all liabilities incurred by the Chargee in or in connection with or incidental to, amongst other things:-

...

- c. Considering or enforcing or attempting to enforce any of the rights and powers hereby or by Law vested in the Chargee in relation to the Charged Premises or this security;

### 18. ORDER OR REALIZING SECURITY

This security shall not be affected by nor affect any other security which the Chargee may now or hereafter hold from the Chargor or any other person and the Chargee shall be at liberty to realize its securities in such order and manner and to apply and appropriate any monies at any time or times paid by or on behalf of the Chargor or resulting from a realization of this or any other security or any part thereof to such account or item of indebtedness and in such sequence, priority and order as the Chargee may in its absolute discretion from time to time determine, any direction from the Chargor to the contrary notwithstanding.

## 19. CHARGEES EXERCISE OF REMEDIES

The Chargee shall be entitled to exercise its remedies under this charge concurrently, consecutively or in such order as the Chargee in its discretion may from time to time decide and without exercising or exhausting any one remedy before proceeding with another.

### SCHEDULE "B"

1. DATE LOAN REPAYABLE: In accordance with item 4 below or in the event of default by the Chargor hereunder.
  2. PRINCIPAL SUM: CI\$437,500.00.
  3. INTEREST RATE: 1.50 per centum per annum over the prime rate for CAYMAN ISLANDS DOLLARS or such other rate as the Chargee may from time to time specify.
  4. AMOUNT OF MONTHLY PAYMENT OF PRINCIPAL AND INTEREST: By way of 384 payments of CI\$2,218.42 representing blended payments of principal and interest payable monthly subject to change to ensure liquidation within the thirty-two year term. Payments are to commence within thirty days of final drawdown.
  5. THE CHARGED PREMISES: SPOTTS BLOCK 25C PARCEL 119
5. In or about June and July 2012, the Defendant's failed to make the required payment due in respect of the Loan. The Failure to make the required repayments was an Event of Default.
  6. By letter dated 8 August 2012 the Plaintiff demanded that the Defendant pay the outstanding arrears which, at that time amounted to CI\$6,719.26.
  7. The Defendants failed to pay the arrears due in respect of the Loan and on 3<sup>rd</sup> and 5<sup>th</sup> November 2012, the Defendants were personally served with Statutory Notices pursuant to s.64 (2) and s.72 (1) of the Registered Land Law (Revised) demanding "full payment in the sum of CI\$413,927.60 plus interest within the next three month from the date of this letter".
  8. The Property was listed for sale on 6<sup>th</sup> June 2013 but remains unsold.
  9. The Defendants remain in default of the terms of the Loan.
  10. The total amount outstanding in respect of the Loan as at 6<sup>th</sup> October 2015 is CI\$521,686.48 which can be broken down as follows:
    - a. Principal amount: CI\$432,825.05

- b. Late fees due: CI\$6,451.80
- c. Interest due: CI\$82,409.62

11. Pursuant to the terms of the loan as set out above, the current rate of interest is 4.75% and interest continues to accrue at a daily rate of CI\$57.11.

AND THE PLAINTIFF claims:

- 1. CI\$439,276.85
- 2. Interest of CI\$82,409.62 and continuing to accrue in accordance with paragraph 11 above at a daily rate of CI\$57.11;
- 3. Costs.

If, within the time for returning the Acknowledgment of Service, the Defendant pays the total amount claimed of CI\$521,686.47 plus interest from 6<sup>th</sup> October 2015 at CI\$57.11, further proceedings will be stayed save for proceedings relating to the Plaintiff's entitlement to costs. The money must be paid to the Plaintiff or his Attorney.

Dated this 13<sup>th</sup> day of October 2015



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**RITCH & CONOLLY**  
Attorneys for the Plaintiff

IN THE GRAND COURT OF THE CAYMAN ISLANDS  
CIVIL DIVISION

CAUSE NO. 182 OF 2015

BETWEEN:

FIRSTCARIBBEAN INTERNATIONAL BANK (CAYMAN) LTD

PLAINTIFF

AND:

NICHOLAS EBANKS

FIRST DEFENDANT

HELLEN EBANKS

SECOND DEFENDANT

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ACKNOWLEDGMENT OF SERVICE  
OF WRIT OF SUMMONS

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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.

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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 box*)  
 yes  no
-

Service of the Writ is acknowledged accordingly

(Signed).....

[Attorney] for

[Defendant in person]

Address for service:

**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 Grand Cayman KY1-1104 Ref: MJD/12301
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*Endorsement by defendant's Attorney (or by defendant if suing in person) of his name, address and reference, if any, in the box below.*

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FirstCaribbean International Bank  
(Cayman) Limited  
25 Main Street  
PO Box 68  
Grand Cayman KY1-1102  
CAYMAN ISLANDS

www.firstcaribbeanbank.com  
Tel (345) 949-7300  
Fax (345) 815-2190



FIRST CARIBBEAN  
INTERNATIONAL BANK

December 22, 2008

Nicholas Ebanks  
Hellen Ebanks  
P.O. Box 196  
Grand Cayman KY1-1801

Dear Mr. & Mrs. Ebanks,

FirstCaribbean International Bank (Grand Cayman) Limited, is pleased to establish the following Credit for you.

**Conditions to this offer:**

The terms and conditions of this facility letter refer only to this transaction and have no bearing on any other facilities which currently exist with any other entity of FirstCaribbean International Bank.

**MORTGAGE LOAN**

**Loan Amount:**

- o CI\$437,500.00 (Four hundred and thirty seven Thousand, five Hundred Cayman Dollars)

**Purpose:**

- o To repay mortgage at National Building Society, property loan at the credit union, complete construction and to assist with closing costs.

**Interest Rate:**

**Variable Rate Residential Mortgages:** 1.5% above KYD prime rate effective 4.75% for the time being.

**Repayment:**

- o Repayable immediately and without notice upon the occurrence of an Event of Default. (Events of Default are defined as breaches of any conditions or covenants listed in this document)

**Scheduled Payments:**

Unless an Event of Default has occurred you will pay FirstCaribbean as follows:

- o By way of 384 payments of CI\$2,218.42 representing blended payments of principal and interest payable monthly, subject to change to ensure liquidation within the 32 years term. Payments are to commence within 30 days of final draw down.

**Security:**

The following security is required:

**Registered Mortgage**

- o Registered 1<sup>st</sup> legal mortgage stamped to cover KYD\$437,500.00 with power to up stamp giving FirstCaribbean a 1<sup>st</sup> charge over the property at Block 25C, Parcel 119, Spotts, Grand Cayman.

**Life insurance:**

- o Acknowledged assignment of life insurance on the life of Nicholas Ebanks in the amount of KYD\$437,500.00.
- o The insurance policy together with the acknowledged assignment form must be deposited with the bank.

*FirstCaribbean International Bank is a member of the CIBC Group.*

- Acknowledged assignment ~~or~~ life insurance on the life of Hellen Ebanks in the amount of KYD\$437,500.00.
- The insurance policy together with the acknowledged assignment form must be deposited with the bank.

**Property Insurance:**

**Detached Dwellings:**

- Fire and all perils insurance usual to the area in an amount sufficient to cover the replacement value of the property, is to be placed and maintained with companies approved by us. The policy, with approved form of Mortgage Clause attached (among other things to preclude the cancellation without notice to the Mortgagee) will be endorsed in favour of and deposited with us.

**Covenants:**

1. This commitment will be deemed to expire if not accepted by December 28<sup>th</sup> 2008 and if accepted will lapse if documentation is not completed and funds drawn down by February 28<sup>th</sup> 2009.
2. The mortgage is to be in the names of Nicholas & Hellen Ebanks.
3. The legal work for the preparation and completion of the mortgage will be done on the Bank's behalf by an attorney-at-law chosen from the Bank's list of approved attorneys-at-law.
4. All costs in connection with the processing of the loan, including appraisal fees, mortgage registry fees, legal fees, inspection fees, stamp duties and other disbursements of a like nature will be borne by the mortgagors.
5. The mortgagor will on an annual basis provide receipts to the bank as evidence of the payment of property taxes for the current year. The mortgagor will on an annual basis also provide receipts to the bank as evidence of the renewal of property insurance and life insurance for the current year.
6. In the event of non-payment of property insurance, life insurance or property taxes the bank reserves the right to charge these to the mortgage account and to reschedule the resulting balance over the remaining period to maturity of the loan account. The new instalment will become due on the next payment date and the account will become delinquent if this is not paid.
7. The Manager of the FirstCaribbean International Bank or his/her designate will have the right at any time to inspect the property, including the building thereon held as security for the mortgage
8. Where mortgages are charged interest at variable rates the mortgagee may from time to time vary the rate of interest payable by the borrower by giving at least 30 days notice to that effect specifying the new rate at which interest is to be payable and date from which it becomes effective.
9. A recent surveyor's Identification/valuation report, prepared by an approved Quantity Surveyor of the Bank, satisfactory to us, will be furnished certifying the boundaries and dimensions of the property as well as any statutory documents certifying that the location of the building and any improvements thereon comply with all local building, health and other requirements.
10. A final valuation report is to be provided upon completion of the property.
11. Provided that on any payment date herein stipulated for payment on account of the principal of this mortgage, the mortgage if not in default shall have the privilege of paying the whole said principal sum the outstanding or of making additional payments. The amount so prepaid should not be as a result of re-financing from elsewhere; otherwise, upon payments to the mortgagee, a bonus equal to three months interest on the remaining balance will become due.

**The Bank reserves the right to: -**

1. Withdraw the offer of the loan if any time before the loan is drawn down any of the information submitted in connection with the mortgage application is found in the Bank's opinion to be incorrect or misleading or if any change in the borrower's circumstances takes place, which the Bank in its sole discretion determines to be unacceptable.
2. Withhold funds or demand repayment of disbursed funds if subsequent to the disbursement of funds information submitted in connection with the application is found in the Bank's opinion to be incorrect or misleading or if any change in the borrower's circumstances takes place which the Bank in its sole discretion determines to be unacceptable.

**Fees:**

**Set Up:**

- o CI\$4,375.00 upon acceptance of this offer.

**Late Payment:**

- o Loan installments received later than the due date will attract a penalty charge of CI\$32.00.

**Other Provisions**

FirstCaribbean International Bank (Cayman) Limited shall have the right at any time to convert amount outstanding under this (loan facility) which will include principal plus accrued interest and any other charges applied in terms of this (facility) that is denominated in Cayman Islands Dollars into United States Dollars at a conversion rate of 1:1.2 in the absolute discretion of the Bank.

FirstCaribbean International Bank (Cayman) Limited shall provide written notice to the (borrower) within 28 days of effecting any such conversion.

The terms of this (loan facility) shall apply mutatis mutandis to the United States Dollar amount outstanding following any such conversion with any reference in this (loan facility) to any Cayman Islands Dollar amount being read as reference to a United States Dollar amount calculated by applying the Conversion Rate to the Cayman Islands Dollar amount specified.

**Changes in Payments:**

- o For any Installment Loan, which is paid in blended payments, such payments will be reviewed, at least, annually to ensure, in the event of changes in the rate being charged, the original scheduled end date is maintained. In such cases, should such a change in the payment amount be necessary, we will provide 30 days notice.

**Current Prime Rate:**

- o The current Prime Rate at date of this Agreement is: 3.25%.

Please indicate your acceptance of these terms by returning a signed copy of this Agreement. If we do not receive a signed copy by December 28<sup>th</sup> 2008, then this offer will expire.

Yours truly,

FirstCaribbean International Bank (Grand Cayman) Limited

By: *D White* Mrs. Deborah Kerr-White  
Title: (Sales Specialist)  
Phone no: (345) 815-2145  
Fax no: (345) 815-2186  
Email: Deborah.kerr@firstcaribbeanbank.com

Acknowledgement: The undersigned certifies that all information provided to FirstCaribbean is true, and acknowledges receipt of a copy of this Agreement (including any Schedules referred to above).

Accepted this 22 day of Dec, 08.

Customer name:

By: *Nicholas Ebanks*

Name: Mr. Nicholas Ebanks

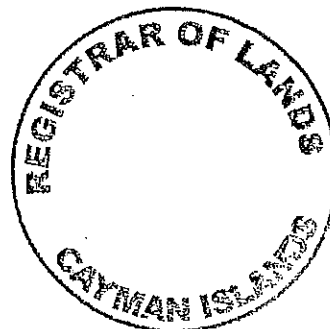
By: *Hellen Ebanks*

Name: Mrs. Hellen Ebanks



THE REGISTRAR OF LANDS IS HEREBY REQUESTED

- a) to register this Charge in favour of the Chargee;
- b) to note on the register that the attached schedule contains an agreement by the Chargor with the Chargee that the Chargor will not without first obtaining the prior written consent of the Chargee, sell, lease or sub-lease or agree to lease or sub-lease, charge, let or assign or transfer or otherwise part with the possession of the charged premises or any part thereof;
- (c) to note on the register that the right to tack and rank in priority to any subsequent charge is expressly reserved to the Chargee;
- (d) to note on the register that the attached Schedule reserved to the Chargee the right to consolidate this Charge with any other charge;
- (e) to note on the register that the attached Schedule contains an agreement by the Chargor with the Chargee that the Chargor will not without first obtaining the prior written consent of the Chargee create or purport or attempt to create any charge, incumbrance or mortgage which by virtue of any law or regulation will rank pari passu with or in priority to this Charge or second or subsidiary to this Charge.



## SCHEDULE "A"

NOW THIS INSTRUMENT WITNESSETH as follows:-

### 1. INTERPRETATION

Throughout this instrument unless the context otherwise requires the following expressions have the following meanings:-

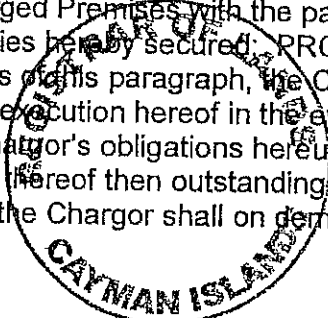
- a. "The Chargor", "the Guarantor" (if any) and "the Chargee" includes besides the parties hereto their respective personal representatives, successors in title and transferees.
- b. "The Principal" means the principal sum hereby advanced and secured and set out in Item Two (2) of the Schedule "B" hereto.
- c. "The Statute" means the Registered Land Law or any re-enactment thereof or any enactment amending the same.
- d. "The Board of Directors" means the Directors of FIRSTCARIBBEAN INTERNATIONAL BANK (CAYMAN) LIMITED from time to time.
- e. "The Charged Premises" means the land the subject of this Charge as set out in Item Five (5) of the Schedule "B" hereto.
- f. "The Building" or "Buildings" means any building or erection erected on the Charged Premises whether or not permanently attached thereto and includes all fixtures and fittings and any chattels owned by the Chargor and used in or about the Charged Premises.

### 2. COVENANTS BY THE CHARGOR

In consideration of the Principal lent and advanced by the Chargee to the Chargor at the request of the Chargor (the receipt whereof is hereby acknowledged), the Chargor HEREBY COVENANTS with the Chargee during the continuance of this security as follows:-

#### A. TO PAY PRINCIPAL

To pay to the Chargee on the date specified in Item One (1) of the Schedule "B" at the offices of the said Bank at George Town, Grand Cayman, B.W.I. or at such other place as the Chargee may from time to time in writing direct, the Principal or such part thereof as shall then remain unpaid together with all interest at the rate set out in Item Three (3) of the Schedule "B" (subject as hereinafter provided) and all other monies hereby secured then remaining unpaid; and the Chargor HEREBY CHARGES the Charged Premises with the payment of such Principal and interest and all other monies hereby secured; PROVIDED that notwithstanding the foregoing provisions of this paragraph, the Chargee shall be absolutely entitled at any time after the execution hereof in the event of any default by the Chargor on any of the Chargor's obligations hereunder to require payment of the Principal or the balance thereof then outstanding and all interest and other monies hereby secured; and the Chargor shall on demand being made



in writing by the Chargee requiring such payment and signed on behalf of the Chargee by any of its officers thereunto authorized or by its Attorneys-at-Law, pay to the Chargee at the place aforesaid the Principal or the entire balance then outstanding and all interest and other monies hereby secured then outstanding.

B. TO PAY MONTHLY INSTALLMENTS

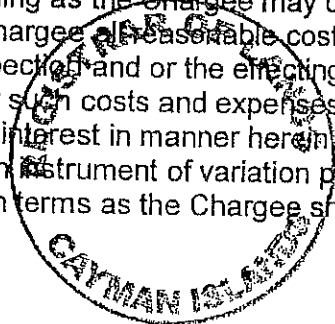
- (i) Until payment in full of the Principal and of all such other monies hereby secured, to pay to the Chargee at the place aforesaid the sums on the dates in each month specified in Item Four (4) of Schedule "B" hereto SAVE AND EXCEPT where otherwise required by the Chargee. Such monthly payments shall be applied FIRSTLY in satisfaction or on account of interest accrued on the Principal or such part thereof as shall for the time remain unpaid, which interest shall be computed at the rate specified in Item Three (3) of the said Schedule "B" (subject to variation as is provided in Clause 4(a) hereof) from the date of payment of the Principal or any part thereof to the Chargor and SECONDLY in reduction of the Principal.
- (ii) All payments made under and pursuant to this Charge on account of Principal or interest or otherwise shall be made without set-off or counter-claim and free and clear of and without future taxes levies, rates, imposts, duties, deductions, withholdings or other charges of whatsoever nature.

C. TO PAY RATES, TAXES AND OUTGOINGS

At all times duly and regularly to pay all rates, taxes, assessments and outgoings now or hereafter to become due and payable in respect of the Charged Premises and to produce on demand all receipts and vouchers in proof of such payments.

D. REPAIRS ETC.

Sub-Section (c) of Section 67 of the Statute shall not apply to this Charge nor to any instrument of variation executed pursuant to this Charge and instead thereof the Chargor shall so long as any money remains owing on this Charge or any variation thereof keep the Buildings on the Charged Premises in good and substantial repair and condition to the satisfaction of the Chargee and to permit the Chargee or its agents with or without workmen and others at all reasonable times to enter into or upon the Charged Premises and examine the state and condition thereof and of the Building and to forthwith repair and make good all defects and wants of reparation of which notice in writing shall have been given to the Chargor by the Chargee AND IN CASE OF DEFAULT to permit the Chargee with or without workmen to enter on the Charged Premises and effect such repairs to the Building as the Chargee may consider necessary and on demand to pay to the Chargee all reasonable costs and expenses incurred in relation to any such inspection and or the effecting of such repairs and until payment by the Chargor such costs and expenses shall be treated as a further advance repayable with interest in manner herein provided and in such event the Chargor shall execute an instrument of variation pursuant to Section 69 of the above Statute upon such terms as the Chargee shall then require.

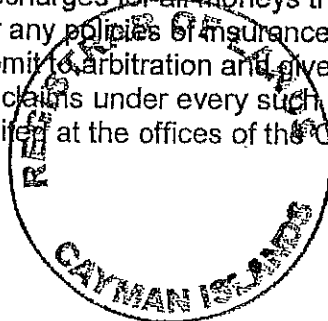


E. RESTRICTIVE AGREEMENTS AND CONDITIONS

At all times to comply with the restrictive covenants (if any) endorsed on the Land Register for the Charged Premises or any Buildings thereon and not to use the Charged Premises or any Buildings thereon for any purpose other than that permitted by such restrictive covenants and not to alter or add to or cause to be altered or added to any Building structure or erection on the Charged Premises without the written consent of the Chargee first had and obtained.

F. INSURANCE

Sub-Section (d) of Section 67 of the above Statute (and Sub-Section (j) thereof only so far as it relates to the said Sub-Section (d) shall not apply to this Charge or to any instrument of variation executed pursuant to this Charge and instead thereof the Chargor shall so long as any money shall remain owing on the security of this Charge or any variation thereof insure and keep insured in the joint names of the Chargor and Chargee any buildings or erections from time to time erected or in the course of erection of an insurable nature upon being or forming part of the Charged Premises (whether affixed to the freehold or not) with an insurance office of repute approved from time to time by the Chargee against loss or damage occasioned by fire (including fire occasioned by any of the undermentioned perils), lightning, (whether accompanied by fire or not), earthquake, hurricane, cyclone, tornado, windstorm, flood (including overflow of the sea), riot, strike, public liabilities and such other perils and on such other terms and conditions as the Chargee may from time to time deem fit for a sum not less than the full insurable value of the said buildings. The interest of the Chargee under the policy or policies of insurance to be effected on the buildings as hereinbefore provided shall for all purposes be deemed the primary interest in the said policies the subject matter thereof and the moneys payable thereunder shall be payable to the Chargee in priority to all other moneys that may from time to time become payable under any other policy of insurance of whatsoever class and wheresoever the same may be effected in any name or names whatsoever, other than that of the Chargee AND it is hereby agreed and declared that all monies received under or by virtue of any insurance as aforesaid whether received by the Chargor the Chargee or any receivers appointed by the Chargee (notwithstanding the provisions of Section 73(7) of the Statute) shall at the option of the Chargee either be forthwith applied in or towards substantially rebuilding reinstating or repairing the buildings or erections destroyed or damaged or in or towards payment of the moneys for the time being secured by these presents including any premiums paid under the aforesaid power and the Chargor DOTH HEREBY IRREVOCABLY APPOINT the Chargee the attorney for the Chargor during the subsistence of this security to collect and receive and give valid receipts and discharges for all moneys that may be or may become payable to the Chargor under any policies of insurance with full powers to adjust compromise and submit to arbitration and give receipts and acquittances for and compound all or any claims under every such policy of insurance and the said policy shall be deposited at the offices of the Chargee during the continuance of this security.



G. TO PAY INSURANCE PREMIUMS

At all times to punctually pay every sum from time to time payable for keeping on foot every such insurance or within seven (7) days after the first day upon which it becomes payable and on demand deliver to the Chargee the policy or policies of such insurance duly endorsed as aforesaid or other proper evidence of the subsistence thereof and also on demand to deliver to the Chargee the receipts for or other sufficient evidence of repayment of every sum payable as aforesaid AND it is hereby agreed and declared that if the Chargor shall make default in any of the above matters the Chargee may insure and keep insured all or any of the Buildings in manner aforesaid and that the expense of so doing shall be paid by the Chargor to the Chargee on demand and in the meantime shall be added to the Principal sum and bear interest accordingly in manner herein provided and in such event the Chargor shall execute an instrument of variation pursuant to Section 69 of the Statute upon such terms as the Chargee shall then require.

H. NOT TO SELL LEASE CHARGE ETC.

Sub-Sections (f) and (g) of Section 67 of the Statute shall not apply to this Charge nor to any instrument of variation executed pursuant to this Charge and instead thereof the Chargor shall not during the continuance of this security without prior consent in writing of the Chargee which consent shall not be unreasonably withheld sell lease charge let or otherwise part with the possession of the Charged Premises or the Buildings whether by license trust or otherwise and in the event of the Chargee giving consent to lease or let the said Charged Premises or the buildings and effects thereon to require the proposed lessee or tenant to enter into a covenant direct with the Chargee to pay the rent so accruing direct to the Chargee.

I. NOT TO ASSIGN CHARGE

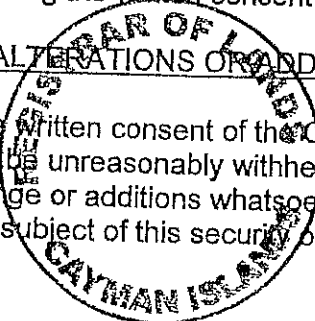
Not to assign or transfer this Charge to any purchaser, assignee, or other successor in title to the Charged Premises without the Chargee's express consent in writing.

J. NOT TO RANK PARI PASSU

Not to apply for or accept any loan which by virtue of any law or regulation will rank pari passu with or in priority to this security in respect of the Charged Premises the subject of this Charge nor to do any act which shall have the effect of diminishing or decreasing the value of the security hereby charged without first obtaining the written consent of the Chargee.

K. NOT TO MAKE ALTERATIONS OR ADDITIONS

Not to without the written consent of the Chargee first had and obtained which consent shall not be unreasonably withheld make or permit or suffer to be made any material change or additions whatsoever in or to the Charged Premises or the Buildings the subject of this security or the use hereof.



L. CHARGOR'S COSTS AND FEES

To pay the examination of the title herein and preparation of this Charge together with the Stamp Duty and registration fees now or hereafter payable on this Charge or any instrument of variation or discharge or partial discharge or power of attorney executed pursuant to this Charge and any such monies as aforesaid shall be recoverable from the Chargor as a debt, shall bear interest at the rate hereinbefore mentioned and shall be charged upon the property hereby charged.

M. WHERE CHARGOR IS A COMPANY (ONLY)

(i) Chargor's Warranty

The Chargor hereby represents and warrants to the Chargee that it is duly incorporated and existing in good standing under the laws of the Cayman Islands (or under the laws of some other jurisdiction and duly registered to carry on business in the Cayman Islands) and that it is qualified to do business wherever necessary to carry on its present operations and that the making and performance of this Charge is within its corporate powers having been properly authorised by all necessary governmental and corporate approvals and does not contravene any law or any contractual restrictions binding on the Chargor and that the Charge is a legal valid and binding obligation of the Chargor enforceable against the Chargor in accordance with its terms and that there are not now any pending or threatened actions or proceedings before any court or administrative agency which may materially adversely affect the Chargor's financial conditions and operations.

(ii) Not to Change Corporate Structure

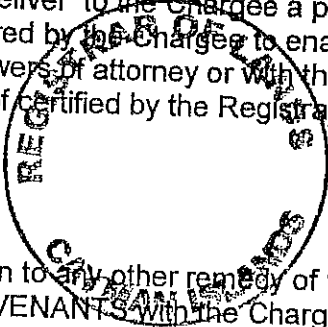
Not to reorganize, consolidate, merge or amalgamate with any other corporation or corporations or make or cause any change in the existing shareholdings without the prior written consent of the Chargee.

N. CHARGOR'S POWER OF ATTORNEY

The Chargor further hereby covenants that the Chargor will on demand at the Chargor's own cost and expense during the continuance of this Charge do and execute or cause to be done and executed all such instruments acts deed and things to perfect this security and to preserve and protect the rights and privileges of the Chargee granted by this Charge or by operation of law and to this end the Chargor hereby undertakes and agrees on demand to execute cause to be verified and deliver to the Chargee a power of attorney, in favour of the Chargee in form required by the Chargee to enable the Chargee to enter the same in the register of powers of attorney or with the consent of the Registrar of Lands to file a copy thereof certified by the Registrar of Lands in the file of powers of attorney.

3. CHARGEES EXPENSES

Without prejudice to and in addition to any other remedy of the Chargee in respect thereof the Chargor HEREBY COVENANTS with the Chargee that on demand the



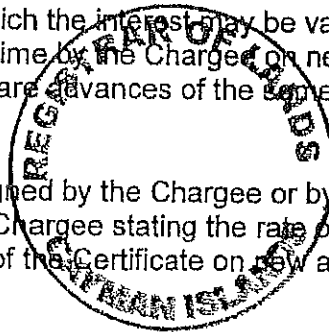
Chargor will pay to the Chargee the amount of all the Chargee's expenses incurred by the Chargee in relation to the security hereby constituted with interest thereon from the date when the Chargor becomes liable therefor until payment thereof at the rate for the time being payable hereunder in the manner hereby provided with regard to the payment of interest and the Chargor HEREBY CHARGES the Charged Premises with the payment of such expenses and the interest thereon and for the avoidance of doubt it is hereby declared that the expression "Chargee's expense" includes not only all such expenses as would otherwise be allowable on the taking of an account between the Chargor and a Chargee but also (and in so far as they are not so allowable) includes all moneys, costs, charges and expenses paid and all liabilities incurred by the Chargee (including legal costs, charges and expenses ascertained as between Attorney-at-Law and own client) on or in connection with or incidental to the Charged Premises and security and without prejudice to the generality of the foregoing shall include all moneys, costs, charges and expenses paid and all liabilities incurred by the Chargee in or in connection with or incidental to, amongst other things:-

- a. Effecting any insurance whatever on or in connection with the Charged Premises or any part thereof;
- b. Inspecting surveying or obtaining any report of any nature or kind whatsoever on or in relation to the Charged Premises or any building or other erection or engineering work thereon or any part or parts thereof;
- c. Considering or enforcing or attempting to enforce any of the rights and powers hereby or by Law vested in the Chargee in relation to the Charged Premises or this security;
- d. Doing or considering any other matter or thing whatsoever which the Chargee may consider to be for the benefit, preservation or improvement of this security.

4. VARIATION OF RATE OF INTEREST

IT IS HEREBY AGREED AND DECLARED between the parties hereto as follows:-

- a. That, if this Charge provides for a variable rate of interest, as a condition of the advance hereby made the Chargee may at any time or times and from time to time during the continuance of this security if and whenever the Board of Directors in its absolute discretion shall consider it necessary or desirable, vary the rate of interest for the time being payable under this Charge by increasing or decreasing same and extending the period of the loan stated herein and in relation to any such variation and extension the following provisions of this clause shall apply and have effect:-
  - (i) The maximum rate to which the interest may be varied shall be the rate normally charged at the time by the Chargee on new advances which in the opinion of the Board are advances of the same type as under this Charge.
  - (ii) A Certificate in writing signed by the Chargee or by the Attorneys-at-Law for the time being of the Chargee stating the rate of interest charged by the Chargee at the date of the Certificate on new advances of the same



type as under this Charge shall be final and conclusive evidence of such maximum rate of interest as aforesaid.

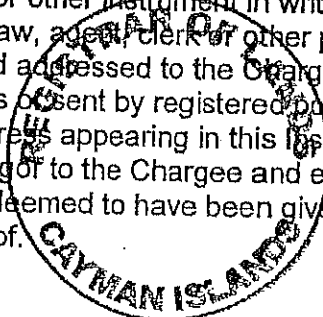
- (iii) A copy of the said Certificate shall be supplied to the Chargor upon request at any time within three (3) calendar months after the date of the said notice.
- (iv) In the event of the rate of interest being increased above the rate set out in Item Three (3) of the Schedule "B" hereto ("the old rate") the Chargor shall pay the amount by which the interest at the increased rate exceeds the old rate as an addition to the monthly installments mentioned in Item Four (4) thereof.
- (v) The covenants and provisions contained in this Charge relating to the interest payable hereunder shall (save as herein otherwise provided) as from the date when any variation of the rate hereunder takes effect be construed and have effect as referring to the interest at the rate as varied for the time being.
- (vi) The decision of the Board of Directors as to the appropriate rate of interest at any given time and as to the amount and duration of any monthly installments as stated in a Certificate in writing signed by the Chargee or by the Attorneys-at-Law for the time being of the Chargee shall be final and conclusive.

5. RIGHT TO PREPAY PRINCIPAL

The Chargor shall be at liberty so long as the Principal or any part thereof remains owing on this security and provided it is not in breach of any covenant or obligation hereunder or if in breach has been granted exemption therefrom by the Chargee, to repay apart from the amount set out in Item Four (4) of the Schedule "B" any sum being the whole or part of the principal balance or interest outstanding and the Chargee shall accept same and shall apply the same in the manner set out in Clause 2B hereof and upon any repayment of part only of the Principal Sum being made interest shall continue to be payable at the rate herein provided upon the outstanding balance of the Principal Sum. PROVIDED, however, if any amount prepaid is as a result of re-financing from elsewhere, a bonus equal to three months' interest on the amount so repaid will become due.

6. SERVICE OF NOTICE

Any demand or notice hereunder shall be properly and effectually made given and served on the Chargor at any time by letter or other instrument in writing signed by the Chargee or on its behalf by its Attorney-at-Law, a solicitor or other person authorized either in writing or orally by the Directors and addressed to the Chargor and left in some conspicuous place on the Charged Premises or sent by registered post to his address appearing in the Land Register or to his address appearing in this instrument or the address subsequently furnished by the Chargor to the Chargee and every such demand or notice sent by post as aforesaid shall be deemed to have been given and served on the fifth (5th) day following the posting thereof.



7. WAIVER

That no neglect or omission on the part of the Chargee to take advantage of or enforce any right or remedy arising out of any breach non-observance or non-performance of any covenant or condition herein contained or by law implied, shall be deemed to be or operate as a general waiver of such covenant or condition or prejudice the right of the Chargee in enforcing or taking advantage thereof either original or recurring.

8. LOSS

The Chargee shall not be answerable for any loss happening in or about the exercise or execution of any powers conferred on the Chargee howsoever or by Law implied or of any trusts connected thereto nor shall be deemed a Chargee in possession when entering in to inspect or to effect repairs or remedy breaches.

9. MERGER

The taking of a judgment or judgments or any covenant or covenants herein contained shall not operate as a merger of the said covenant or covenants or affect the Chargee's rights to interest at the rate and times herein set forth.

10. SAFEKEEPING OF DOCUMENTS (IF ANY)

The Chargee shall be entitled to keep and retain all relevant documents referred to herein for the Charged Premises during the continuance of this security subject to production to the Registrar of Lands and any person or company approved by the Chargee from time to time at the request and cost of the Chargor to enable endorsements thereon of any transaction affecting the Charged Premises which may be subject or subsequent to this security PROVIDED HOWEVER that if the said documents held by the Chargee in relation to the said Charged Premises of these presents in and/or are destroyed or suffer damage as the result of any fire, Act of God, civil commotion or the Queen's enemies the Chargee shall not be held liable for such loss or destruction nor shall the Chargee be called upon to obtain another original document or copy or copies of any of the said documents in place of those lost and/or destroyed as aforesaid. The Chargee however shall be entitled but not obliged to obtain another original document and/or certified copy or copies of the said documents and the costs and expenses if any incidental thereto shall be payable by the Chargor under the Chargor's covenants herein.

11. EVENTS OF DEFAULT

The provisions of Sections 72 and 75 of the Statute shall apply to this Charge subject to such modifications and additions and varied events as are herein contained if any other creditors of the Chargor shall proceed against the Charged Premises or any part thereof or if the Chargor shall commit a breach of any of the agreements and covenants on its behalf contained herein or in any other agreement between the Chargor and Chargee related hereto or implied and on the part of the Chargor to be kept observed and performed or if the Chargor shall become bankrupt or makes assignment of any composition for the benefit of the Chargor's creditors or being a company goes into liquidation (other than a voluntary liquidation for the purposes of a reconstruction only the terms of which have been previously approved by the Chargee) or suffers the appointment of a receiver over any part of the Chargor's assets and in addition to all

other rights conferred on the Chargee it shall be lawful for the Chargee to enter into and upon the premises the subject of this security and to receive the rents and profits thereof to or for the Chargee's own use and benefit or to make use of all or any of the Chargee's present or future securities in such order and lawful or equitable manner as the Chargee may be advised.

12. CHARGEES REMEDIES

Sections 72 and 75 of the Statute shall be varied in respect of this Charge and of any instrument of variation executed pursuant to this Charge so as to entitle the Chargee immediately upon default by the Chargor in payment of the whole or any part of any sum payable specified in Item Four (4) of the Schedule "B" or whenever there shall be any breach or non-observance of any covenants or conditions expressed or implied herein to serve on the Chargor notice in writing to pay the money owing or to perform and observe the agreement as the case may be and further so as to provide that if the Chargor does not comply within one month of the date of service of such notice the Chargee may thereupon without further notice either:-

- (a) appoint a receiver of the income of the Charged Premises; or
- (b) sell the Charged Premises without further notice by private treaty as well as by public auction; or
- (c) enter into possession of the charged property; or
- (d) in the event that the Chargee does appoint a receiver or enter into possession of the charged property, exercise its powers of sale or appointment of a receiver at any time thereafter without further notice;

PROVIDED ALWAYS and it is hereby expressly declared and agreed that in any case where any such modification of the Statute (or any other modification provided for in this Charge) shall require the sanction of the Court the Chargee shall have the right at its option to waive any modification where it is in favour of the Chargee or to seek the sanction of the Court thereto and should the Chargee fail to obtain the sanction of the Court to any particular modification or should the Chargee elect to waive its rights under any modification then the original provisions of the Statute shall apply without modification.

13. FURTHER ADVANCES AND CONSOLIDATION

The right contained in Section 81(1) of the Statute to make further advances and to give credit to the Chargor on a current or continuing account and the right contained in Section 82 of the Statute to consolidate charges are expressly reserved to the Chargee.

14. POWER TO TRANSFER CHARGE

The Chargee may at any time transfer assign or charge the benefit of this Charge and the transferee shall have the benefit of all the covenants by the Chargor and the provisions herein contained and may at any time thereafter exercise all rights and remedies of the Chargee for securing the said sum and interest and every statement of

fact contained in such transfer shall as against the Chargor be deemed to be conclusive and binding.

15. THE GIVING OF TIME

The giving of time to the Chargor or the neglect or forbearance of the Chargee in requiring or enforcing payment of the Principal and interest hereby secured or any other variation of the provisions of this instrument or other dealing between the Chargor and the Chargee shall not in any way prejudice or affect this security or the joint and several covenants of the Chargor hereinbefore contained or the continuing liability of the Chargor by virtue thereof.

16. RIGHT OF REDEMPTION

This security is a continuing security to the Chargee and shall avail the Chargee in respect of all present and future indebtedness of the Chargor to the Chargee which may arise hereunder and shall continue notwithstanding any payments from time to time made by the Chargor or other settlement of account or other thing whatsoever, but it is hereby agreed that upon performance of all the Chargor's obligations hereunder and upon payment to the Chargee of all moneys secured or payable hereunder the Chargee will at any time thereafter at the request and costs of the Chargor discharge this Charge.

17. STAMPING OF CHARGE

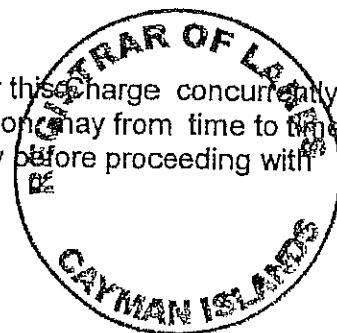
This Charge shall at the Chargor's expense be impressed in the first instance with stamp duty to cover The Principal with power to up stamp from time to time without further licence or consent of the Chargor and at the Chargor's sole expense and in the event of such up stamping as aforesaid the Chargor hereby covenants and agrees with the Chargee that the Charged Premises and all other security hereunder shall stand security for such additional sum or sums to be charged with the payment thereof and all other monies due hereunder on the same terms and conditions as contained herein.

18. ORDER OF REALIZING SECURITY

This security shall not be affected by nor affect any other security which the Chargee may now or hereafter hold from the Chargor or any other person and the Chargee shall be at liberty to realize its securities in such order and manner and to apply and appropriate any monies at any time or times paid by or on behalf of the Chargor or resulting from a realization of this or any other security or any part thereof to such account or item of indebtedness and in such sequence, priority and order as the Chargee may in its absolute discretion from time to time determine, any direction from the Chargor to the contrary notwithstanding.

19. CHARGEES EXERCISE OF REMEDIES

The Chargee shall be entitled to exercise its remedies under this charge concurrently, consecutively or in such order as the Chargee in its discretion may from time to time decide and without exercising or exhausting any one remedy before proceeding with another.





20. THE WORDS "CHARGOR", "CHARGE", ETC.

The words "Chargor", "Chargee", and "Attorney" herein used importing the singular number only shall where the context so requires or admits be deemed also to include the plural number and the words "he", "his", "him" and "himself" referring to the Chargor appearing herein importing the masculine gender and singular number shall where the context so requires or admits be deemed to include also the feminine and neuter genders and the plural number and if there be more than one Chargor and Guarantor (if any) covenants and agreements expressed to be made by the Chargor and Guarantor shall be deemed to be made by such persons jointly and severally.

21. CHARGE AS CONTINUING SECURITY

This Charge and all collateral or additional charges and securities hereto shall constitute and be a continuing security for all indebtedness of the Chargor from time to time owing by the Chargor to the Chargee notwithstanding any settlement of account or other matters or thing whatsoever.

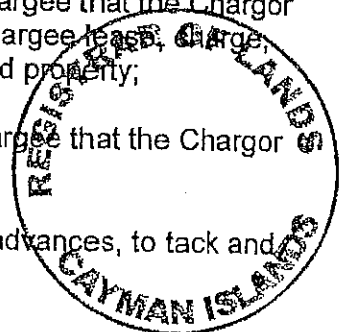
22. TREATMENT OF WOODEN CONSTRUCTION

Where a building on the charged property is, in the opinion of the Chargee or any Quantity Surveyor employed by the Chargee, of lumber or part lumber construction, the Chargor covenants that he will, at his expense, have a pest control agency inspect and, where necessary, eradicate termites in the structure and render written confirmation to the Chargor that the building is termite free, such written confirmation to be rendered once in every 12 months that the loan remains outstanding. Should the chargor omit or otherwise fail to have these inspections made, the Chargee will then have the right to have any such inspections and treatments undertaken and the Chargor hereby covenants that the cost of such inspection and treatment will be payable by the Chargor on demand of the Chargee together with the cost of any surveyor or other professional who the Chargee deems necessary to employ to ascertain the extent of any termite or other wood boring organism infestation and to eradicate the same together with interest on such costs at the rate payable under the principal sum as hereinbefore provided.

23. DIRECTIONS TO REGISTRAR OF LANDS

AND the Registrar of Lands is hereby requested and directed pursuant to Section 64 (3), 68, 69, 81 and 82 of the said Law:

- (a) to register the Statutory Charge and this schedule in favour of the Chargee; and
- (b) to note on the Register that the Statutory Charge and this schedule:
  - (i) contain an agreement by the Chargor with the Chargee that the Chargor may not without the prior written consent of the Chargee lease, charge, let or otherwise part with possession of the charged property;
  - (ii) contain an agreement by the Chargor with the Chargee that the Chargor may not sell or transfer the charged property;
  - (iii) include provision for the Chargee to make further advances, to tack and to rank in priority to any subsequent charge;



SCHEDULE "B"

1. DATE LOAN REPAYABLE: In accordance with item 4 below or in the event of default by the Chargee hereunder.
2. PRINCIPAL SUM: CI\$437,500.00.
3. INTEREST RATE: 1.50 per centum per annum over the prime rate for CAYMAN ISLANDS DOLLARS or such other rate as the Chargee may from time to time specify.
4. AMOUNT OF MONTHLY PAYMENT OF PRINCIPAL AND INTEREST: By way of 384 payments of CI\$2,218.42 representing blended payments of principal and interest payable monthly subject to change to ensure liquidation within the thirty-two year term. Payments are to commence within thirty days of final drawdown.
5. THE CHARGED PREMISES: SPOTTS BLOCK 25C PARCEL 119







**CERTIFIED TRUE COPY**

*Harold Legend*  
 ASST Registrar of Lands

Sheet 1 of 2

**C - INCUMBRANCES SECTION**

25C 119

ENTRY No.	DATE	INSTRUMENT No.	NATURE OF INCUMBRANCE	FURTHER PARTICULARS	SIGNATURE OF REGISTRAR
8	12/09/03	7237/03	2nd Charge	Principal Sum: C\$40,650.00. Interest rate is .9.75% p.a. Repayable on 30th August 2013.	J WITTER
				Note: Charge has the right to tack & consolidate (RLL Secs. 81 & 82) JW	
10	20/02/04	1252/04	Var.2nd Chg.	Principal sum increased by C\$350.00 to total C\$41,000.00. Interest rate is .81% per month on the reducing balance. For further variations see attached schedule.	J WITTER
11	09/08/04	8735/04	Var.of Chg.	This Charge is now a First Charge. Principal sum increased by C\$9,047.70 to total C\$50,047.70. For further variations see filed schedule.	M.JERVIS
12	27/01/05	12432/05	Var.of Chg.	The Principal sum is increased by C\$4,572.08 to total C\$54,619.78. The Interest rate is 0.81% per month on the reducing balance. For further variation see filed schedule.	A Kirchman
13	03/06/05	16706/05	Var.of Chg.	The Principal Sum is increased by C\$20,050.00. to total C\$74,669.78. For further variations see filed Instrument.	B Myers
14	25/08/05	19320/05	Var.of Chg.	Principal sum increased by C\$49,998.00 to total C\$124,667.78. For further variations see filed instrument.	B Myers
15	15/02/06	26667/06	Var.of Chg.	Principal sum is increased by C\$11,424.94 to total C\$136,092.72. Interest Rate is 0.81%. For further variations see filed instrument.	C. GEALEY

