

IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO. 554 OF 1997

BETWEEN:

CAPTIVE RESOURCES, INC.

Plaintiff

AND:

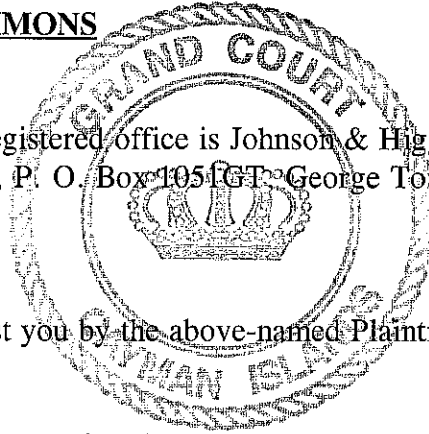
UNITED TRADES INSURANCE COMPANY

JUL -3, 1997

Defendant

WRIT OF SUMMONS

TO: United Trades Insurance Company, whose registered office is Johnson & Higgins (Cayman Islands) Ltd., Swiss Bank Building, P. O. Box 1051 GT, George Town, Grand Cayman.



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 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 3rd day of July, 1997.

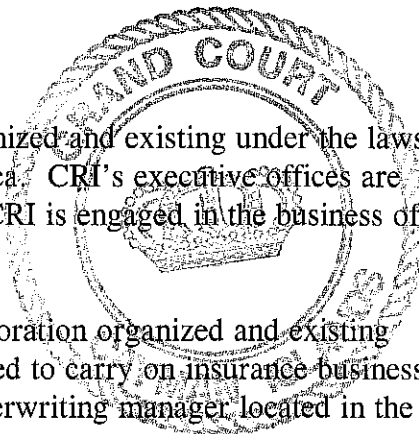
NOTE - This Writ may not be served later than 4 calendar months beginning with the date of issue unless renewed by order of the Court.

IMPORTANT

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

STATEMENT OF CLAIM

1. Captive Resources, Inc. ("CRI") is a corporation organized and existing under the laws of the State of Delaware in the United States of America. CRI's executive offices are located in Schaumburg, Illinois in the United States. CRI is engaged in the business of insurance brokerage and consulting.
2. United Trades Insurance Company ("UTIC") is a corporation organized and existing under the laws of the Cayman Islands. UTIC is licensed to carry on insurance business and its day-to-day operations are performed by an underwriting manager located in the Cayman Islands.
3. Pursuant to an agreement entered into on 1st August, 1991, (the "Consulting Agreement") UTIC engaged CRI to perform consulting and advisory services to UTIC in accordance with to certain terms and conditions.
4. In March, 1996, UTIC sought to terminate the Consulting Agreement and to replace CRI as its consultant. UTIC and CRI disagreed about CRI's rights under the Consulting Agreement and the amounts owed by UTIC to CRI as a result of the termination of the Consulting Agreement.
5. By a settlement agreement dated 1st July, 1996 (the "Settlement Agreement") UTIC and CRI compromised and settled their disputes over the termination of the Consulting Agreement.
6. Paragraph 5 of the Settlement Agreement provides that: (1) it "shall be governed by and construed in accordance with the internal laws of the Cayman Islands, excluding any choices of law rules that may direct the application of the laws of any other jurisdiction"; and (2) "all actions arising out of or relating to this Settlement Agreement shall be brought and maintained in the courts of the Cayman Islands".
7. Pursuant to paragraph 1 of the Settlement Agreement, UTIC agreed to pay CRI the amount of \$688,500 payable in quarterly instalments of \$57,375 due on the following dates:



<u>Date</u>	<u>Amount</u>
1 st July, 1996	US\$57,375.00
1 st October, 1996	US\$57,375.00
1 st January, 1997	US\$57,375.00
1 st April, 1997	US\$57,375.00
1 st July, 1997	US\$57,375.00
1 st October, 1997	US\$57,375.00
1 st January, 1998	US\$57,375.00
1 st April, 1998	US\$57,375.00
1 st July, 1998	US\$57,375.00
1 st October, 1998	US\$57,375.00
1 st January, 1999	US\$57,375.00

8. UTIC has paid CRI \$114,750 (being the instalments due on 1st July and 1st October 1996) but has failed to pay the instalments due on 1st January, 1st April and 1st July 1997 and is therefore indebted to CRI in the sum of US\$172,125.
9. CRI claims interest on the sum of US\$172,125 pursuant to section 34 of the Judicature Law (1995 Revision) calculated at the prescribed applicable rate from the dates when each unpaid instalment fell due:

Particulars

Principal sum

JML -3.1997
US\$172,125.00

Interest at 7-3/8% from 1st January 1997
to 3rd July 1997 on US\$57,375.00 (153 days
@ US\$11.59 per day)

US\$ 1,773.27

Interest at 7-3/8% from 1st April 1997
to 3rd July 1997 on US\$57,375.00 (63 days
@ US\$11.59 per day)

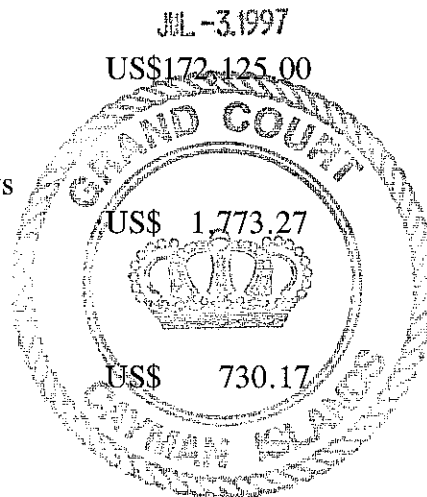
US\$ 730.17

Interest at 7-3/8% from 1st July 1997
to 3rd July 1997 on US\$57,375.00 (2days
@ US\$11.59 per day)

US\$ 23.18

Total Interest

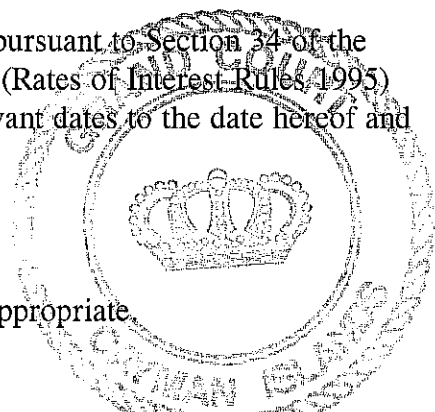
US\$ 2,526.62



AND THE PLAINTIFF CLAIMS:

1. Under paragraph 8, the sum of US\$172,125;
2. Under paragraph 9, interest in the sum of US\$2,526.62 pursuant to Section 34 of the Judicature Law (1995 Revision) and the Judgment Debt (Rates of Interest Rules 1995) calculated at the applicable prescribed rate from the relevant dates to the date hereof and continuing at the rate of US\$34.77 per day.
3. Costs.
4. Any other order or relief that the Court deems just and appropriate.

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If within the time for returning the Acknowledgment of Service, the Defendant pays the total amount claimed of US\$174,651.62 plus costs of US\$2070.37 further proceedings will be stayed. The money must be paid to the Plaintiff or his attorneys.

DATED this 3rd day of July, 1997.

Maples & Calder

MAPLES and CALDER

This Writ was issued by Maples and Calder, attorneys for the Plaintiff, whose address for service is Uglan House, PO Box 309, Grand Cayman, Cayman Islands, British West Indies.
ALP/039851/330573