

IN THE GRAND COURT OF THE CAYMAN ISLANDS

CIVIL DIVISION

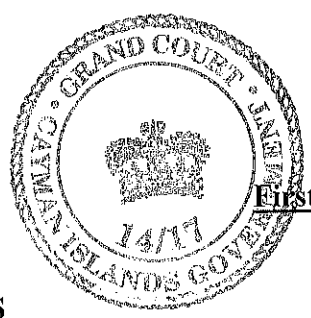
BETWEEN:

BATEMAN & COMPANY LTD (In Official Liquidation)

Plaintiff

- and -

FERNANDO MENDES



First Defendant

-and-

MARGARET MENDES

Second Defendant



WRIT OF SUMMONS

TO **FERNANDO MENDES** and **MARGAET MENDES** of 12 Egret Lane, Patricks Island, Grand Cayman, Cayman Islands, KY1-1110

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 23rd day of July 2018

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 Plaintiff (the “Company”) was incorporated in the Cayman Islands on 12 May 2008 with a registered office at Cayman International Corporate & Marine Services Ltd., 2nd Floor, Jack & Jill Building, 19 Fort Street, George Town, Grand Cayman, KY1-1103.
2. The First Defendant is a former employee of the Company and the Second Defendant is the wife of the First Defendant.
3. By Order of the Honourable Justice Mangatal dated 29 September 2016, the Company was placed into official liquidation and Mr Graham Robinson and Mr Chris Johnson both of Chris Johnson Associates Ltd. were appointed as joint official liquidators (JOLs). A copy of the Order is attached hereto as Appendix A.
4. The First Defendant procured two unauthorised payments from the Company’s accounts in the sums of US\$500,000 on 21 May 2015, as evidenced by the wire transfer at Appendix B, and US\$82,000 on 22 July 2015, as evidenced by the document at Appendix C. These payments were made to WTM, a Florida entity held out by its owner, Mr Breno Gomes to be an asset management services provider. WTM subsequently disbursed the funds in accordance with the Defendants’ instructions.
5. On or about 22 May 2015 the First and Second Defendants purchased the property known as 12 Egret Lane (Block 24E Parcel 371) (the “Property”) from a Simon and Lisa Dodkins, for a purchase price of US\$325,000, utilising the funds unlawfully transferred from the Company.
6. On 7 June 2018 the JOLs sent a letter before action to the Defendants demanding that they agree to transfer full and unencumbered title to the property to the JOLs and a proposal for the repayment of the balance of the misappropriated funds together with interest accrued pursuant to the Judicature Law.
7. The defendants have failed to repay any of the stolen funds.


AND THE PLAINTIFF CLAIMS

- I. Judgment in the sum of US\$582,000;

- II. Pre-judgment interest pursuant to the Judicature Law amounting to US\$44,728.88 as at 23 July 2018 and continuing to accrue at the daily rate of US\$37.87;
- III. Post-judgment interest upon the sum set out in paragraphs I and II above with effect from the date of judgment in these proceedings at the rate of $2\frac{3}{8}\%$ per annum and/or such other rate then prevailing and/or determined by the Court in accordance with section 34 of the Judicature Law (2007 Revision) and the Judgment Debts (Rates of Interest) Rules 2010;
- IV. A declaration that the Defendants hold any beneficial interest in the Property on trust for the Plaintiff;
- V. An Order that the Defendants do forthwith transfer all right title and interest in the Property to the Plaintiff;
- VI. Such further or other relief as this Honourable Court deems just; and
- VII. Costs

If, within the time for returning the Acknowledgement of Service, the Defendants pay the total amount claimed (including costs and interest) further proceedings will be stayed. The money must be paid to the Plaintiff or its Attorney.

Dated the 23rd day of July 2018



Higgs & Johnson
Attorneys-at-Law for the Plaintiff

To: The Clerk of the Court

And to: The Defendants

THIS WRIT was issued by Higgs & Johnson whose address for service is 2nd Floor Willow House, Cricket Square, Elgin Avenue, George Town, Grand Cayman, KY1-1103

APPENDIX A

**IN THE GRAND COURT OF THE CAYMAN ISLANDS
FINANCIAL SERVICES DIVISION**

CAUSE NO: 123 OF 2016 (IMJ)

The Honourable Mrs Justice Mangatal

IN THE MATTER OF the Companies Law (2013 Revision) (as amended)

AND IN THE MATTER OF BATEMAN & COMPANY LTD

**ORDER FOR THE APPOINTMENT
OF JOINT PROVISIONAL LIQUIDATORS**



UPON HEARING counsel for B & C Capital Ltd (in Official Liquidation) (the "**Petitioner**") upon its summons dated 5th August 2016 for an Order that Graham Robinson and Christopher Johnson of Chris Johnson Associates Ltd be appointed joint provisional liquidators of Bateman & Company Ltd (the "**Company**")

AND UPON hearing Leading counsel for the Petitioner

AND UPON reading the Petition and the First and Second Affidavits of Graham Robinson dated 4th August 2016 and the First and Second Affidavits of Christopher Johnson dated 4th and 29th August 2016 and the exhibits thereto

AND UPON the Petitioner undertaking to pay any damage suffered by the Company as a result of this order and/or the appointment of joint provisional liquidators in the event that the winding up petition is ultimately withdrawn or dismissed such undertaking limited to the assets in the Official Liquidation of the Petitioner

IT IS ORDERED as follows:-

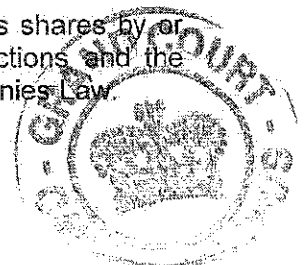
- 1) Mr Christopher Johnson and Mr Graham Robinson both of Chris Johnson Associates Ltd, Elizabethan Square, Shedden Road, PO Box 2499, George Town, Cayman Islands KY1-1104 be appointed as joint provisional liquidators of the Company (the "**JPLs**").
- 2) The JPLs is/are hereby authorised to:
 - a) act jointly and severally in their capacity as JPLs of the Company;
 - b) conduct the ordinary, day to day, business operations of the Company so far as may be necessary to preserve its assets ("**Assets**") or otherwise as may appear to the JPLs to be in the best interests of the Company's stakeholders and to carry on the business of

the Company so far as may be necessary for the beneficial winding up of the Company until further order and for this purpose to pay or authorise payments of monies in the ordinary course of the business of the Company out of monies in the existing bank accounts of the Company or bank accounts opened or maintained by the JPLs as hereafter provided;

- c) take such other steps as the JPLs consider necessary to preserve and protect the Assets;
- d) close or cease to operate all or any part of the Company's business operations as the JPLs shall think fit, but so far only as may be necessary for the purpose of protecting the Assets and managing the affairs of the Company;
- e) enter upon or take possession of the property of the Company including, without limitation, any premises of the Company, or any office where the JPLs have reason to believe that there are assets, property or books and records of the Company, and, if necessary by force, to change locks and open safes and other strongboxes;
- f) terminate, complete or perfect any contracts or transactions relating to the business of the Company including, without prejudice to the generality of this power, to novate or assign any such contracts or transactions;
- g) ascertain, take possession of, collect, give valid receipt for, and protect all books, documents, records, trading data, properties, things in action, securities and other assets of the Company, whether in hard copy, electronic form or otherwise, and whether within or outside the jurisdiction of this Court, including, but without limitation, to demand and receive all debts which may fall due to the Company;
- h) be granted unrestricted access by the Company and its directors forthwith to all the books, records and documents of the Company (whether in hard copy form or stored electronically) and cause to be delivered to the JPLs as soon as practicable title deeds of all properties held by the Company and thereafter for the Company and its directors to provide all assistance to the JPLs and their staff as they may request from time to time;
- i) exercise the rights to which a registered holder of any shares or other securities registered in the name of the Company, or to which an owner of any shares or securities held by or on behalf of the Company (whether as principal or as agent) is entitled including, but without prejudice to the generality of the foregoing power, the right to receive dividends and the benefit of other corporate actions in relation to such shares or other securities; the right to attend meetings and to exercise any voting power pertaining to such shares or other securities and to direct nominees of the Company in whose names shares or other securities beneficially owned by the Company are registered to exercise all or any such rights as the JPLs shall direct;
- j) ascertain and conduct investigations of the affairs of the Company, including without prejudice to the generality of the foregoing, the power to inspect, review, secure, take possession of and copy all books, records and documents of the Company (whether in hard copy, electronic form or otherwise) located at the offices of the Company, its accountants, auditors or other advisors or agents, or any other person, whether in the Cayman Islands or overseas;



- k) do all acts and to execute, in the name and on behalf of the Company, all deeds receipts and other documents and for such purposes to use, when necessary, the seal of the Company;
 - l) if necessary, repair, maintain and insure the Assets in such sum as the JPLs may deem fit;
 - m) open a bank account on behalf of the Company for the purposes of paying the costs and expenses of the provisional liquidation;
 - n) operate the bank accounts of the Company;
 - o) discharge debts incurred by the Company after the commencement of these proceedings as expenses or disbursements properly incurred in the provisional liquidation;
 - p) change the situation of the Company's registered office as the JPLs think fit;
 - q) appoint and engage staff or agents (whether or not as employees of the Company) including foreign agents upon such terms as the JPLs may deem fit, and to remunerate them out of the assets of the Company as an expense of the provisional liquidation;
 - r) terminate the employment of any employees or agents of the Company;
 - s) appoint attorneys and professional advisers, whether in the Cayman Islands or elsewhere, as they consider necessary to advise and assist them in the performance of their functions and to remunerate them out of the assets of the Company as an expense of the provisional liquidation;
 - t) seek recognition in any jurisdiction the JPLs deem necessary; and
 - u) pay the JPLs' remuneration out of the assets of the Company in accordance with the Insolvency Practitioners Regulations 2008 (as amended).
- 3) To the extent required, the above powers may be exercised on behalf of the Company in the name and to the exclusion of the directors of the Company which shall forthwith have no power or authority to act in the name of the Company other than at the direction of and with the consent of the JPLs.
 - 4) The JPLs do file with the Clerk of the Court a report in writing of the position of the Company and the conduct of the provisional liquidation 3 days prior to the hearing of the petition.
 - 5) The JPLs shall not be required to give security for their appointment.
 - 6) The costs of and incidental to the application for the appointment of provisional liquidators be paid out of the assets of the Company as an expense of the provisional liquidation.
 - 7) No disposition of the Company's property and no transfer of the Company's shares by or with the authority of the JPLs in the carrying out of their duties and functions and the exercise of their powers shall be avoided by virtue of section 99 of the Companies Law.



8) Pursuant to section 97 of the Companies Law, no suit, action or other proceedings, including criminal proceedings, shall be commenced or proceeded with against the Company except with the leave of the Court and subject to such terms as the Court may impose.

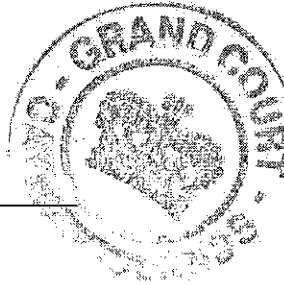
Dated the 30th day of August 2016

Filed the 30th day of August 2016



The Honourable Mrs Justice Mangatal

JUDGE OF THE GRAND COURT



This Order was filed by Higgs & Johnson, Attorneys-at-Law for the Petitioner, whose address for service is at 2nd Floor, Willow House, Cricket Square, PO Box 866, George Town, Grand Cayman, KY1-1103

APPENDIX B



PAGE 1 OF 1

BANK OF AMERICA, N.A.
WIRE TRANSFER ADVICE
1 FLEET WAY PA6-580-04-05
SCRANTON, PA 18507

WORLD TRADE MANAGEMENT LLC
1100 S FEDERAL HWY STE 200
DEERFIELD BEACH FL 33441-7000

DATE: 05/21/15
DIRECT INQUIRIES TO:
800.729.9473 OPTION 2
ACCOUNT: XXXXXXXX8483

THE FOLLOWING WIRE WAS CREDITED TODAY:

USD AMOUNT \$500,000.00

TRANSACTION REF: 9874
SENDER'S REF: S0651411D91601
ORIGINATOR: BATEMAN COMPANY LTD, REGATTA OF
ORIGINATOR'S BANK: YBKUS33
SENDING BANK: CITIBANK, N.A.
BENEFICIARY: BATEMAN COMPANY LTD, REGATTA OF
BENEFICIARY'S BANK: WORLD TRADE MANAGEMENT LLC

SERVICE REF: 383035
ID: U504919
ID: 30479008
ID: 0008
ID: XXXY4375
ID: 8483

PAYMENT DETAIL: /RFB/WITHDRAWAL

APPENDIX C

Endorsement Authorization and Release

I, Sharon Lamb & Crypto Corporation, with an address of PO BOX 1160 GT, GEORGETOWN Grand Cayman, Cayman Islands, represent that I am the/an original payee of the check described below (the 'Check'), deposited to the TD Bank, N.A. account of \$82,000.00, account number [REDACTED], on 07/22/2015.

My endorsement () appears on the back of the Check
() does not appear on the back of the Check

I intend that the Check now be payable to the order of World Trade Management LLC, and state that it may be negotiated by him/her. I represent that I have no further claim to the proceeds of the Check.

Description of Check:

Maker of Check Pershing - RF Lafferty & Co Inc
Date of Check 06/09/2015
Check No. 4018135005
Amount of Check USD 82,000.00
Original Payee(s) Crypto Corporation & Sharon Lamb

I understand that TD Bank, N.A. will rely on this authorization to negotiate the Check. In consideration of the foregoing, I hereby release TD Bank, N.A., its agents, employees, officers and affiliates, from any and all claims and liability arising from, or related to, the check and any endorsement(s) contained therein or lack thereof.

I certify that the foregoing statements are true.

Signature of Original Payee

Sharon Lamb

Print Name

MUST BE COMPLETED BY NOTARY

State of _____, County of _____ ss: _____

I Certify that on _____, 20____, _____ personally came before me and acknowledged under oath, to my satisfaction, that this person:

- (a) is named in, and personally signed this document; and
- (b) signed, sealed, and delivered this document as his voluntary act or deed

Notary Public

Store accepting document (name/RC): _____

Contact Name (please print) _____

Scan and send completed form to amcbfraudmanagement@td.com.

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 495G, 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 (i.e. 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 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

CIVIL DIVISION

BETWEEN:

BATEMAN & COMPANY LTD (In Official Liquidation)

Plaintiff

- and -

FERNANDO MENDES

First Defendant

-and-

MARGARET MENDES

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.

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 no

Service of the Writ is acknowledged accordingly

(Signed).....

Attorney for

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.

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

Higgs & Johnson
Attorneys-at-Law for the Plaintiff
2nd Floor, Willow House,
Cricket Square
Elgin Avenue
George Town
Grand Cayman, KY1-1103
Cayman Islands

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