

IN THE GRAND COURT OF THE CAYMAN ISLANDS  
HOLDEN AT GEORGE TOWN, GRAND CAYMAN

CAUSE NO: 196 OF 1997

In the matter of Sections 72 and 77 of the Registered Land Law (Revised)

- and -

In the matter of an application by Euro Bank Corporation as chargee under a charge dated the 16th September 1994 for an Order permitting the immediate exercise of the power of sale contained in the said charge following the default of the chargor pursuant to clause 7 of the said charge.

BETWEEN: EURO BANK CORPORATION of P.O. Box 1792,  
George Town, Grand Cayman, B.W.I.

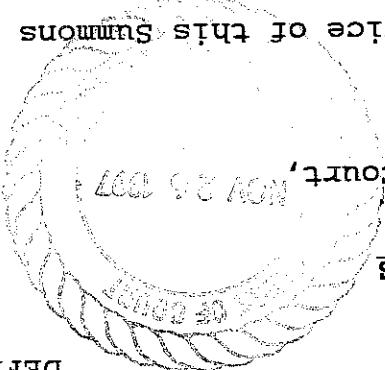
AND: NOEL L. WEBB of 20805 S.W. 85th Court,  
Miami, Florida 33189, U.S.A.

TO: NOEL L. WEBB of 20805 S.W. 85th Court,  
Miami, Florida 33189, U.S.A.

ORIGINATING SUMMONS

LET THE DEFENDANT, within 14 days after service of this Summons on him counting the day of service, return the accompanying Acknowledgement of service to the Courts Office, P.O. Box 495G, George Town, Grand Cayman.

By this Summons which is issued on the application of Euro Bank Corporation of P.O. Box 1792, George Town, Grand Cayman, B.W.I., the Plaintiff seeks an Order permitting the immediate exercise of the power of sale contained in a charge dated the 16th September 1994 made between Noel L. Webb as chargor, and Euro Bank Corporation as chargee, such



DEFENDANT

PLAINTIFF







IN THE GRAND COURT OF THE CAYMAN ISLANDS

796  
CAUSE NO: OF 1997

PLAINTIFF

EURO BANK CORPORATION

DEFENDANT

NOEL L. WEBB

ACKNOWLEDGMENT OF SERVICE  
OF ORIGINATING 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.

1. State the full name of the Defendant by whom or on whose behalf the service of the Originating Summons is being acknowledged.

2. State whether the Defendant intends to contest or otherwise participate in the proceedings (tick appropriate box)  
yes  no

Service of the Originating Summons is acknowledged accordingly

(Signed).....

[Attorney] for

[Defendant in person]

Address for service:

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 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.

C.S. GILL & Co.  
P.O. Box 945  
George Town  
Grand Cayman Ref:- SWP

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

Acknowledgment of service of originating summons (O.10, r.5)

DIRECTIONS FOR ACKNOWLEDGMENT OF SERVICE  
OF ORIGINATING SUMMONS

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.

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. If you wish to defend claims made in the originating summons, or intend to attend the proceedings and to participate in them so far as necessary (although not necessarily in an adversarial manner) you should tick the "Yes" box in paragraph 2 of the acknowledgment of service.
3. 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.
4. 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 Originating Summons)".
5. 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.
6. 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.

7. 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.
8. Where the Defendant is a MINOR or a MENTAL PATIENT, the form must be completed by an Attorney acting for a guardian ad litem.
9. A Defendant acting in person may obtain help in completing the form at the Courts Office.

IN THE GRAND COURT OF THE CAYMAN ISLANDS  
HOLDEN AT GEORGE TOWN, GRAND CAYMAN

CAUSE NO: 796 OF 1997

Filed on behalf of:-  
Euro Bank Corporation  
Deponent:- Stephen W.  
Porter  
Affidavit No:- One  
Sworn on:- 26th Nov 1997

AFFIDAVIT IN SUPPORT OF  
ORIGINATING SUMMONS

I, STEPHEN WILLIAM PORTER, of P.O. Box 945, George Town, Grand Cayman, B.W.I. make oath and say as follows:-

1. I am an attorney-at-law in the firm of C.S. GILL & Co. and I am authorised to make this affidavit on that firm's behalf by Euro Bank Corporation, the Plaintiff in this action.

2. By a charge dated the 16th September 1994 ("the charge") Noel L. Webb, as chargor, charged his interest in the property comprising Registration Section George Town East Block 20D Parcel 80 to secure the payment to Euro Bank Corporation of the principal sum of ninety thousand United States dollars (US\$90,000.00) ("the Principal Sum") together with interest at the prescribed rate. I annex hereto a copy of the charge marked "SWP 1".

3. By an instrument of Variation of Charge dated the 9th February 1995 the Principal Sum was increased by US\$10,714.29 to US\$100,714.29. I annex hereto a copy of such Variation of charge marked "SWP 2".

4. The charge contains an acknowledgement by the chargor that he understands the effect of Section 72 of the Registered Land Law, 1971.

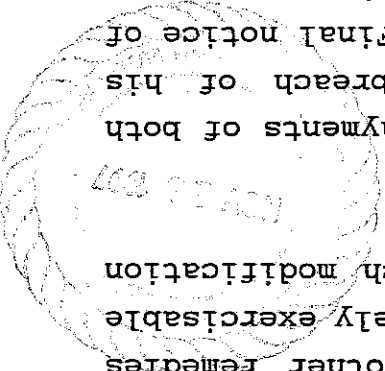




8 The Plaintiff therefore seeks by this application an Order to the effect that the power of sale contained in the Charge may be exercised by the Plaintiff immediately without further notice, the Chargor being in breach of his obligations under clauses 4 and 5 of the schedule to the Charge.

7. The Plaintiff has not received the sum stated in the letter referred to in paragraph 6 above to be due under the Charge or any security other than the charge or anything of value in or towards satisfaction of the sum and interest continues to accrue on a daily basis.

6. The Defendant has been in arrears of his repayments of both interest and principal and therefore in breach of his obligations under the Charge for some time. Final notice of such arrears was sent to the Defendant by registered letter dated the 28th October 1997. I annex hereto a copy of that letter marked "SWP 3". No return receipt having been received, the said letter was served personally on the Defendant on the 12th November 1997. I annex hereto a copy of the affidavit of service of Sanford M. Perry marked "SWP 4".



5. Clause 7 of the schedule to the Charge provides that in the event that the Chargor shall be in breach of any of the Chargor's obligations under the Charge, then in any such event the whole of the principal sum and all interest thereon and any other sums owing thereunder to the chargee shall become immediately due and payable and the provisions of sections 72 to 75 of the Registered Land Law, 1971 shall apply subject to modifications, inter alia, to the effect that the power of sale and of appointing a receiver and any other remedies available to the chargee shall become immediately exercisable without further notice provided that any such modification shall require the sanction of the court.



I make this affidavit in support of the Plaintiff's application in the premises.

To the best of my knowledge and belief the above stated is true.  
Dated this 26<sup>th</sup> day of November 1997.

SWORN TO at George Town,  
Grand Cayman this 26<sup>th</sup> day of  
November 1997 before me:  
(  
)  
(  
)  
Clerk of the Court/Justice of  
the Peace

Stephen William Porter





IN THE GRAND COURT OF THE CAYMAN ISLANDS

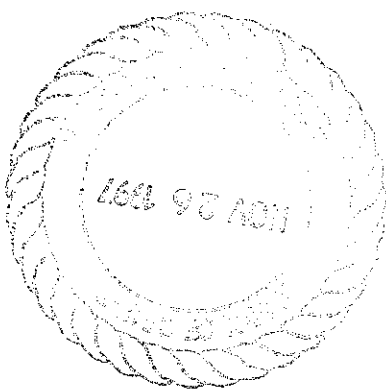
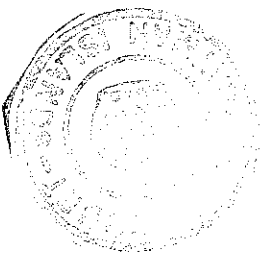
HOLDEN AT GEORGE TOWN, GRAND CAYMAN

CAUSE NO: OF 1997

This is the exhibit "SWP 1" to the affidavit of Stephen William Porter sworn before me this 26<sup>th</sup> day of Nov. 1997

*Stephen W. Porter*

Clerk of the Court/Justice  
of the Peace





THIRD SCHEDULE

CAYMAN ISLANDS

The Registered Land Law, 1971

CHARGE

REGISTRATION SECTION

BLOCK

PARCEL

George Town East

20 D

80

I/MYE

NOEL L. WEBB

HEREBY CHARGE my/our interest in the above mentioned title or the charge shown as entry number... in the number of section of the register relating to the above mentioned

to EURO BANK CORPORATION to secure the payment

of P.O, BOX 1792, GEORGE TOWN, GRAND CAYMAN.

of the principal sum of Ninety Thousand United States Dollars (US\$90,000.00).

with interest at the rate of 3% over the Citibank New York Prime Rate payable as specified in the attached Schedules

, Subject to section 67 of the above law, unless hereby negated, modified or added to. (Here set forth any variation, or make reference to an attached document) and subject to the terms and conditions in the attached Schedules.

The principal sum shall be repaid on the

DEMAND

together with

any interest then due. And I/WE the above named Chargor(s) hereby acknowledge that we understand the effect of section 72 of the Registered Land Law, 1971.

dated this 16 day of September 1994

Signed by the Chargor Noel L. Webb

EURO BANK CORPORATION

Signed by the Chargee

in the presence of: in the presence of:

P/A 271/93

FOR OFFICIAL USE ONLY

I, the Registrar of Lands in the Cayman Islands hereby certify that this document was received by me for registration on the day of 1994 and that stamp duty assessed/indicated by me/ Treasury at C\$ 10.00 and Land Registry fees at C\$ 10.00 relating thereto have been paid.



REGISTRAR OF LANDS CAYMAN ISLANDS

REGISTERED DAY OF 1994

1994

INSTRUMENT NO.

RETURN TO TRUMAN BODDEN & CO.

208 1

CERTIFICATE OF IDENTIFICATION

NOEL T. WEBB

Name

I HEREBY CERTIFY that the above named person appeared before me on the 16th day of September 1994 and being identified by (or being known to me) acknowledged the above signature or mark to be his/theirs and that he/they had freely and voluntarily executed this instrument and understood its contents.

*NOEL T. WEBB*

Signature and designation of the person certifying

CERTIFICATE OF IDENTIFICATION

EURO BANK CORPORATION BY

Name

I HEREBY CERTIFY that the above named persons appeared before me on the day of September 1994 and being identified by (or being known to me) acknowledged the above signature or mark to be his/theirs and that he/they had freely and voluntarily executed this instrument and understood its contents.

CERTIFICATE OF IDENTIFICATION

Name

I HEREBY CERTIFY that the above named appeared before me on the day of 19 and being identified by (or being known to me) acknowledged the above signature or mark to be his/theirs and that he/they had freely and voluntarily executed this instrument and understood its contents.

Signature and designation of the person certifying

CERTIFICATE OF IDENTIFICATION

Name

I HEREBY CERTIFY that the above named appeared before me on the day of 19 and being identified by (or being known to me) acknowledged the above signature or mark to be his/theirs and that he/they had freely and voluntarily executed this instrument and understood its contents.

Signature and designation of the person certifying



*Handwritten signature or initials.*

- (a) that this Charge contains an agreement that the chargor shall not create or purport or attempt to create any charge, encumbrance or mortgage which will rank pari passu with or in priority to or second or subsidiary to this Charge (or act in any way which shall have the effect of diminishing or decreasing the value of the security of this Charge) without first obtaining the prior written consent of the Chargee.
  - (b) that the right to consolidate this Charge with any other Charges is expressly reserved to the Chargee.
  - (c) that the right to make further advances or give credit to the chargor on a current or continuing account and to tack, and to rank in priority to any subsequent charge is an express provision of this Charge.
  - (d) that this Charge contains an agreement that the chargor shall not create or purport or attempt to create any charge, encumbrance or mortgage which will rank pari passu with or in priority to or second or subsidiary to this Charge (or act in any way which shall have the effect of diminishing or decreasing the value of the security of this Charge) without first obtaining the prior written consent of the Chargee.
- (1) TO REGISTER this Charge in favour of the Chargee.
- (2) TO ENTER A NOTE IN THE REGISTER:-
- (a) that this Charge contains an express agreement by the chargor with the Chargee that the chargor will not, without the prior consent in writing of the Chargee (such consent not to be unreasonably withheld), transfer, assign, charge, mortgage, lease or sublease or agree to do any such thing or otherwise part with the possession of the whole or any part of the Charged Property nor accept nor agree to accept the surrender of any lease or tenancy thereof.
  - (b) that the right to consolidate this Charge with any other Charges is expressly reserved to the Chargee.
  - (c) that the right to make further advances or give credit to the chargor on a current or continuing account and to tack, and to rank in priority to any subsequent charge is an express provision of this Charge.
  - (d) that this Charge contains an agreement that the chargor shall not create or purport or attempt to create any charge, encumbrance or mortgage which will rank pari passu with or in priority to or second or subsidiary to this Charge (or act in any way which shall have the effect of diminishing or decreasing the value of the security of this Charge) without first obtaining the prior written consent of the Chargee.

APPLICATION is hereby made to the Registrar of Lands pursuant to the Registered Land Law 1971:

FIRST SCHEDULE  
CHARGE





The Chargor hereby covenants to repay to the Chargee, on demand by the Chargee, the balance of the Principal Sum owing at the time of the demand, together with any interest then due, subject to the provisions herein contained.

The interest payable, free of any and all withholding taxes, on the Principal Sum and upon any further advances or further credit given shall be three per cent per annum over the Citibank, New York Prime Rate as determined by the Chargee from time to time such rate to be calculated on the date on which the Principal Sum is drawn and adjusted periodically in accordance with the Chargee's policy from time to time.

The Principal Sum shall be and comprise all such sums of monies as now or as shall from time to time (whether on or at any time after demand) be owing to the Chargee in respect of the facilities advanced to the Chargor from time to time by the Chargee up to a maximum of Ninety Thousand United States Dollars (US\$90,000) or its equivalent in any other currency or currencies or a combination of currencies (the "Principal Sum") together with interest (as well after as before any judgment) at the rate hereinafter specified.

In consideration of Euro Bank Corporation a Company incorporated and existing under the Laws of the Cayman Islands and having its Registered Office at P.O. Box 1792, George Town, Grand Cayman, Cayman Islands (the "Chargee") granting, to NOEL L. WEBB of 20805 S.W. 85 Ct. Miami Florida 33189 (the "Chargor") facilities (the "Facilities") for loans and/or overdrafts and other banking accommodation as may be agreed by the Chargee from time to time and continuing to give time for payment of the facilities and/or further time and facilities, I, the Chargor, as beneficial owner, hereby charge my freehold interest in and the land and building comprised in the abovementioned title to secure the payment to the Chargee of the Principal Sum as hereinafter stated.

REGISTRATION SECTION  
BLOCK  
PARCEL  
CHARGE  
20D  
80  
GEORGE TOWN EAST

THE REGISTERED LAND LAW, 1971

CAYMAN ISLANDS

SECOND SCHEDULE





W W  
f

5. Until the Chargee makes a demand for repayment of the balance of the Principal Sum, the Chargor hereby covenants to make monthly repayments of the Principal Sum based on a 10 year term amortisation programme and the first monthly instalment shall be made on the first day of the month following the month in which the loan now being offered is drawn. All monies received during the period of the loan will be applied firstly in payment of interest with any remaining balance being applied in reduction of the Principal Sum.
6. The Chargor shall be at liberty at any time during the continuance of this security, by giving at least three months notice or by paying three months interest on the balance of the Principal Sum then due in lieu of such notice, to repay the whole or any part (in tranches of at least US\$ ) of the Principal Sum and interest then outstanding together with any other monies due.
7. And the Chargor hereby acknowledges that he understands the effect of Section 72 of the Registered Land Law, 1971.





That the Chargor shall punctually pay all premiums and every sum from time to time payable under the said policy of insurance and shall produce to the Chargee on demand the receipt for such payments and shall do everything necessary to maintain the said policy of insurance in full effect and will not do

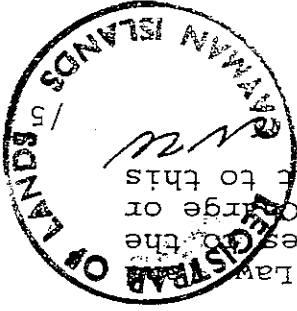
(b)

discharge for such moneys. all moneys under the said policy and giving a agent of the Chargor for the purposes of receiving the Chargee hereby irrevocably appoints the Chargee the principal money secured by this Charge. The be deemed for all purposes to be part of the principal money and that thereupon the amount shall Law spend such money as is necessary to remedy the Chargee may pursuant to Section 67 (j) of the said fails to comply with the covenants to insure the Section 80 of the said Law and where the Chargor been executed have been discharged pursuant to Charge and all instruments of variation as may have thereunder until the Chargee's interest under this that no payment is to be made to the Chargor free from average such policy of insurance stating insurance as the Chargee may in writing require and insurable value thereof or such other sum of Chargee from time to time may require to the full foregoing, such other hazards or risks as the and, without limiting the generality of the lightning, cyclone, tornado, windstorm, flooding, earthquake, riot, strike, public liabilities, Chargee against loss or damage by fire, hurricane, nominated or approved from time to time by the Chargee through a reputable insurance office Chargor or as otherwise directed in writing by the course of erection comprised in the Charged Property insured in the names of the Chargee and fittings for the time being erected or in the thereof keep the buildings, erections, fixtures and money remains owing on this Charge or any variation instead thereof the Chargor shall so long as any variation executed pursuant to this Charge and not apply to this Charge nor to any instrument of Law 1971 (hereinafter called the said Law) shall Subsection (d) of Section 67 of the Registered Land

IT IS HEREBY FURTHER AGREED and the Chargor and the Chargee hereby respectively COVENANT with each other as follows:-

THIRD SCHEDULE





Subsection (c) of Section 67 of the said Law shall not apply to any instrument of variation executed pursuant to this subsection (c) shall not apply to this Charge or to any instrument of variation executed pursuant to this

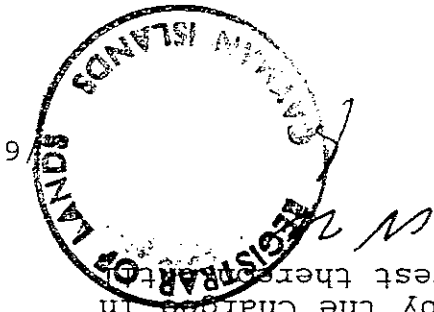
Subsections (f) and (g) of Section 67 of the said Law shall not apply to this Charge nor to any instrument of variation executed pursuant to this Charge and instead thereof the Chargor shall not during the continuance of this Charge, without the prior consent in writing of the Chargee (such consent not to be unreasonably withheld), transfer, assign, charge, mortgage, lease or sub-lease or agree to do any such thing or otherwise part with the possession of the whole or any part of the Charged Property nor agree to accept a surrender of any lease or tenancy of the Charged Property or any part thereof and in the event of the Chargee giving consent to lease or let the Charged Property 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 upon receipt of a notice in writing from the Chargee notifying the lessee or tenant that the Chargor is in default hereunder or is in breach of any covenant contained herein and on his part to be performed and observed.

(d) Except as hereinbefore provided the Chargor shall not without the prior written consent of the Chargee (or at the Chargee's request and directions) effect or keep on foot any insurance policy in respect of the buildings, erections, fixtures and fittings from time to time on the Charged Property.

(c) It is hereby agreed and declared that all moneys received under or by virtue of any insurance as aforesaid whether received by the Chargor, the Chargee or any receiver appointed by the Chargee (notwithstanding the provisions of Section 73 (7) of the said Law) shall be forthwith applied in or towards substantially rebuilding, reinstating or repairing the buildings or erections destroyed or damaged.

anything whereby the said policy of insurance will or may be vitiated and shall on demand deliver to the Chargee the policy or policies of such insurance or other proper evidence of the subsistence thereof and also on demand shall deliver to the Chargee the receipt for or other sufficient evidence of payment of every sum payable as aforesaid.





Charge and instead thereof the Chargor shall keep the Charged Property, and all such buildings or erections as may become for the time being subject hereto, in good and substantial repair and condition and permit the Chargee and the agents of the Chargee at all reasonable times and without any further consent to enter into and upon the Charged Property and inspect the same and view the state thereof and upon receipt by the Chargor of notice in writing from the Chargee, the Chargor shall immediately remedy, restore, repair, alter and make good all such defects, decays, wants of reparation, alterations and upkeep of the Charged Property and the said buildings and erections and the gates, walls and fences on the Charged Property as the Chargee may require and if the Chargor shall neglect to do so the Chargee may enter upon the Charged Property with or without workmen or others from time to time in order to repair and keep in repair the same and without thereby becoming liable as a Chargee in possession and that the expenses of so doing shall be repaid by the Chargor to the Chargee on demand and in the meantime shall be added to the Principal Sum and bear interest accordingly.

4. The Chargor shall not 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 or act in any way which shall have the effect of diminishing or decreasing the value of the security of this Charge without first obtaining the prior written consent of the Chargee.

5. The Chargor shall not without the written consent of the Chargee first had and obtained make or permit or suffer to be made or permitted any material alteration, change or addition whatsoever in or to the Charged Property or the use thereof.

6. The Chargor hereby covenants with the Chargee that, during the continuance of this Charge, the Chargor will perform and observe all the covenants, stipulations and restrictions as to building on, or use or enjoyment of, the Charged Property or any part thereof, and will keep the Chargee indemnified from and against all actions, proceedings, costs, damages, expenses and claims on account of any breach of any such covenants, stipulations or restrictions and the Chargor hereby charges the Charged Property with the repayment to the Chargee of all expenses, damages and costs incurred by the Chargee in relation to any such breach with interest thereon at the rate of payment at the aforementioned rate.





*Y*  
*MS*

In the event that the Chargor shall fail to discharge all monies and liabilities in full in accordance with the terms hereof or in the event that the Chargor shall be in breach of any of the Chargor's covenants or obligations herein contained whether express or implied or in the event that the Chargor commits any act of bankruptcy or makes any assignment or 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 in writing by the chargee) or suffers the appointment of a receiver over any part of the Chargor's assets then in any such event the whole of the Principal Sum and all interest thereon and any other sums owing hereunder to the chargee shall become immediately due and payable and the provisions of Sections 72 to 75 of the said Law shall apply subject to the modifications hereinafter set forth:-

- (1) the power of sale and of appointing a receiver and any other remedies available to the chargee shall become immediately exercisable without further notice;
- (2) in the event that the chargee does appoint a receiver the chargee shall be entitled to exercise its power of sale at any time thereafter without further notice;
- (3) upon the exercise of the chargee's power of sale the chargee shall have the right and power to sell the Charged Property by private treaty or by public auction or part in one way and part the other;
- (4) wherever there is a reference in Section 73 (6) of the said Law to "five per cent" this shall be read as "ten per cent". PROVIDED ALWAYS and it is hereby expressly declared and agreed that in any case where any such modification, variation or addition of the said Law (or any other modification, variation or addition provided for in this charge) shall require the sanction or order of the court (and specifically the order of the court required under Section 77 of the said Law) the chargee shall have the right at its option to waive any modification where it is in favour of the chargee to do so or to seek the sanction or order of the court thereto and should the chargee fail to obtain the sanction or order 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 said Law shall apply without modification.





12. The Chargor shall pay the fees, expenses and disbursements of the chargee and the lawyers, servants or agents of the chargee of and in connection with any inspection and valuation of the charged Property, the examination of the title thereto and preparation of the

11. This Charge shall at the Chargor's expense be stamped in the first instance with stamp duty to cover the Principal Sum but the Chargee shall be at liberty and is hereby empowered at any time or times hereafter (without any further licence or consent on the part of the Chargor) to affix additional stamp duty hereon at the Chargor's expense to cover any sum or sums by which the Chargor's indebtedness to the Chargee may exceed the Principal Sum and in the event of such upstamping as aforesaid the Chargor hereby covenants and agrees with the Chargee that the Charged Property and all other security hereunder shall stand security for such additional sum or sums and be charged with the payment thereof and all other monies due hereunder on the same terms and conditions of this Charge and the Chargor agrees to execute such instrument of variation of this Charge as the Chargee may require to increase the Principal Sum of this Charge.

10. The Chargee shall be entitled to apply all or any moneys received by the Chargee from the Chargor or any person or persons liable to pay the same on account of the Chargor to any account of the Chargor with the Chargee to which the same may be applicable.

9. This Charge shall constitute and be a continuing security to the Chargee notwithstanding any settlement of account or other matter or thing whatsoever and shall be in addition to and shall not operate so as in any way to prejudice any equitable charge or affect the security created by any deposit which may have already been made with the Chargee of the title deeds and documents relating to the Charged Property or to any other property or any other security or held for or in respect of the moneys hereby secured or any part thereof.

8. The right contained in Section 82 of the said Law to consolidate this Charge with any other charge is hereby expressly reserved in this Charge and it is hereby provided in this Charge for the Chargee to make further advances or give credit to the Chargor on a current or continuing account and to rank in priority to any subsequent charge and the right to tack and rank in priority to any subsequent charge in respect of further advances made to the Chargor provided for in Section 81 of the said Law is expressly reserved to the Chargee.





Charge and for the protection and enforcement from time to time of the Chargee's rights (including all actions and proceedings) hereunder together with the stamp duty and registration and filing fees now or hereafter payable on this Charge and any instrument of variation executed pursuant to this Charge.

13. This Charge is in addition to and not in substitution for any other security held by the Chargee for all or any part of the money secured hereunder and it is understood and agreed that the Chargee may pursue the remedies of the Chargee hereunder or thereunder concurrently or successively at the option of the Chargee and any judgment or recovery hereunder or under any other security held by the Chargee for the moneys secured hereunder shall not affect the right of the Chargee to realise upon this or any other such security.

14. This Charge and the title to the Charged Property are not assignable or transferable by the Chargee without the prior written consent of the Chargee. The Chargee may at any time transfer and assign the benefit of this Charge without the consent of the Chargee.

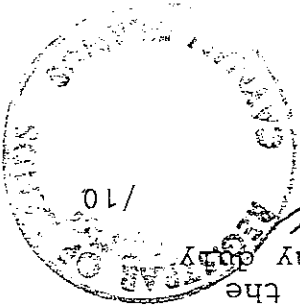
15. All erections and improvements fixed or otherwise now on or hereafter put upon the Charged Property shall in addition to other fixtures thereon be and become fixtures on or to the Charged Property and liable as such for all moneys payable hereunder.

16. No neglect, omission or forbearance on the part of the Chargee to take advantage of or enforce any right arising out of any breach, non-observance or non-performance of any covenant, stipulation or condition herein contained or by law implied nor the giving of time to the Chargee shall be deemed to operate as a general waiver of such covenant, stipulation or condition or to the right to take advantage thereof either original or recurring or shall in any way affect or prejudice any of the rights of the Chargee against the Chargee or any other person liable for the payment of all or any moneys hereby secured.

17. Any notice required to be given to or served on the Chargee or the Chargee under these presents shall be in writing and be deemed to be sufficiently given by personal service at the Charged Property or at the Chargee's place of business or if posted shall be deemed to be sufficiently given to and served respectively twenty four (24) hours after the time of posting if posted in the Cayman Islands by registered post and addressed to the Chargee or to the Chargee at the

2





- respective addresses hereinbefore written.
18. The taking of a judgment or judgments on any covenant 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 at the times herein set forth and the said judgment shall provide that interest thereon shall be computed at the same rate and in the same manner as herein provided until the said judgment shall have been fully paid and satisfied.
19. In this charge where the chargee or chargee comprise two or more persons or corporations all covenants and agreements on the chargee's or chargee's behalf expressed or implied herein shall be deemed to be made and entered into by such persons or corporations jointly and severally.
20. (a) The Chargee shall be at liberty from time to time to give time for payment of any bill or bills of exchange, promissory note or promissory notes or other security or securities which may have been discounted for or received on account of the Chargee by the Chargee or on which the Chargee shall or may be liable as drawer or endorser or otherwise to any party or parties liable thereon or thereto as the Chargee shall in the discretion of the Chargee think fit and may vary any credit to any person from whom the Chargee may be or become surety to the Chargee and vary release and exchange any securities held or to be held by the Chargee in such last mentioned matter without in any manner releasing the Chargee or affecting the security of this Chargee.
- (b) The Chargee shall on receiving notice that the Chargee has encumbered or disposed of the Charged Property or any part thereof or committed any breach of the provisions hereof in addition to any other remedies which may be available to the Chargee be entitled to close the Chargee's then current account or accounts and to open a new account or accounts with the Chargee and (without prejudice to any rights of the Chargee to combine accounts) no money paid in or carried to the Chargee's credit in any such new account shall be appropriated towards or have the effect of discharging any part of the amount due to the Chargee on any such closed account.
21. The Chargee, if a company, hereby represents to the Chargee and warrants that the Chargee is a company





- (a) The singular number only shall include the plural number and vice versa;
- (b) The masculine gender only shall include the feminine gender and vice versa;
- (c) The neuter gender only shall include the masculine gender and the feminine gender and vice versa;
- (d) Person shall include corporation; and
- (e) The "Chargor" includes persons deriving title under the Chargor or entitled to redeem this Charge; and the "Chargee" shall include persons deriving title under the Charge; and the "Charged Property" means the land described in the land registry title at the

*Handwritten initials: J and MM*

22. The Chargor covenants that the Chargor will, on demand, both before and after the security constituted hereby has become enforceable, 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, deeds and things and provide all information as the Chargor may reasonably require 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 form required by the Chargee in favour of the Chargee to enable the Chargee to register the same in the register of powers of attorney at the expense of the Chargor 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.

23. In this Charge where the context so admits:-

(a) The singular number only shall include the plural number and vice versa;

(b) The masculine gender only shall include the feminine gender and vice versa;

(c) The neuter gender only shall include the masculine gender and the feminine gender and vice versa;

(d) Person shall include corporation; and

(e) The "Chargor" includes persons deriving title under the Chargor or entitled to redeem this Charge; and the "Chargee" shall include persons deriving title under the Charge; and the "Charged Property" means the land described in the land registry title at the

22. The Chargor covenants that the Chargor will, on demand, both before and after the security constituted hereby has become enforceable, 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, deeds and things and provide all information as the Chargor may reasonably require 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 form required by the Chargee in favour of the Chargee to enable the Chargee to register the same in the register of powers of attorney at the expense of the Registrar of Lands to file a copy thereof certified by the Registrar of Lands in the file of powers of attorney.





*JMS*

24. This charge shall be governed and construed solely according to the Laws of the Cayman Islands.

head of Schedule Two hereof, the subject of this Charge (or any part or parts thereof) and all buildings, erections, fixtures and fittings now or from time to time situate thereon or on any part or parts thereof; and "this charge" includes any variation executed pursuant to this Charge.



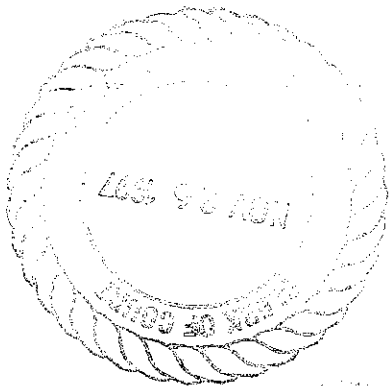
IN THE GRAND COURT OF THE CAYMAN ISLANDS

HOLDEN AT GEORGE TOWN, GRAND CAYMAN

CAUSE NO: OF 1997

This is the exhibit "SWP 2" to the affidavit of Stephen William Porter sworn before me this 26<sup>th</sup> day of Nov. 1997

*John W. ...*  
Clerk of the Court/Justice  
of the Peace





8 of 2

INSTRUMENT NO.

816 195

The Registered Land Law, 1971

VARIATION OF CHARGE

REGISTRATION SECTION BLOCK PARCEL

George Town East

20D

80

X/WE NOEL L. WEBB of 20805 S.W. 85 CT. Miami, Florida 33189, United States of America

AND: EURO BANK CORPORATION

OF: P.O. Box 1792, George Town, Grand Cayman

HEREBY VARY THE CHARGE ENTERED IN THE INCUMBRANCE SECTION AS ENTRY NO 2 & 3 IN THE FOLLOWING MANNER, IN ACCORDANCE WITH (SECTION 69 of the R.L.L. 1971):

- \* (1) The Principal sum is One Hundred Thousand Seven Hundred and Fourteen United States Dollars and Twenty Nine Cents (US \$100,714.29) Increased from US \$90,000.00
- \* (2) The Interest Rate
- \* (3) The Method of Repayment
- \* (4) The Term of the Charge

dated this 9<sup>th</sup> day of February 1995

NOEL L. WEBB

*Noel L. Webb*

Signed by the Chargor

For: EURO BANK CORPORATION

Signed by the Chargee:

*[Signature]*

In the presence of:

\* Delete if not applicable. P/A 271/93

FOR OFFICIAL USE ONLY

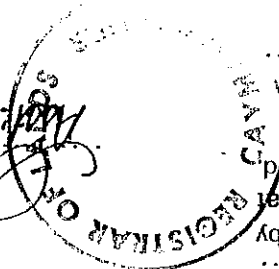
# 120194

I, the Registrar of Lands in the Cayman Islands hereby certify that this document was received by me for registration on the day of February 1995

and that stamp duly assessed/adjusted by me/Treasury at C\$ 89.30 and Land Registry fees at C\$ 10.00 relating thereto have been paid

*[Signature]*  
REGISTRAR OF LANDS

REGISTRAR OF LANDS  
CAYMAN ISLANDS



REGISTERED THIS 13 DAY OF February 1995

CERTIFICATE OF IDENTIFICATION

NOEL L. WEBB

Name .....

I HEREBY CERTIFY that the above named PERSON

appeared before me on the 9 day of FEB 19 95 and

being identified by SPERRY (or being known to me)

acknowledged the above signature or mark his/theirs and that he/they had freely and

voluntarily executed this instrument and understood its contents.

Signature and designation of the person certifying.....

For: EURO BANK CORPORATION

Name .....

*Sam Perry & A. G. Banks*

I HEREBY CERTIFY that the above named PERSONS

appeared before me on the ..... day of ..... 19 .....

being identified by ..... (or being known to me)

acknowledged the above signature or mark his/theirs and that he/they had freely and

voluntarily executed this instrument and understood its contents.

P/A 271/93

Signature and designation of the person certifying.....

Name .....

I HEREBY CERTIFY that the above named

appeared before me on the ..... day of ..... 19 .....

being identified by ..... (or being known to me)

acknowledged the above signature or mark his/theirs and that he/they had freely and

voluntarily executed this instrument and understood its contents.

Name .....

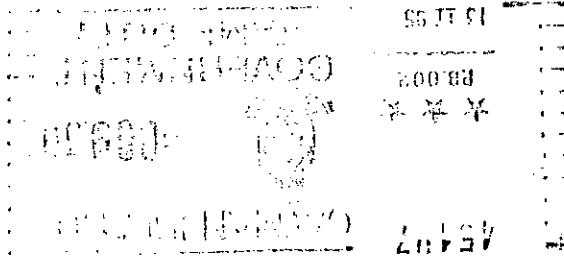
Signature and designation of the person certifying.....

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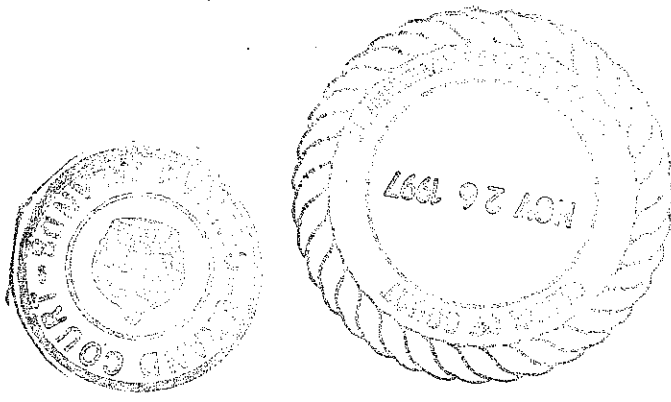


..... and  
19 .....

..... (or being known to me)

at he/they had freely and

Signature and designation of the person certifying.....



*[Handwritten Signature]*  
Clerk of the Court/Justice  
of the Peace

This is the exhibit "SWP 3" to the affidavit of Stephen William Porter sworn before me this 26<sup>th</sup> day of November 1997

IN THE GRAND COURT OF THE CAYMAN ISLANDS  
HOLDEN AT GEORGE TOWN, GRAND CAYMAN  
CAUSE NO: 796 OF 1997



P.O. BOX 945, GRAND CAYMAN  
CAYMAN ISLANDS, B.W.I.  
PHONE: (345) 949-8599  
CABLE: GILLAW  
(345) 949-4451  
TELEX: 4200-GILLAW CP  
FAX: (345) 949-7071  
E MAIL: GILLAW@Candw.KY

BY REGISTERED MAIL  
& RETURN RECEIPT

C.S. GILL  
ATTORNEY-AT-LAW (CAYMAN ISLANDS)  
BARRISTER-AT-LAW (ENGLAND), M.A.L.T.  
NOTARY PUBLIC  
ASSOCIATES:  
STEVEN J. BARRIE, LL.B. (DUNDEE) DIP. L.P. (EDINBURGH)  
SOLICITOR (SCOTLAND)  
STEVEN A. ROY, LL.B. (HONS)  
SOLICITOR (ENGLAND & WALES)  
ATTORNEY-AT-LAW (CAYMAN ISLANDS)  
STEPHEN W. PORTER B.A. (OXON), B.C.L.  
SOLICITOR (ENGLAND & WALES)  
ATTORNEY-AT-LAW (CAYMAN ISLANDS)  
ATTORNEY-AT-LAW (CAYMAN ISLANDS)

28th October 1997

N.L. Webb, Esq.  
20805 S.W. 85th Court  
Miami  
Florida 33189  
U.S.A.

Dear Sir,

Re: Euro Bank Corporation - Loan A/c No. 32096  
George Town East Block 20D Parcel 80

We act for Euro Bank Corporation who are the registered proprietors of a charge entered into by yourself over the above mentioned parcel of land.  
We are instructed by Euro Bank Corporation that the amount outstanding under the charge as of the 30th September 1997 is US\$99,252.15. We are instructed that you are in default of payment of principal and interest and that interest continues to accrue on the above.

Please be advised that we hereby give you formal notice of demand pursuant to the registered charge and Section 64(2) of the Registered Land Law (Revised) for the immediate payment of the principal and interest as aforesaid together with any additional interest accrued to the actual date of payment.

Failure to comply with this notice and demand will entitle Euro Bank Corporation at its option to exercise its rights under the charge and the Registered Land Law (Revised).

Yours faithfully,  
C.S. GILL & CO.



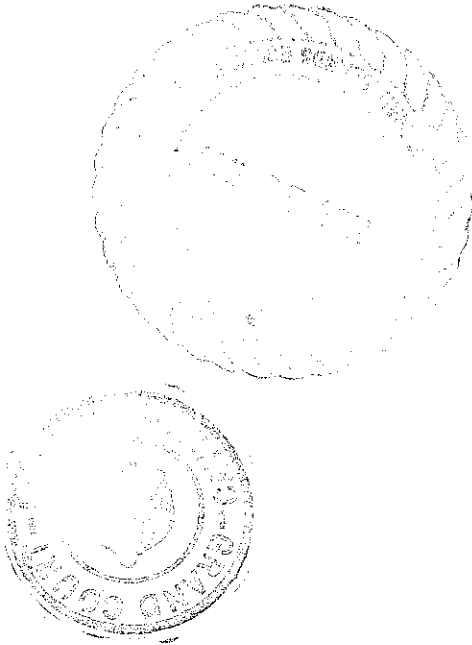
Stephen W. Porter  
SWP/lmp  
Webb.28

C.S. GILL & CO.

ATTORNEYS-AT-LAW

8/23





Clerk of the Court/Justice  
of the Peace

*Alfred Brown*

This is the exhibit "SWP 4" to the affidavit of Stephen William  
Porter sworn before me this 26<sup>th</sup> day of November 1997

IN THE GRAND COURT OF THE CAYMAN ISLANDS  
HOLDEN AT GEORGE TOWN, GRAND CAYMAN  
CAUSE NO: 796 OF 1997



Notary Public

) \_\_\_\_\_  
 ) *[Signature]*  
 )  
 ) NOVEMBER 14 1997  
 ) before me:  
 ) Grand Cayman, this 14 day of  
 )  
 ) SWORN at George Town,

\_\_\_\_\_  
*[Signature]*

I, SANFORD M. PERRY OF EURO BANK CORPORATION, P.O. Box 1792, George Town, Grand Cayman, MAKE OATH and say as follows:-  
 1. I am an Assistant Manager in the employ of Euro Bank Corporation.  
 2. At approximately 3:10 p.m. on Wednesday the 12th November 1997, at George Town, Grand Cayman, I personally served defendant Noel L. Webb (who was known to me) with a true copy of the notice and demand dated 28th October 1997 in this matter.

AFFIDAVIT OF SERVICE

AND: NOEL L. WEBB DEFENDANT  
 BETWEEN: EURO BANK CORPORATION PLAINTIFF

IN THE GRAND COURT OF THE CAYMAN ISLANDS  
 CAUSE NO. *796/97*

Deponent: Sanford M. Perry  
 Sworn on behalf of the Plaintiff  
 Affidavit No:  
 Sworn on: One November 1997



# C.S. GILL & CO.

ATTORNEYS-AT-LAW

P. O. BOX 945, GRAND CAYMAN  
CAYMAN ISLANDS, B.W.I.  
PHONE: (345) 949-8599  
CABLE: GILLAW (345) 949-4451  
TELEFAX: 4200-GILLAW CP (345) 949-7071  
FAX: (345) 949-7071  
E MAIL: GILLAW@CandW.KY

C.S. GILL  
ATTORNEY-AT-LAW (CAYMAN ISLANDS)  
BARRISTER-AT-LAW (ENGLAND), M.A.L.T.  
NOTARY PUBLIC  
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SOLICITOR (SCOTLAND)  
ATTORNEY-AT-LAW (CAYMAN ISLANDS)  
STEVEN A. ROY, LL.B. (HONGKONG)  
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ATTORNEY-AT-LAW (CAYMAN ISLANDS)  
STEPHEN W. PORTER B.A. (OXON), B.C.L.  
SOLICITOR (ENGLAND & WALES)  
ATTORNEY-AT-LAW (CAYMAN ISLANDS)

28th October 1997

BY REGISTERED MAIL  
& RETURN RECEIPT

N.T. Webb, Esq.  
20805 S.W. 85th Court  
Miami  
Florida 33189  
U.S.A.

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Yours faithfully,  
C.S. GILL & CO.

*[Signature]*  
Stephen W. Porter  
SWP/lmp  
Webb.28

*[Handwritten signature]*  
12/11/97  
3:10 pm

